

## THE BOARD



**Collège de Champier**  
Lyon, France  
**Light, Air + Water**  
Solarfin

## Leadership and Experience

## NON-EXECUTIVE CHAIRMAN

### Jost Massenberg

(Age 67)  
Germany  
Independent



**Jost Massenberg was appointed to the Board in February 2018 and was appointed as non-executive Chairman of Kingspan in 2021.**

**Key strengths:** Jost brings extensive board level experience, including at chairman and chief executive level, and has a wealth of industry experience in European steel and major manufacturing businesses. His in-depth knowledge of the steel industry and its workings furnish him with a keen understanding of the sector and challenges being addressed by Kingspan in decarbonising its supply chain.

**Previous relevant experience:** Jost is the former Chairman of VTG Aktiengesellschaft and former Chief Executive Officer of Benteler Distribution International GmbH. Prior to that he was the Chief Sales Officer and a member of the executive board of ThyssenKrupp Steel Europe AG.

**Qualifications:** PhD Business Admin.

## CHIEF EXECUTIVE OFFICER

### Gene Murtagh

(Age 52)  
Ireland

**Gene Murtagh is the Group Chief Executive Officer. He was appointed to the Board in November 1999.**

**Key strengths:** Gene has extensive experience across 30 years with Kingspan at operational and leadership levels. His deep knowledge of all of the Group's businesses and the wider construction materials industry brings valuable insight to lead the Group's strategy and to advance our strategic pillars of Innovation, Planet Passionate, Completing the Envelope and Global.

**Previous Kingspan roles:** Gene joined the Group in 1993 and was appointed Chief Executive Officer in 2005. He was previously the Chief Operating Officer from 2003 to 2005. Prior to that he was Managing Director of the Group's Insulated Panels and the Water + Energy businesses.

## EXECUTIVE DIRECTORS

### Geoff Doherty

(Age 52)  
Ireland

**Geoff Doherty is the Group Chief Financial Officer. He joined the Group and was appointed to the Board in January 2011.**

**Key strengths:** Geoff is a qualified chartered accountant and brings extensive experience of capital markets and financial management in an international manufacturing environment. He oversees compliance of the Group's financial controls and cyber security programmes. Geoff was appointed as Chair of the Audit Committee at Ryanair Holdings plc in September 2023.

**Previous relevant experience:** Prior to joining Kingspan, Geoff was the Chief Financial Officer of Greencore Group plc and Chief Executive Officer of its property and agribusiness activities.

**Principal external appointments:** Non-executive director of Ryanair Holdings plc.

### Russell Shiels

(Age 62)  
United States of America

**Russell Shiels is President of Kingspan's Insulated Panels business in the Americas as well as Kingspan's Data + Flooring business globally. He was appointed to the Board in December 1996.**

**Key strengths:** Russell brings to the Board his particular knowledge of the building envelope market in the Americas, as well as his deep understanding of the global office and data centre market.

**Previous Kingspan roles:** Russell has experience in many of the Group's key businesses, and was previously Managing Director of Kingspan's Building Components and Raised Access Floors businesses in Europe.

Board Committees: Audit & Compliance Nominations & Governance Remuneration Chair

## EXECUTIVE DIRECTORS

### Gilbert McCarthy

(Age 52)  
Ireland

**Gilbert McCarthy is Managing Director of Kingspan's Insulated Panels businesses in Western Europe, Asia and Australasia. He was appointed to the Board in September 2011.**

**Key strengths:** Gilbert brings to the Board his extensive knowledge of the building envelope industry, in particular in Western Europe and Australasia.

**Previous Kingspan roles:** Gilbert joined Kingspan in 1998 and has held a number of senior management positions including Managing Director of the Off-Site division and General Manager of the Insulation business.

## NON-EXECUTIVE DIRECTORS

### Linda Hickey

(Age 62)  
Ireland  
Independent

**R N**

**Linda Hickey was appointed to the Board in June 2013 and is the Senior Independent Director and the Workforce Engagement Director.**

**Key strengths:** Linda's considerable knowledge and experience of capital markets and corporate governance provide important insights to the Board. In addition, she brings experience relating to environmental, social and governance matters from her other board level positions to draw from as Senior Independent Director.

**Previous relevant experience:** Linda was previously the Head of Corporate Broking at Goodbody Capital Markets where she worked closely with multi-national corporates and the investor community. Prior to that Linda worked at NCB Stockbrokers in Dublin and Merrill Lynch in New York. She also previously served as Chair of the Irish Blood Transfusion Service.

**Qualifications:** B.B.S.

**Principal external appointments:** Non-executive director of Cairn Homes plc and Greencore Group plc.

### Anne Heraty

(Age 63)  
Ireland  
Independent

**A N**

**Anne Heraty was appointed to the Board in August 2019.**

**Key strengths:** Anne brings a wealth of experience from a career in running an international business and from her current role on the Board of Ibec. As former Chief Executive Officer of Ireland's largest recruitment and outsourcing company, Anne has unparalleled experience of talent development and retention strategies. Anne also brings insights from her position on the sustainability committee of Outsourcing Inc.

**Previous relevant experience:** Anne is the founder and former Chief Executive Officer of Cpl Resources Limited (formerly Cpl Resources plc). She previously held a number of other public and private non-executive directorships.

**Qualifications:** B.A. in Mathematics & Economics.

**Principal external appointments:** Non-executive director of Ibec, Outsourcing Inc. and Cpl Resources Limited.

### Éimear Moloney

(Age 53)  
Ireland  
Independent

**A R**

**Éimear Moloney was appointed to the Board in April 2021.**

**Key strengths:** Éimear has excellent knowledge and experience of capital markets and asset management. She has extensive financial and board governance experience as a fellow of the Institute of Chartered Accountants in Ireland, and a fellow of the Institute of Directors in Ireland. She also brings valued compliance experience from the pharmaceutical manufacturing environment to the Board and the Audit & Compliance Committee.

**Previous relevant experience:** Éimear was previously a senior investment manager in Zurich Life Assurance (Irl) plc.

**Qualifications:** B.A. Accounting & Finance, MSc. Investment and Treasury.

**Principal external appointments:** Non-executive director of Hostelworld Group plc, Irish Continental Group plc and Chanelle Pharma.

Board Committees: **A** Audit & Compliance **N** Nominations & Governance **R** Remuneration **■** Chair

## NON-EXECUTIVE DIRECTORS

### Paul Murtagh

(Age 50)

United States of America

**Paul Murtagh was appointed to the Board in April 2021.**

**Key strengths:** Paul is the Chairman and Chief Executive Officer of Tibidabo Scientific Industries Limited and previously worked in investment banking at Merrill Lynch in New York and Sydney. He brings to the Board his excellent understanding of US industry and his significant experience in building successful global businesses.

**Previous relevant experience:** Paul was formerly the Chairman and Chief Executive Officer of Faxitron Bioptics LLC and Chairman of Deerland Probiotics & Enzymes Inc.

**Qualifications:** B. Comm International.

**Principal external appointments:** Non-executive director in a number of private companies.

### Senan Murphy

(Age 55)

Ireland

Independent

A

**Senan Murphy was appointed to the Board in October 2022.**

**Key strengths:** Senan has over 30 years' experience in international business across multiple industries including building materials, renewable energy and financial services.

**Previous relevant experience:** Senan was previously the Group Finance Director of CRH plc where he also had responsibility for driving and reporting performance against the company's sustainability targets. Before that he was Bank of Ireland Group's Chief Operating Officer, having previously held positions as Chief Operating Officer and Finance Director at Ulster Bank, Chief Financial Officer at Airtricity and numerous senior financial roles in GE, both in Europe and the US.

**Qualifications:** B. Comm., F.C.A. and Dip. in Professional Accounting.

**Principal external appointments:** Non-executive director of Bluestar Energy Capital, a US-based global investor in energy transition and renewable energy. He is also a member of the UCD College of Business Irish Advisory Board.

### Louise Phelan

(Age 57)

Ireland

Independent

R

**Louise Phelan was appointed to the Board in April 2023.**

**Key strengths:** Louise is a highly respected business leader and strategic adviser with leading global companies in both the renewable energy and financial services sectors. She has strong commercial executive experience from her previous career, as well as valuable insights from her other board and advisory positions.

**Previous relevant experience:** Louise was formerly Vice President of Global Operations EMEA at PayPal, having previously held senior roles in customer service, risk operations and compliance. She is also a former President of the American Chamber of Commerce in Ireland and was previously a non-executive director of Voxpro.

**Qualifications:** DPhil (hc).

**Principal external appointments:** Senior independent non-executive director of Ryanair Holdings plc, a member of the Irish Government's Top-Level Appointments Committee (TLAC), and a member of the President's advisory group at Technological University Dublin.

## COMPANY SECRETARY

### Lorcan Dowd

(Age 55)

Ireland

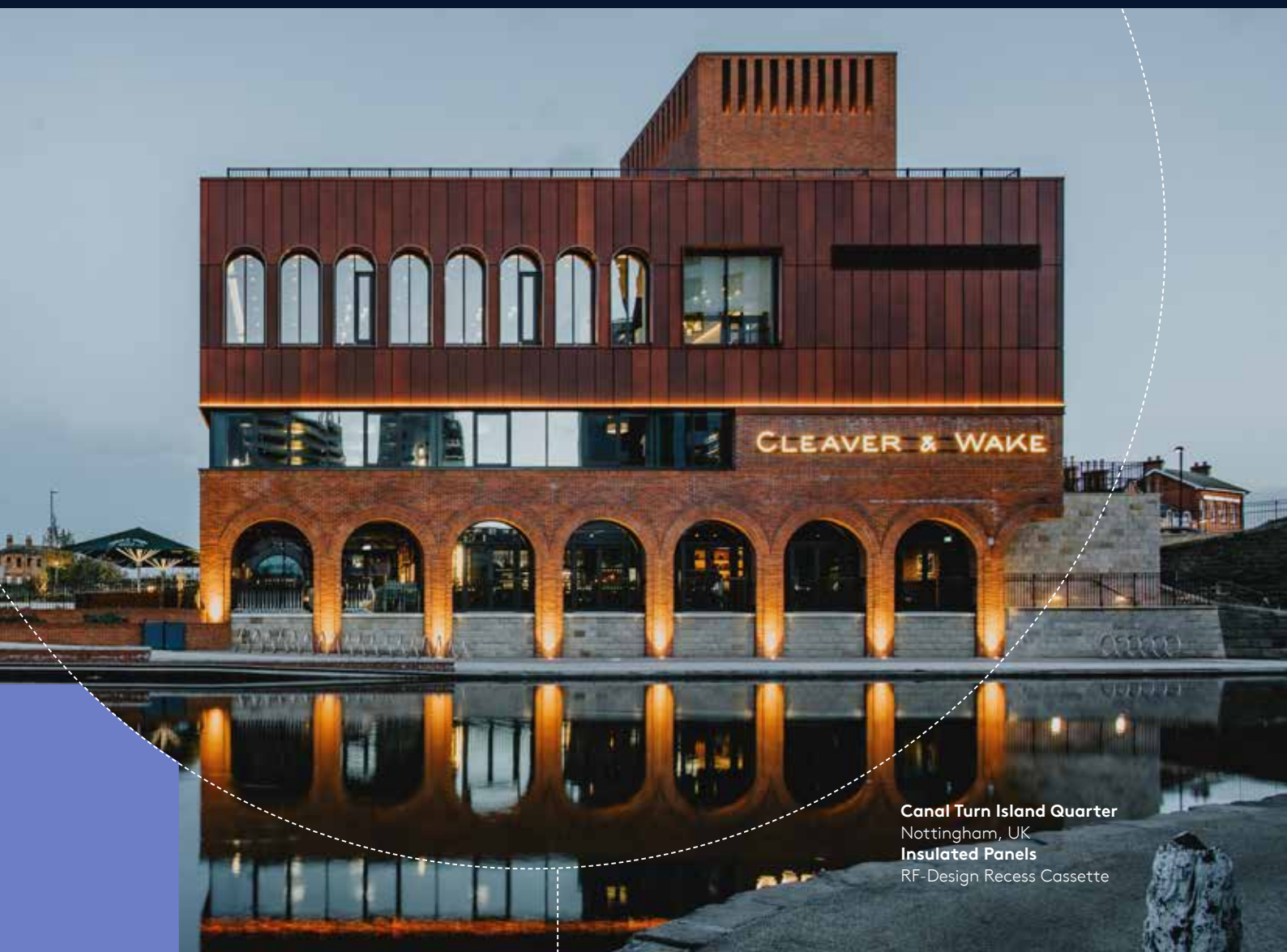
**Lorcan Dowd was appointed Head of Legal and Group Company Secretary in July 2005.**

**Relevant skills & experience:** Lorcan qualified as a solicitor in 1992. Before joining Kingspan he was Director of Corporate Legal Services in PwC in Belfast, having previously worked as a solicitor in private practice.



# REPORT OF THE NOMINATIONS & GOVERNANCE COMMITTEE

Jost Massenberg



**Canal Turn Island Quarter**  
Nottingham, UK  
**Insulated Panels**  
RF-Design Recess Cassette



The Kingspan Board recognises that the values, integrity and behaviours that shape our culture and corporate governance are the foundation of long-term success.

I am pleased to present the 2023 Nominations & Governance Committee report covering the work and activities of the committee during the year.



The Kingspan Board recognises that the values, integrity and behaviours that shape our culture and corporate governance are the foundation of long-term success. We are committed to ensuring that our long-term ambitions go hand in hand with high standards of corporate governance. We continually enhance our governance practices to ensure that we not only meet the standards expected of us but, more importantly, that we promote the success of the business and reduce risk for all of our stakeholders. We consistently strive to ensure that our reporting continues to be meaningful in describing how we integrate our governance principles into our decision making, values and strategy. At the heart of all these endeavours is an entrepreneurial board that adheres to high standards of governance.

During 2023, the committee continued to build upon the recommendations of the external evaluation process carried out by Better Boards in 2022. The Board Diversity Policy, which was adopted in 2022, was a central pillar in the search and appointment process culminating in the appointment of Louise Phelan as a non-executive director in April 2023. Further details on the process followed in respect of Ms Phelan's appointment are set out later in this

report. In November, Kingspan launched its People Passionate programme, which aims to enhance the employee experience right across Kingspan while, in time, enabling the Board to assess and monitor the evolution of the Group's performance and corporate culture. More details of this programme are set out in this report.

In 2024, the committee will continue to plan for the renewal and succession of the Board and its committees, whilst ensuring that the governance frameworks remain robust and fit for purpose to meet the Group's strategy.

At Kingspan, we welcome shareholder feedback and, where appropriate, we seek to incorporate that feedback into our decision making and reporting. During the year, we had the pleasure of engaging with many shareholders and stakeholders in relation to our strategy, governance, remuneration and sustainability proposals and I would like to thank all of those shareholders who provided their views during our various engagements. I look forward to continuing these conversations both in the run up to, and following, our AGM this year.

**Jost Massenberg**  
Chairman

## CORPORATE GOVERNANCE STATEMENT

Kingspan is committed to operating best practice standards of good governance, accountability and transparency. This tone is set by the Group Board of Directors and communicated throughout the Group regardless of division or geographical location.

This statement outlines how Kingspan has complied with Irish Listing Rule 6.1.82, and applied the principles and complied with the provisions set out in the UK Corporate Governance Code (July 2018) (the 'Code') and the Irish Corporate Governance Annex (the 'Annex'). Both the Code and the Annex can be obtained from the following websites respectively: [www.frc.org.uk](http://www.frc.org.uk) and [www.euronext.com](http://www.euronext.com).

### Statement of compliance

The directors confirm that the Company has, throughout the accounting period ended 31 December 2023, complied with the provisions of the Code and the Annex as set out in this report.

### Our spirit and values

Our mission is to accelerate a zero emissions future built environment with people and planet at its heart.

The Group recognises the importance of the Kingspan spirit and the role it plays in delivering the long-term success of the Company. Our business success is inextricably linked to our

behaviours, and our aspiration is to promote and maintain the Kingspan spirit based on our core principles:

- Clear, ethical and honest behaviours and communications;
- Compliance with the law;
- Respect for the safety and wellbeing of colleagues;
- Protection of our Group assets; and
- Upholding our commitment to a more sustainable future.

### Board committees

The Board has established three standing committees: Audit & Compliance, Nominations & Governance, and Remuneration. All committees of the Board have written terms of reference setting out their authorities and duties (available on the Group's website [www.kingspan.com](http://www.kingspan.com)).

The details of each committee's activities during the year are detailed in their respective reports as set out in this Annual Report.

The members of each committee as at the date hereof, and the date of their first appointment to the committee and attendance at Board and committee meetings are set out in the following tables.

#### Audit & Compliance Committee

Senan Murphy (Chair)	Appointed 2022	Independent
Anne Heraty	Appointed 2019	Independent
Éimear Moloney	Appointed 2021	Independent

#### Nominations & Governance Committee

Jost Massenberg (Chair)	Appointed 2019	Independent
Linda Hickey	Appointed 2021	Independent
Anne Heraty	Appointed 2023	Independent

#### Remuneration Committee

Linda Hickey (Chair)	Appointed 2015	Independent
Éimear Moloney	Appointed 2023	Independent
Louise Phelan	Appointed 2023	Independent



The Board recognises the importance of the Kingspan spirit and the role it plays in delivering the long-term success of the Company.

**Attendance at AGM, Board and Committee meetings  
during the year ended 31 December 2023**

	<b>AGM 2023</b>	<b>Board</b> (maximum 8)	<b>Audit &amp; Compliance</b> (maximum 4)	<b>Nominations &amp; Governance</b> (maximum 1)	<b>Remuneration</b> (maximum 4)
Jost Massenberg	✓	8/8		1/1	
Gene Murtagh	✓	8/8			
Geoff Doherty	✓	8/8			
Russell Shiels	✓	8/8			
Gilbert McCarthy	✓	8/8			
Linda Hickey	✓	8/8		1/1	4/4
Anne Heraty	✓	8/8	4/4		1/1
Éimear Moloney	✓	8/8	4/4		3/3
Paul Murtagh	✓	8/8			
Senan Murphy	✓	7/8	4/4		
Louise Phelan <sup>1</sup>	-	7/7			3/3
Michael Cawley <sup>2</sup>	-	1/1	1/1		1/1
John Cronin <sup>2</sup>	-	1/1		1/1	

1 Appointed as a director as of 28 April 2023

2 Retired as a director as of 28 April 2023

The Nominations & Governance Committee met once in 2023. The activities of the committee included the following matters:

- Recommending the appointment of Louise Phelan to the Board;
- Reviewing committee membership;
- Nominating directors for re-election at AGM;
- Approving the Report of the Nominations & Governance Committee; and
- Considering the feedback from the AGM.

### **Board responsibilities**

There is a clear division of responsibilities within Kingspan between the Board and executive management, with the Board retaining control of key strategic and other major decisions.

The Chairman leads the Board and is responsible for its overall effectiveness in directing the Company. One of the key roles of the Chairman is promoting a culture of objectivity, openness and debate. In addition, the Chairman facilitates constructive Board relations and the effective contribution of all non-executive directors, and ensures that directors receive accurate, timely and clear information.

The balance of skills, backgrounds and diversity of the Board contributes to the effective leadership and strategic development of the business. The Board's composition is central to ensuring all directors contribute to discussions. The Board continually reviews its composition to ensure appropriate refreshment on an ongoing basis.

As a means of fostering open dialogue and director engagement, the non-executive directors, led by the Senior Independent Director, meet without the Chairman present at least annually. Likewise, the Chairman holds meetings with the non-executive directors without the executives present. These forums foster a level of scrutiny, discussion and challenge in a collaborative atmosphere.

All directors have access to the advice and services of the Company Secretary. Where necessary, or requested, directors can also avail of independent third-party advice on Company issues or relevant Board matters including, but not limited to, matters such as remuneration and succession. The Company has procedures whereby all new directors receive formal induction and familiarisation with Kingspan's business operations, sustainability matters and systems on appointment, including trips to manufacturing sites with in-depth explanations of the site operations.





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Illinois, USA  
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## ROLES AND RESPONSIBILITIES

### The Board

The Board is responsible for the effective leadership and the long-term success of the Group, generating value for shareholders and contributing to wider society. It shapes the ethos and values of the Group, oversees the implementation of strategy and ensures good corporate governance practices are in place.

### Chairman

The Chairman's primary responsibility is to lead the Board. The Chairman is responsible for setting the Board's agenda and for the efficient and effective working of the Board. The Chairman ensures that all members of the Board, particularly the non-executive directors, have an opportunity to contribute effectively and openly. The Chairman is also responsible for ensuring that there is appropriate and ongoing communication with shareholders.

### Senior Independent Director

The Senior Independent Director of the Board is available to shareholders who have concerns that cannot be addressed through the Chairman, Chief Executive Officer or Chief Financial Officer. The Senior Independent Director also leads an annual meeting with the non-executive directors to appraise the workings of the Board.

### Chief Executive Officer

The Board has delegated executive responsibility for running the Group to the Chief Executive Officer and the executive management team. The Chief Executive Officer is responsible for the strategic direction and the overall performance of the Group, and is accountable to the Board for all authority so delegated.

### Company Secretary

All directors have access to the advice and services of the Company Secretary who is responsible for ensuring that Board procedures are followed. The Company Secretary is also responsible for advising the Board, through the Chairman, on all governance matters.

## Workforce engagement

The Board recognises the importance of engaging with all of our key stakeholders. Elsewhere in this Annual Report we have detailed the long-lasting partnerships we have developed with customers, suppliers and communities. We are also aware of the value of engagement with our workforce. Our people are key to developing and delivering on our strategy, and are fundamental to our long-term success.

Linda Hickey, as Senior Independent Director, is appointed as the director responsible for workforce engagement, to facilitate the channelling of employee views to Board discussions. During the year, she had the opportunity to hear employee views on a range of topics through engagement with our People Passionate team, attendance at our European Works Council meeting, participation in our graduate development programme and by meeting employees onsite during Board visits.

In 2022, we worked with our employee representatives to establish a European Works Council (EWC) which provides a platform to engage with our employees at a European level on the strategy and development of the business, as well as employment, investments and transnational issues. The EWC represents over 13,000 Kingspan employees across 24 countries. The first meeting of the EWC took place online in June 2023, and the inaugural plenary meeting was held in IKON, Kingscourt in November 2023. Eighteen representatives participated in a varied agenda that included business and financial updates, presentations on the wider business strategy and our digital offerings, as well as our People Passionate and Planet Passionate programmes. Senior management attended along with Linda Hickey, the Workforce Engagement Director. The meetings have been constructive with a very high level of engagement from the representatives.

In 2023, Kingspan launched its People Passionate programme across all of its global businesses. Similar to Planet Passionate, this is a Group wide programme. Given the Group's ever-growing scale, it recognises that there is a benefit from aligning people practices across the enterprise where it makes sense to do so, allowing our people and the business to continue to thrive. Divisions will integrate the People Passionate programme into their respective people and organisational plans. The aim of the programme is to enhance the employee experience by focusing on:

- career development;
- learning;

- leadership and management development;
- organisational performance;
- team and individual performance;
- measuring and enhancing employee engagement; and
- ensuring that the people policies and practices underpin everything.

The Kingspan spirit is based on strong foundations and enables our people to do their best work together, to grow and transform themselves and the built environment sustainably, underpinned by ethics and integrity. Kingspan is People Passionate, and in time, this programme will allow the Board to consistently assess and monitor the evolution of the Company's performance and corporate culture.

## Board diversity

The Board values diversity in all its forms and recognises the role it can play in contributing to the Board's perspective and decision making. The Board adopted a Board Diversity Policy in 2022 which supports the recommendations set out in the Hampton-Alexander Review on gender diversity. The Board intends to:

- increase female representation on the Board over the coming years to achieve the best practice benchmark of a minimum 40% representation of both genders; and
- increase the international representation on the Board.

A copy of the Board's policy is available on the Group's website [www.kingspangroup.com](http://www.kingspangroup.com). The Board intends to achieve these objectives through future appointments as the Board is refreshed, having regard for the need to maintain a stable and effective Board during this period. To this end, three of the last five non-executive director appointments have been female.

The Board currently comprises seven male and four female directors (including the Senior Independent Director) with female directors representing 36% of the Board (2022: 25%). This meets the target set by the Irish Government's Balance for Better Business of 33% female representation on Boards by 2023, while the Company moves progressively towards the gender and international targets set out in our Board Diversity Policy.

## Board composition and renewal

Kingspan is committed to the ongoing renewal of the Board, which is essential to bring fresh thinking and constructive challenge to the Board's decision making. The Nominations &

Governance Committee leads the process for Board appointments while ensuring plans are in place for orderly succession to both the Board and senior management positions.

Following the conclusion of last year's Annual General Meeting, two non-executive directors, Michael Cawley and John Cronin, retired from the Board. Mr Cawley and Mr Cronin both served on the Board for nine years and the Board and management thank each of them for their significant contribution to Kingspan during that period.

In 2023, the committee led the search for the appointment of a new independent non-executive director. In considering candidates for appointment as non-executive directors, the committee remains guided by the principle that all appointments will be made based on merit and skills, whilst having regard to our Board Diversity Policy, including diversity of gender, age, nationality and ethnicity. The Board believes that international skills and experience are equally as important as nationality, and will have regard to both factors in making appointments.

The committee agreed the criteria for the new appointment, to include a background in industry and broad international experience with relevant operational and financial skills. The committee considered whether or not to engage a firm of consultants to assist in the process of recruiting the new non-executive director, and agreed that in order to ensure best fit with the Company, it would use the extensive knowledge and contacts of the committee to identify suitable candidates.

The committee maintains a pool of potential candidates, and after considering Louise Phelan's skillset, which comprises of in-depth experience in commercial and operational areas across multiple industries including renewable energy and financial services, the committee recommended Ms Phelan as its preferred candidate of choice to the Board for approval. Ms Phelan's appointment broadens the skillset and diversity of the Board whilst reflecting Kingspan's global business.

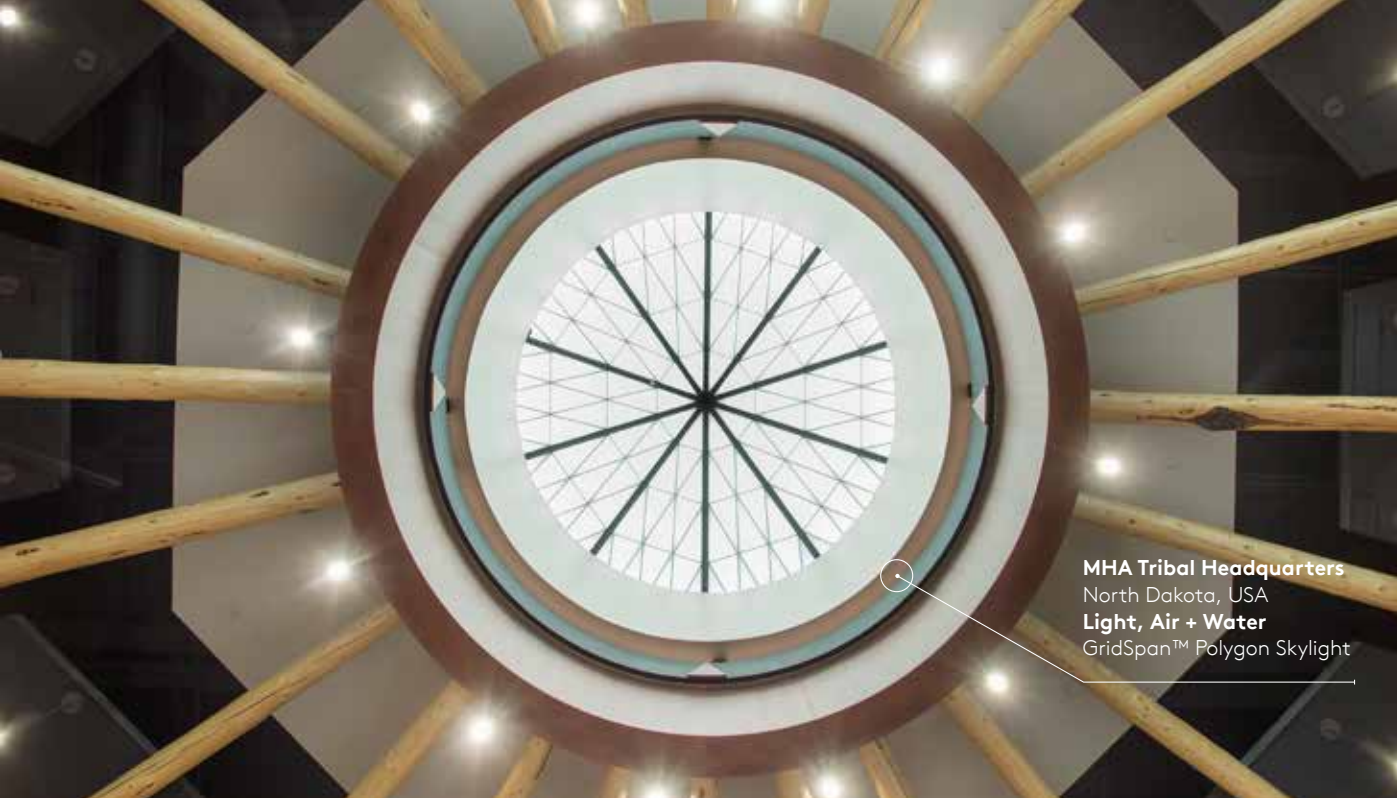
Aligning succession planning to Kingspan's wider strategy is a cornerstone of strong board governance, and has been, and will continue to be, a focus of the committee. A fundamental aspect of overseeing appointments to senior management remains the development of a diverse leadership pipeline. Among Kingspan's senior management team, 31% of the senior leadership roles reporting directly to the CEO are held by females (2022: 25%), which compares to the target set by the Irish Government's Balance for Better Business of 30% females in senior leadership roles by 2023. Furthermore, this year 22% and 40% of attendees on Kingspan's senior management and graduate development programmes respectively were female, and 69% and 67% of the participants in the respective programmes were from an international (non UK/Irish) background, as Kingspan is attracting more and more diversity into senior leadership roles.

Key strengths and relevant experience of each director are set out in the Directors' Report and a breakdown of the background and principal skills and experience of the non-executive directors on the Board is set out in the table below.

Experience/Skillset	Jost Massenberg	Linda Hickey	Anne Heraty	Éimear Moloney	Paul Murtagh	Senan Murphy	Louise Phelan
Domicile	Germany	Ireland	Ireland	Ireland	USA	Ireland	Ireland
International	✓	✓	✓	✓	✓	✓	✓
Financial	✓	✓	✓	✓	✓	✓	✓
Banking		✓	✓	✓	✓	✓	✓
Governance	✓	✓	✓	✓	✓	✓	✓
Leadership	✓	✓	✓	✓	✓	✓	✓
Industry	✓		✓	✓	✓	✓	✓
Environmental*	✓		✓			✓	✓
Risk				✓		✓	✓
Workforce		✓	✓				

\* In particular, with respect to Kingspan's markets, raw materials and Planet Passionate strategy.





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GridSpan™ Polygon Skylight

### Board induction programme

Upon joining the Board, Ms Phelan participated in an induction programme to gain an understanding of Kingspan and leverage her own experience to enhance her effectiveness in her non-executive role. The induction programme is built around a series of meetings with the Board, the Company Secretary and key members of the senior management team as well as on-site visits to understand the operations of the business. Ms Phelan also completed online training on Directors' Duties as well as the Market Abuse Regulations and Kingspan's Share Dealing Policy and Code.

### Board evaluation

Kingspan has formal procedures for the evaluation of its Board, committees and individual directors. The purpose of this formal evaluation is to ensure that the Board, on a collective and individual basis, is performing effectively and to ensure stakeholder confidence in the Board. The Chairman reviews the performance of the Board and the conduct of Board and committee meetings annually, and an externally facilitated review of the Board's general corporate governance is carried out in every third year.

As outlined in last year's Annual Report, an externally facilitated review of the Board's performance was carried out in 2022 by Better Boards. The Board has since progressed implementation of the recommendations from last year's externally facilitated evaluation, including adoption of a formal Board Diversity Policy setting out its commitment to improving diversity on the

Board, and proactively using upcoming vacancies to respond to gender and diversity targets on the Board.

During 2023, the Chairman conducted his annual review process through a series of one to one meetings with each of the executive and non-executive directors, as well as by receiving feedback through the Senior Independent Director of the non-executive directors' collective views on the workings of the Board. The outcome of the evaluation process was positive and provided the Board with the assurance that it was operating effectively.

### Effectiveness and independence

The committee reviews the size and performance of the Board during the year and this process occurs annually. The Board continues to ensure that each of the non-executive directors remain impartial and independent in order to meet the challenges of the role. Throughout the year, 55% of the Board was comprised of independent non-executive directors. Linda Hickey is the Senior Independent Director on the Board who provides a sounding board for the Chairman and serves as an intermediary for the other directors and shareholders when necessary. The directors consider that there is strong independent representation on the Board.

The Board has had due regard to various matters which might affect, or appear to affect, the independence of certain directors. The Board considers that each of the non-executive



directors on the Board, excluding Paul Murtagh, are independent.

In assessing the independence of Linda Hickey, the Board had due regard to her length of service on the Board, and to her previous position as a senior executive at Goodbody Stockbrokers, one of the Company's corporate brokers from which she retired in April 2019. In 2022, the committee agreed to extend the term of Ms Hickey for a period of up to three years to 2025, subject to annual re-election at the AGM, in order to maintain a stable and effective Board during that period. In assessing Ms Hickey's independence, the committee formed the view that she has always expressed a strongly independent voice at the Board and its committee meetings, including as Chair of the Remuneration Committee, and that she has always exercised her judgement as a non-executive director and as the Senior Independent Director, independent of any other relationships within the Board. The Board also took into account her extensive experience in capital markets and governance, which is hugely valuable to the Company and our shareholders, and concluded that her independence was not affected.

### Conflicts of interests

The Board recognises the importance of independent representation to the effective functioning of the Board, as well as providing scrutiny and, where necessary, challenge to management, as part of an effective governance framework. The committee has adopted a conflicts of interest policy which guides all decisions of the Board when actual or potential conflicts of interest might arise.

The policy stipulates that directors are required to avoid situations where they have, or could have, a direct or indirect interest that conflicts, or may conflict, with the Company's interests. Directors are required to give notice of any potential situational and/or transactional conflicts, which will then be notified to and considered by the Board. In deciding what approach to take, the Board will consider:

- whether the conflict needs to be avoided or simply documented;
- whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision making;
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the Company; and
- any measures that may be taken to avoid or mitigate the potential conflict.

Directors are not allowed to participate in such considerations or to vote regarding their own conflicts.

### External commitments

Directors may serve on other boards provided they continue to demonstrate the requisite commitment to discharge their duties effectively. The committee reviews the extent of the directors' other interests on an ongoing basis throughout the year. The committee is satisfied that each of the directors commits sufficient time to their duties in relation to the Company. The Chairman and each of the directors have also confirmed they have sufficient time to fulfil their obligations to the Company. The committee will continue to keep under review the external commitments of all directors.

### Shareholders' meetings and rights

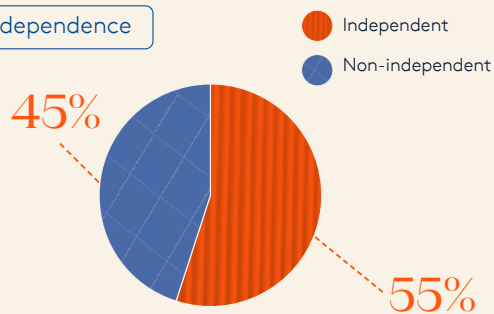
The Company operates under the Irish Companies Act 2014 (the "Act"). This Act provides for two types of shareholder meetings: the Annual General Meeting (AGM) with all other meetings being called Extraordinary General Meetings (EGM).

The Company must hold an AGM each year in addition to any other shareholder meeting in that year. The AGM is an important forum for shareholders to meet with, and hear from, Company directors. The ordinary business of an AGM is to receive and consider the Company's Annual Report and statutory financial statements, to review the affairs of the Group, to elect directors, to declare dividends, to appoint or reappoint auditors and to fix the remuneration of auditors and directors.

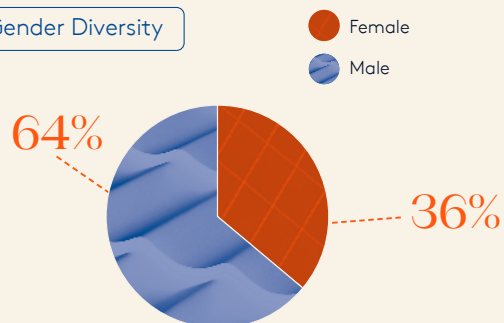
The Chairman of the Board of Directors presides as chairman of every general meeting and in his absence, one of the directors present will act in the capacity of chairman. The quorum for a general meeting shall be not less than three members present in person or by proxy and entitled to vote. All ordinary shares rank *pari passu* and carry equal voting rights. Every member present in person or by proxy shall, upon a show of hands, have one vote and every member present in person or by proxy shall, upon a poll, have one vote for each share of which they are the holder. In the case of an equality of votes, both on a show of hands and at a poll, the chairman shall have a casting vote. Further details of shareholders rights with respect to the General Meetings are set out in the Report of the Directors and the Shareholder Information section of this Annual Report.

## Board Balance

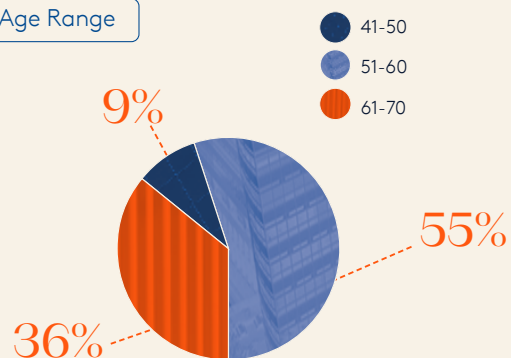
### Independence



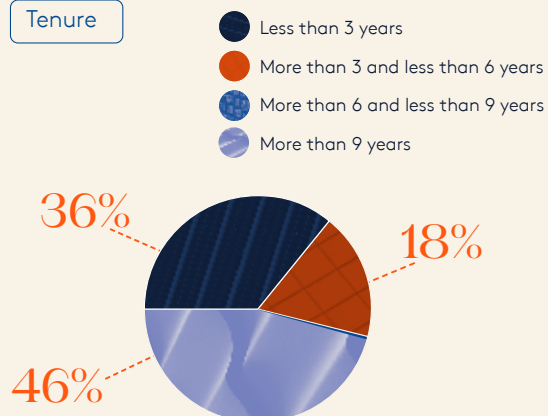
### Gender Diversity



### Age Range



### Tenure



Wilmot Gateway Park  
Washington, USA  
**Light, Air + Water**  
Briteway™ Polycarbonate  
Walkway

# REPORT OF THE REMUNERATION COMMITTEE

Linda Hickey

**Templemore  
Swimming Baths**  
Belfast, Northern Ireland  
**Insulated Panels**  
QuadCore™ insulated  
panels; HK Design Facade



Kingspan delivered record profits again in 2023, notwithstanding tough prior year comparators and challenging conditions in some of our core markets.



Dear Shareholders,

On behalf of the Remuneration Committee (the 'committee'), I am pleased to present the 2023 Report on Directors' Remuneration.



#### **Work of the committee and our remuneration philosophy and policy**

Kingspan's philosophy is to pay for performance and delivery of our strategy, based on clear transparent metrics, aligned with the interests of shareholders and wider stakeholders.

Shareholders approved our current Directors' Remuneration Policy in 2022, and the committee's focus during 2023 was on ensuring that the policy operated as intended with the selection of performance metrics to reflect our strategy. I would like to thank our shareholders for their support at our 2023 AGM when our Remuneration Report was supported by over 97% of votes cast.

#### **2023 business performance and pay outcomes**

Kingspan delivered record profits again in 2023, notwithstanding tough prior year comparators and challenging conditions in some of our core markets. Management also delivered significant progress across our key strategic pillars, increasing geographic expansion both organically and through acquisition, adding new innovative natural insulations to our product suite, growing the range and scale of our new Roofing + Waterproofing division, and making excellent progress towards our Planet Passionate objectives, all of which are detailed elsewhere in this Annual Report. The result was that Group revenues were €8.1bn (down 3%), and trading profit was €877m (up 5%). Earnings Per Share ('EPS'), a key performance measure used

to determine the executives' performance-related pay, increased to 352.3 cent (up 7% over prior year), and Total Shareholder Return for the year was 56.2%.

For 2023, all of our executive directors received basic salary increases of 3% compared to salary ranges through the business of 4.5% to 6%. Pensions reduced again in line with the step reductions previously agreed to bring the executive directors to 10% of salary from 2025.

Annual performance bonus targets for 2023 were a mixture of Group and divisional financial performance measures, as well as non-financial targets based on Net Promoter Score (NPS) customer experience scores. At the end of 2022, Kingspan was coming off a period of record profits and high inflation, and facing into difficult headwinds due to macro economic uncertainties and weakening demand across many of Kingspan's markets. In view of the uncertain outlook, financial performance targets for 2023 were based on analysts' consensus forecasts at that time and divisional budgets for the year, combined with the results of the non-financial measure of the NPS. Annual performance bonus payments achieved by the executive directors for 2023 were between 68.8% and 97.1% of maximum, reflecting the excellent Group results and robust divisional performances in the year. Details of the targets set and performance against them are set out later in this report.



Last year, I explained about the impact of a number of external factors on Kingspan's share price, including the ongoing war in Ukraine and the continuing high levels of inflation leading to general market uncertainty, with resulting zero vesting of the Total Shareholder Return ('TSR') part of the 2020 PSP award. There has been significant recovery of our share price during the year, resulting in a partial vesting of the TSR element of this award. In addition, our strong long-term EPS growth of 19.6% CAGR over the three-year performance period and performance against our Planet Passionate sustainability objectives has resulted in 82.5% of the total 2021 PSP awards vesting in 2024.

The committee has reviewed the incentive payments for the year against overall business performance and investor returns for 2023 as well as the longer three-year performance period for the 2021 PSP awards, and is satisfied that the formulaic outcome of the incentives appropriately reflects Group performance as well as individual contribution and that no discretion to adjust is necessary. The committee has also reviewed the share price at the time of granting the 2021 PSP awards (being €62.70 for the first grant, and €96.16 for the second grant) compared to the grant price for the 2020 PSP awards (€61.80) as well as the average share price for December 2023 (€76.10) being a proxy for the vesting share price. The committee is comfortable that there are no circumstances that required the committee to consider a scale back of the vesting levels.

The targets for the 2023 PSP awards are set out in the main body of this report and provide a robust level of stretch, particularly when taking into account the high 2022 base point that the 2023 growth targets are derived from, the year on year growth rates of the business as well as the economic backdrop and market expectations for the business.

## 2024 Remuneration

### Salaries

As part of the annual salary review process the committee has carefully considered the salaries and overall remuneration packages of each of the executive directors in the context of their roles, responsibilities and market pay levels.

The committee is aware that all four executive directors have remuneration packages that are significantly below market for a company of the size and complexity of Kingspan. The committee is also aware that it needs to consider market levels of remuneration in the markets in which Kingspan operates and address any issues of pay compression as the business looks to manage

recruitment and retention within all of its markets. As a result, the committee will undertake, during the course of the next 12 months, to review the quantum and structure of the executive directors' remuneration, considering both the size and complexity of the business as well as their specific responsibilities and experience, and will put forward its proposals to adjust the executive directors remuneration to bring it closer to market levels in the next Remuneration Policy review.

In the meantime the committee has agreed the following salary increases effective 1 January 2024:

- Gene Murtagh, CEO, and Russell Shiels, President of Insulated Panels Americas and Data + Flooring Global, will receive a salary increase of 5% with effect from 1 January 2024 which compares with wider workforce increases (covering the vast majority of the workforce) of c. 4% to 5%, depending on region.
- Geoff Doherty, Group CFO, and Gilbert McCarthy, Managing Director Insulated Panels EAA, will each receive a salary increase of 9.5% also effective from 1 January 2024. The CFO's role has grown substantially, due to organic growth and acquisitions which have seen Kingspan grow almost fivefold in size over the past decade with a correlative increase in complexity, whilst at the same time the scope of his responsibilities have greatly expanded including for example in the areas of cyber security and CSRD reporting. To date, there has been no corresponding increase to the CFO's salary to take account of these factors. Similarly Mr McCarthy's role and responsibilities have increased significantly in recent years particularly as a result of expansion of the Insulated Panels business into new markets in Western Europe and Australasia. As a result, the committee agreed that these two executives should receive a salary increase this year above those being applied to the wider workforce. The resulting salaries remain, after this increase, below market.

### Pension

The pension contributions for the executive directors will reduce once again for 2024 to between 12% and 14%. There is one final reduction to be made which will result in all four executive directors receiving annual pension payments of 10% of salary from 2025.

### Incentive opportunities

As explained above, last year due to market uncertainties the annual performance bonus targets were based in part on consensus profit forecasts. For 2024, the annual performance



bonus targets will revert to the more usual EPS growth relative to the prior year basis. As they are commercially sensitive, they are not disclosed in this report but will be provided retrospectively in next year's report. For the CEO and CFO, the maximum opportunity will remain at 150% of salary, with 140% of the award determined by Group EPS and 10% for customer NPS. For the two managing directors their maximum opportunity will also remain at 150% of salary, with 140% of the award split between divisional profits and Group EPS, and the remaining 10% for customer NPS.

We will also continue to assess our Performance Share Plan (PSP) against EPS, relative TSR and our Planet Passionate targets. The remuneration policy which was approved by c.80% of shareholders in 2022 lifted the ceiling on PSP awards to 300% to provide headroom to increase awards as the business continued to grow in scale and complexity. Recognising the growth in the scale of the business in recent years, the committee has increased the level of PSP awards to be granted to each of the executive directors by 25% of salary. The grant levels in 2024 will therefore be at 250% of salary to the CEO (previously 225%), and to 225% of salary (previously 200%) for the other executive directors, which the committee considers to be well within market norms and the policy limit of 300%. At the same time we have increased the minimum share ownership requirements to 250% for the CEO, and to 225% for the other executive directors, which is aligned to the increased award levels.

### Policy review

Our current Directors' Remuneration Policy was approved by shareholders at our 2022 AGM.

Under Irish regulations we are required to seek shareholder approval for a new policy at our 2026 AGM at the latest, but if considered appropriate we can seek approval sooner for any earlier changes. The committee will, during the course of 2024, review the current executive directors' remuneration arrangements and the performance metrics in both the long-term and short-term incentive schemes, and consider whether any changes should be brought to the 2025 AGM. To the extent the committee considers changes are needed we will engage with investors to seek their feedback on any new proposals.

### Conclusion

Kingspan's excellent performance against a challenging market backdrop is fairly reflected in the incentive outcomes for 2023. The committee is satisfied that the incentive outturn for 2023 and the setting of targets for 2024 are in all the circumstances appropriate and aligned with our remuneration philosophy, noting the need to incentivise and reward outstanding performance while setting targets that drive superior performance and are appropriately retentive.

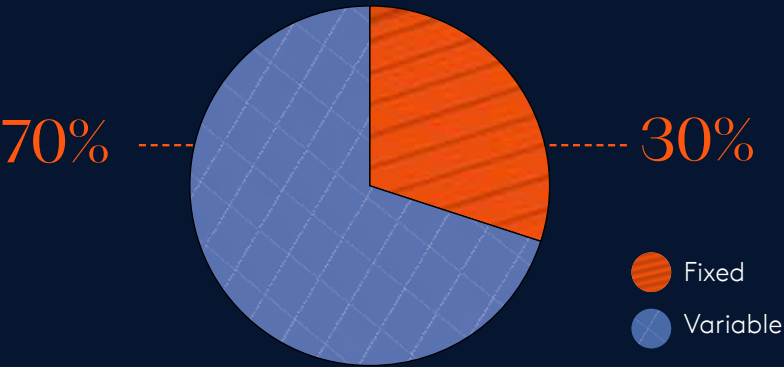
I hope that you will join the Board in approving the resolution on the Report of the Remuneration Committee at the AGM on 26 April 2024. If you have any queries in the meantime I can be contacted through our Company Secretary.

**Linda Hickey**

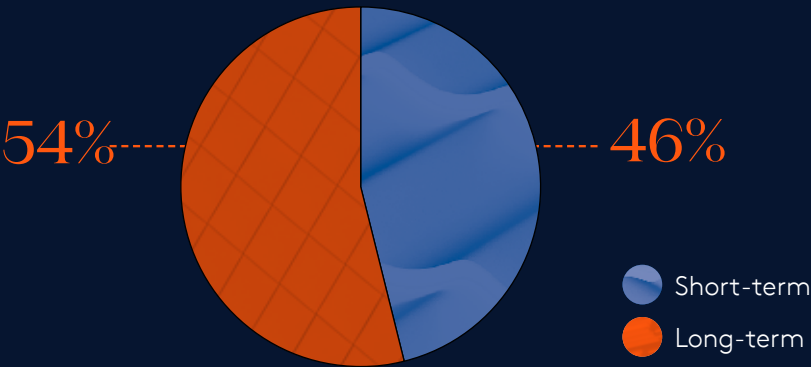
Chair of the Remuneration Committee

2023 Outturn

2023 Fixed Pay v Variable Pay



2023 Variable Pay Short-term v Long-term



Bleckmann Almelo  
Almelo, Netherlands  
Insulated Panels  
QuadCore™ insulated panels

## REMUNERATION AT A GLANCE

		Gene Murtagh	Geoff Doherty	Russell Shiels	Gilbert McCarthy
Fixed pay	2024 salary	€1,004k	€677k	\$732k	€625k
	% increase from 2023	5%	9.5%	5%	9.5%
	Workforce increase	Global workforce range of 4% to 5%			
	Pension	2023: 14% to 19% 2024: 12% to 14% 2025: all at 10%			
Annual Bonus	2023 outturn	Maximum opportunity: 150% of salary Outturn: 68.8% to 97.1% of maximum			
	2024 maximum opportunity	150% of salary (No change from 2023)			
	2024 performance conditions & structure	140% of salary Group EPS and 10% of salary NPS targets		70% of salary Divisional profit targets, 70% of salary Group EPS and 10% of salary NPS targets	
		Any bonus in excess of 100% of salary paid in shares deferred for two years			
Performance Share Plan	2021 Award vesting level	Award level: CEO 200%, other Directors 175% Vesting level: 82.5% of maximum			
	2024 Award grant level	CEO: 250% of salary Other Directors: 225% of salary (2023: CEO 225% and others 200%)			
	2024 performance conditions & structure	45% EPS growth, 45% TSR vs peer group and 10% Planet Passionate goals			
		3-year performance period plus 2-year post vesting holding period			
Share ownership requirements from 2024		CEO: 250% of salary Other directors: 225% of salary			



## DIRECTORS' REMUNERATION POLICY

This section of the report outlines the current policy for the remuneration of the Company's directors. The current remuneration policy was approved by shareholders at the AGM on 29 April 2022 and is set out in full in the 2021 Annual Report, and can be found on the Company's website at [www.kingspan.com](http://www.kingspan.com).

### Our remuneration philosophy

At Kingspan, we have developed a clear philosophy around remunerating and incentivising employees at all levels of the organisation. The principles against which we determine our approach to remuneration, and make decisions, are:

- **Pay for performance** ensuring that variable remuneration is only paid for strong performance and maximum payouts will only be realised for truly exceptional performance.
- **Clarity** so that executives and shareholders can understand our pay arrangements without overly complex rules.

- **Transparency** so that it is objectively transparent with high levels of disclosure in the Annual Report.
- **Alignment with shareholders** by delivering a significant proportion of remuneration through equity, and by setting executive share ownership guidelines.
- **Alignment to culture** designed to drive superior returns for shareholders based on our high performance culture and key measures aligned to strategy, and embedding our Planet Passionate and Customer NPS goals throughout the business.

This approach cascades through the organisation and has played a key role in driving the growth of the business and significant value creation for stakeholders over the years.

The policy for the key elements of the executive directors' remuneration is set out in the table below:

Key element	Operation	Opportunity and measures
<b>FIXED REMUNERATION</b>		
<b>Base Salary</b> To attract and retain the best global talent of the calibre required to deliver the Group's strategy.	Base salaries are reviewed annually by the Remuneration Committee in the last quarter of each year. A broad assessment of individual and business performance is used by the committee as part of the salary review. Increases will generally be in line with increases across the Group, but may be higher or lower in certain circumstances to reflect performance, changes in remit, roles and responsibilities, or to allow newly appointed executives to move progressively towards market norms.	Any increase will typically be in line with those awarded to the broader employee pay environment. The committee has discretion to award higher increases in circumstances that it considers appropriate, such as a change in role or responsibility.
<b>Benefits</b> To provide benefits which are competitive with the market.	In addition to their base salaries, executive directors' benefits include but are not limited to life and health insurance and the use by the executive directors of company cars (or a taxable car allowance) and relocation or similar allowances on recruitment, each in line with typical market practice.	Benefits are set at a level which the committee considers appropriate in light of the market and depending on the role and an individual's circumstances.
<b>Pensions</b> To provide a retirement benefit which is competitive with the market.	Kingspan operates a defined contribution pension scheme for executive directors. Pension contributions are calculated on base salary only. Alternatively, Kingspan may pay a cash amount subject to all applicable employee and employer payroll taxes and social security.	Incumbent executive director pensions will be reduced to 10% of salary from 2025.  Newly appointed executive director pensions will be capped at the rate applicable in the relevant market.

Key element	Operation	Opportunity and measures
<b>VARIABLE REMUNERATION</b>		
<b>Annual performance bonus</b> To reward the delivery of short-term performance targets and business strategy, satisfied in cash and deferred share awards, aligning management interests with shareholders and the longer term performance of the Group.	<p>Executive directors receive an annual performance related bonus based on the attainment of financial and non-financial targets set prior to the start of each year. Bonuses are paid on a sliding scale if the targets are met. Maximum bonus is only achieved if ambitious incremental growth targets are achieved.</p> <p>No more than 100% of salary can be delivered in cash through the bonus plan. Any performance related bonus achieved in excess of the cash amount is satisfied by the grant of share awards, which are deferred for two years.</p> <p>The committee has discretion to adjust formulaic bonus outcomes to reflect company performance.</p>	<p>The maximum potential bonus for the executive directors is 150% of base salary.</p> <p>The committee selects stretching performance targets each year.</p> <p>Bonus payment for financial targets is 0% at threshold entry point. Bonus is paid on a straight line basis for achieving each point on the NPS target scale.</p>
<b>Long-term incentive plan (LTIP)</b> To reward the sustained strong performance and delivery of Group strategic objectives over the longer term. Aligns the interests of executive directors and senior managers with those of the Group's shareholders and recognises and rewards value creation over the longer term.	<p>Executive directors are entitled to participate in Kingspan's Performance Share Plan (PSP). Under the terms of the PSP, performance shares are awarded to the executive directors and the senior management team. The performance shares will vest after three years only if the Group's underlying performance has improved during the 3-year performance period, and if certain financial and non-financial sustainability targets are achieved over the performance period.</p> <p>The awards are subject to a two-year post vesting holding period.</p>	<p>The maximum award level under the policy is 300% of salary. The committee will not increase awards above 250% of salary in the current policy period without first engaging with its largest investors and considering the feedback received.</p> <p>Prior to granting an award, the committee sets performance conditions which it considers to be appropriately stretching. On achieving the threshold performance target, not more than 25% of an award will vest.</p>

The policy on non-executive directors' remuneration is as follows:

Key element	Operation	Opportunity
<b>Non-executive director fees</b> To reflect time commitment, experience and responsibilities, and to attract and retain high calibre non-executive directors by offering a market competitive fee level.	<p>Non-executive director fee levels are reviewed annually.</p> <p>The Chairman receives a single fee for all their responsibilities.</p> <p>Other non-executive directors receive a basic board membership fee. The chair of Board committees and the Senior Independent Director receive an additional fee for this role.</p> <p>Non-executive directors are entitled to the reimbursement of reasonable business expenses including any tax (grossed up) that may be payable on those expenses.</p>	<p>Fees for non-executive directors are within the limits set by the shareholders from time to time, with a current aggregate limit of €975,000.</p>

The following are key structural aspects of the remuneration policy in relation to the directors' remuneration contracts:

<p><b>Clawback and malus</b> Ensures an appropriate balance between risk and reward.</p>	<p>Covers material misstatement of financial results, material breach of executive's employment contract, error in contract, failure of risk management, corporate failure, wilful misconduct, recklessness and/or fraud resulting in serious damage to the financial condition or business reputation of the Company.</p> <p>The period within which clawback and malus can be operated is 2 years from payment of annual bonus and/or vesting of LTIP awards.</p>
<p><b>Shareholding guideline</b> Ensures alignment between the interests of executive directors and shareholders.</p>	<p>250% of salary for the CEO and 225% for the other directors, to be achieved through the retention of at least 50% of all vested variable pay awards. Achievement of guideline is measured through beneficially owned shares only.</p> <p>For new appointees, the committee may consider it appropriate to require a percentage of the annual bonus paid to be deferred into shares (rather than just bonus in excess of 100% of salary), in order to achieve this guideline.</p>
<p><b>Post cessation of employment and general shareholding requirements</b> Ensures alignment between the interests of executive directors and shareholders.</p>	<p>All executive directors are subject to a post-employment shareholding requirement of the lower of (i) shares or equity interests held on cessation, or (ii) 200% of salary, for 2 years post-employment.</p> <p>Achievement is measured through beneficially owned shares, and the retention of vested deferred share and LTIP awards.</p>
<p><b>Approach to recruitment</b> To attract an executive director of the calibre required to shape and deliver the Group's business strategy.</p>	<p>In exceptional circumstances, such as to facilitate recruitment, the committee may exercise its discretion and grant LTIPs up to a maximum of 400% of salary.</p>
<p><b>Termination - notice periods</b></p>	<p>Each of the executive directors have service contracts with Kingspan which provide for 12 months' notice of termination by the Company (or, at the discretion of the Company, payment for all or part thereof) and 6 or 12 months by the director and it is Kingspan's policy that notice periods will not exceed 12 months. The service contracts do not include any provision for compensation for loss of office, other than the notice period provisions set out above. There are no enhanced provisions on a change of control and there are no specific severance arrangements.</p> <p>The committee's policy in relation to termination of service contracts is to deal with each case on its merits having regard to the circumstances of the individual, the termination of employment, any legal advice received and what is in the best interests of Kingspan and its shareholders.</p>
<p><b>Termination - annual performance bonus and long-term incentive plans</b></p>	<p>Annual performance bonuses and PSP awards are dealt with in accordance with the rules of the relevant plans. At the discretion of the committee (and normally where the individual has served a minimum of 6 months of the bonus year), a pro-rata annual performance bonus may become payable at the normal payment date for the period of service subject to full year performance targets being met.</p> <p>The default treatment for share based awards is that any unvested award will lapse on termination of employment. However, under the rules of the Performance Share Plan, in certain prescribed circumstances (e.g. "good leaver"), awards are eligible to vest subject to the performance conditions being met over the normal performance period (or a shorter period at the committee's discretion) and with the award being reduced pro-rata by an amount to reflect the proportion of the vesting period not actually served.</p>

Total Pay over 5 Years	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Fixed Pay</b>	Salary, benefits and pension				
<b>Annual Bonus</b> (Malus and clawback provisions apply)	Up to 100% of salary in cash	Excess bonus in shares Two year deferral period No further performance conditions			
<b>LTIP</b> (Malus and clawback provisions apply)	Three-year performance period			Two-year post-vesting holding period No further performance conditions	
<b>Shareholding Requirement</b> (From 2024, 250% of salary for the CEO and 225% for the other directors)	Executive directors’ minimum shareholding requirement				



Kingspan's philosophy is to pay for performance and delivery of our strategy, based on clear transparent metrics, aligned with the interests of shareholders and wider stakeholders.



## 2023 REMUNERATION OUTTURN

The table below sets out the total remuneration for the executive and non-executive directors for the financial years ended 31 December 2023 and 2022.

Executive Directors	Gene Murtagh EUR'000		Geoff Doherty EUR'000		Russell Shiels <sup>(1)</sup> EUR'000		Gilbert McCarthy EUR'000		Total EUR'000	
Fixed Remuneration	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Salary and Fees	956	928	618	599	644	642	571	554	2,789	2,723
Pension Contributions <sup>(2)</sup>	134	148	99	120	122	154	80	94	435	516
Benefits <sup>(3)</sup>	32	37	38	35	94	73	47	40	211	185
<b>Total Fixed Remuneration</b>	<b>1,122</b>	<b>1,113</b>	<b>755</b>	<b>754</b>	<b>860</b>	<b>869</b>	<b>698</b>	<b>688</b>	<b>3,435</b>	<b>3,424</b>
<b>Performance Pay</b>										
Annual Incentives										
Cash Element	956	928	618	599	644	642	571	554	2,789	2,723
Deferred Share Awards	437	225	283	145	258	181	18	125	996	676
Long Term Incentives										
LTI - Grant Value <sup>(4) (5)</sup>	1,463	750	827	415	765	384	765	384	3,820	1,933
LTI - Share Price Growth <sup>(4) (5)</sup>	235	23	127	13	117	12	117	12	596	60
<b>Total Performance Pay</b>	<b>3,091</b>	<b>1,926</b>	<b>1,855</b>	<b>1,172</b>	<b>1,784</b>	<b>1,219</b>	<b>1,471</b>	<b>1,075</b>	<b>8,201</b>	<b>5,392</b>
<b>Total Remuneration</b>	<b>4,213</b>	<b>3,039</b>	<b>2,610</b>	<b>1,926</b>	<b>2,644</b>	<b>2,088</b>	<b>2,169</b>	<b>1,763</b>	<b>11,636</b>	<b>8,816</b>
<b>Non-Executive Directors</b>									<b>2023</b>	<b>2022</b>
Jost Massenberg									350	350
Linda Hickey									105	105
Anne Heraty									75	75
Eimear Moloney									75	75
Paul Murtagh									75	75
Senan Murphy <sup>(6)</sup>									85	19
Louise Phelan <sup>(7)</sup>									50	-
Michael Cawley <sup>(8)</sup>									30	90
John Cronin <sup>(9)</sup>									25	75
<b>Total Non-Executive Pay</b>									<b>870</b>	<b>864</b>
<b>Total Directors' Remuneration</b>									<b>12,506</b>	<b>9,680</b>

(1) Russell Shiels' remuneration is denominated in USD, and has been converted to Euro at the following average rates USD: 1.0818 (2022: 1.0544).

(2) The Group operates a defined contribution pension scheme for executive directors. Certain executives have elected to receive part of their prospective pension entitlement as a non-pensionable cash allowance in lieu of the pension benefit foregone, subject to all applicable employee and employer payroll taxes.

(3) Benefits principally relate to health insurance premiums and company cars/car allowances. In the case of Russell Shiels the cost of life insurance and permanent health benefit is also included.

(4) The vesting value of the 2021 LTIP award (vesting in 2024) has been calculated using the average share price for December 2023, being €76.10. The calculation for this award will be adjusted in next years' annual report to reflect the share price on the vesting dates (24/02/2024) and (23/08/2024). The share price increased from the date of grant in respect of the awards granted on 24/02/2021 (share price: €62.70) and the share price decreased in respect of the awards granted on 23/08/2021 (share price: €96.16) to the share price used to determine the vesting value.

(5) The vesting value of the 2020 LTIP award (that vested in 2023) has been calculated using the share price at the date of vesting (24/02/2023) of €63.68. The share price increased from the date of grant (share price: €61.80) to the date of vesting.

(6) Senan Murphy was appointed as a non-executive director on 1 October 2022.

(7) Louise Phelan was appointed as a non-executive director on 28 April 2023.

(8) Michael Cawley retired as a non-executive director on 28 April 2023.

(9) John Cronin retired as a non-executive director on 28 April 2023.

### Base salary

All of the executive directors received basic salary increases for 2023 of 3% which was below the overall global workforce range of c.4.5% to 6%. The salaries for 2023 were:

- Gene Murtagh: €956,000
- Geoff Doherty: €618,000
- Russell Shiels: \$697,000
- Gilbert McCarthy: €571,000

### Pension

As outlined in previous Annual Reports, all executive directors' contractual pension contributions will be reduced to 10% of base salary from 2025. This approach, which balances the legacy contractual entitlement of the executive directors with the general expectations of stakeholders, was adopted by the committee and subsequently supported by shareholders following feedback on the 2019 Remuneration Policy.

Pension Contribution					
Executive Director	2021	2022	2023	2024	2025
Gene Murtagh	18%	16%	14%	12%	10%
Geoff Doherty	24%	20%	16%	13%	10%
Russell Shiels	33%	24%	19%	14%	10%
Gilbert McCarthy	20%	17%	14%	12%	10%

### 2023 performance related bonus

All executive directors were eligible for a maximum performance related bonus opportunity of up to 150% of base salary.

Annual performance bonus targets are a mixture of Group and divisional financial performance measures, as well as non-financial targets based on NPS customer experience scores. Financial performance targets for 2023 were based on analysts' consensus forecasts for trading profit as at that time (€747m) and divisional budgets for the year. NPS measures brand loyalty and is one of the metrics we use to measure customer experience as part of the Worldwide Voice of Customer programme. An external review by an independent third party validates the NPS scores and underlying methodology.

Performance against targets, and bonus achieved, are set out in the tables below.

	Bonus measure	Max. opportunity/ weighting (as % salary)	Threshold target	Target for maximum	Performance	Outcome (% of weighted measure)
Chief Executive	Group trading profit	140%	€672m	€822m	€877m	100%
	NPS	10%	NPS of 41 to 47		44	57.1%
Chief Financial Officer	Group trading profit	140%	€672m	€822m	€877m	100%
	NPS	10%	NPS of 41 to 47		44	57.1%
Russell Shiels	Divisional profit	70%	90% of prior year	105% of prior year	144.2%	100%
	Group trading profit	70%	€672m	€822m	€877m	100%
	NPS	10%	Divisional NPS range not disclosed			0%
Gilbert McCarthy	Divisional profit	70%	90% of prior year	100% of prior year	93.3%	33.1%
	Group trading profit	70%	€672m	€822m	€877m	100%
	NPS	10%	Divisional NPS range not disclosed			100%

Executive	Overall annual performance outcome	
	% of max. opportunity	% of salary
Gene Murtagh	97.1%	145.7%
Geoff Doherty	97.1%	145.7%
Russell Shiels	93.3%	140.0%
Gilbert McCarthy	68.8%	103.1%






All bonuses earned in excess of 100% of base salary will be satisfied by the grant of share awards, which are deferred for two years.



**Performance Share Plan (PSP)**  
**Vesting of awards granted in 2021**

Performance against targets and vesting levels for the PSP awards granted in 2021 are set out below.

	Weighting	% of award that will vest			Outcome	Vesting %
		0%	25%	100%		
EPS	45%	Less than 6% CAGR	6% CAGR	12% CAGR	19.6% CAGR	45%
TSR	45%	Less than Median	Median	Upper Quartile or higher	62 <sup>nd</sup> percentile	27.5%
Planet Passionate	10%	See below		See below	See below	10%
Total Vesting						82.5%

		Performance Measure	Weighting <sup>1</sup>	2020 Base Year	2023 Target	2023 Actual	Vesting %
<b>Planet Passionate</b> 	<b>Carbon</b> 	Net Zero carbon manufacturing (scope 1 & 2 GHG emissions – tCO <sub>2</sub> e) <sup>2</sup>	1.1%	409,783 <sup>3</sup>	327,820	111,977	100%
		Zero emissions company cars – annual replacement (%)	1.1%	11	50	70	100%
	<b>Energy</b> 	60% direct renewable energy use (%)	1.1%	19.5	30.0	38	100%
		20% on-site energy generation (%)	1.1%	4.9	8.5	9.9	100%
		Solar PV systems on all wholly owned facilities (%)	1.1%	20.9 <sup>3</sup>	41.0	54.1	100%
	<b>Circularity</b> 	Zero company waste to landfill (tonnes)	1.1%	18,640 <sup>3</sup>	13,937	8,282	100%
		Recycle 1 billion PET bottles into our manufacturing processes annually (million bottles)	1.1%	573	600	858	100%
		QuadCore™ products utilising recycled PET (no. of sites)	1.1%	1	8	8	100%
	<b>Water</b> 	Harvest 100 million litres of rainwater annually (million litres)	1.1%	20.1	44.0	56.3	100%
		Overall Vesting of Planet Passionate measures					100%

All figures related to the underlying business. Underlying business includes manufacturing, assembly and R&D sites within the Kingspan Group in 2020 plus all organic growth.

1 Net Zero Energy target was removed from the programme in 2022 and replaced with an internal carbon charge to put central focus on absolute GHG emission reduction. Its 1% weighting was reallocated across the other measures on an equal basis.

2 Excluding biogenic emissions. Scope 2 GHG emissions calculated using market-based methodology.

3 Restated figures due to improved data collection, change in calculation methodologies and site disposal.



The peer group against which TSR performance was measured was as follows:

Armstrong World Industries Inc.	Mohawk Industries Inc.
Boral Ltd	Owens Corning Inc.
Compagnie de Saint Gobain SA	Rockwool Intl. AS
CRH plc	Sika AG
Geberit AG	Travis Perkins plc
Grafton Group plc	Wienerberger AG
Holcim AG	

### Grant of awards in 2023

The Executive Directors were granted the following PSP awards in 2023:

Executive	Basis of the award (% of salary)	Threshold vesting <sup>1</sup> (% of award)	Number of awards granted	Grant date
Gene Murtagh	225%	25%	33,917	20 February 2023
Geoff Doherty	200%	25%	19,489	20 February 2023
Russell Shiels	200%	25%	20,166	20 February 2023
Gilbert McCarthy	200%	25%	18,007	20 February 2023

1. Except for Planet Passionate element where vesting is determined on achievement of each target.

The vesting of the 2023 PSP awards is based on achievement of the EPS, TSR and sustainability targets set out below.

	Weighting	% of award that will vest		
		0%	25%	100%
EPS <sup>1</sup>	45%	Less than 3% p.a.	3% p.a.	6% p.a.
TSR <sup>1</sup>	45%	Less than Median	Median	Upper Quartile or higher
Planet Passionate	10%	Various	-	Various

1. Straight line vesting between threshold and 100% vesting.

The TSR peer Group for the 2023 PSP awards is set out below:

Armstrong World Industries Inc	Masco Corporation
Boral Ltd	Mohawk Industries Inc
Builders FirstSource Inc	Owens Corning Inc
Carlisle Companies Inc	Recticel NV
Compagnie de Saint Gobain SA	Rockwool Intl. AS
CRH plc	Sika AG
Grafton Group plc	Wienerberger AG
Holcim AG	

## Summary of PSP awards

The table below sets out the total number of PSP awards held by the directors and the Company Secretary during the year:

### Performance Share Plan

Director	At 31 Dec 2022	Granted during year	Vested during year	Exercised or cancelled during the year	At 31 Dec 2023	Option price €	Earliest exercise date	Latest expiry date
<b>Gene Murtagh</b>								
Unvested	76,149	33,917	(12,134)	(12,134) <sup>1</sup>	85,798	0.13	24/02/2024	20/02/2030
Vested	75,220	-	12,134	-	87,354	0.13	26/02/2021	24/02/2027
	<b>151,369</b>	<b>33,917</b>	<b>-</b>	<b>(12,134)</b>	<b>173,152</b>	<b>0.13</b>		
<b>Geoff Doherty</b>								
Unvested	42,944	19,489	(6,715)	(6,715) <sup>1</sup>	49,003	0.13	24/02/2024	20/02/2030
Vested	-	-	6,715	(6,715) <sup>2</sup>	-	0.13	-	-
	<b>42,944</b>	<b>19,489</b>	<b>-</b>	<b>(13,430)</b>	<b>49,003</b>	<b>0.13</b>		
<b>Russell Shiels</b>								
Unvested	41,156	20,166	(6,211)	(6,211) <sup>1</sup>	48,900	0.13	24/02/2024	20/02/2030
Vested	-	-	6,211	(6,211) <sup>3</sup>	-	0.13	-	-
	<b>41,156</b>	<b>20,166</b>	<b>-</b>	<b>(12,422)</b>	<b>48,900</b>	<b>0.13</b>		
<b>Gilbert McCarthy</b>								
Unvested	39,719	18,007	(6,211)	(6,211) <sup>1</sup>	45,304	0.13	24/02/2024	20/02/2030
Vested	83,778	-	6,211	(44,859) <sup>4</sup>	45,130	0.13	26/02/2021	24/02/2027
	<b>123,497</b>	<b>18,007</b>	<b>-</b>	<b>(51,070)</b>	<b>90,434</b>	<b>0.13</b>		
<b>Company Secretary</b>								
<b>Lorcan Dowd</b>								
Unvested	9,232	3,548	(2,080)	(2,080) <sup>5</sup>	8,620	0.13	24/02/2024	20/02/2030
Vested	17,405	-	2,080	(8,710) <sup>6</sup>	10,775	0.13	26/02/2021	24/03/2027
	<b>26,637</b>	<b>3,548</b>	<b>-</b>	<b>(10,790)</b>	<b>19,395</b>	<b>0.13</b>		

<sup>1</sup> Cancelled on 24/02/2023 due to partial achievement of performance conditions.

<sup>2</sup> Exercised on 27/02/2023. Market value on day of exercise €63.68.

<sup>3</sup> Exercised on 21/03/2023. Market value on day of exercise €60.40.

<sup>4</sup> Exercised 21,819 on 21/02/2023. Market value on day of exercise €64.00.

Exercised 23,040 on 12/10/2003. Market value on day of exercise €70.02.

<sup>5</sup> Cancelled on 24/03/2023 due to partial achievement of performance conditions.

<sup>6</sup> Exercised 3,958 on 17/02/2023. Market value on day of exercise €63.58.

Exercised 4,752 on 09/10/2023. Market value on day of exercise €69.69.

## Deferred Share Awards

The table below sets out the total number of Deferred Share Awards held by the directors at year end:

Director		At 31 Dec 2022	Granted during year	Vested & transferred during year	At 31 Dec 2023	Earliest vesting/transfer date
Gene Murtagh	Unvested	5,021	3,545	-	8,566	31/03/2024
Geoff Doherty	Unvested	3,242	2,288	-	5,530	31/03/2024
Russell Shiels	Unvested	3,107	2,860	-	5,967	31/03/2024
Gilbert McCarthy	Unvested	2,998	1,971	-	4,969	31/03/2024

## Directors' & Secretary's interests in shares

The beneficial interests of the directors and secretary and their spouses and minor children in the shares of the Company at the end of the financial year are as follows:

	31 Dec 23	31 Dec 22	Shareholding at 31 Dec 23 <sup>1</sup> (% Salary)	Shareholding requirement met (200% salary)
<b>Executive directors</b>				
Gene Murtagh	<b>1,080,020</b>	1,080,020	8,597%	Yes
Geoff Doherty	<b>253,547</b>	256,635	3,122%	Yes
Russell Shiels	<b>226,008</b>	219,797	2,669%	Yes
Gilbert McCarthy	<b>282,833</b>	282,833	3,769%	Yes
<b>Non-executive directors</b>				
Jost Massenberg (Chairman)	<b>1,000</b>	-		
Linda Hickey	<b>5,000</b>	5,000		
Anne Heraty	<b>2,250</b>	2,250		
Éimear Moloney	<b>2,000</b>	2,000		
Paul Murtagh	-	-		
Senan Murphy	-	-		
Louise Phelan	-	n/a		
<b>Company Secretary</b>				
Lorcan Dowd	<b>3,667</b>	3,457		

1. Expressed as a percentage of base salary on 31 December 2023 and calculated using the average share price for December 2023 (€76.10).

As at 16 February 2024, there have been no changes in the directors' and secretary's interests in shares since 31 December 2023.

## Non-executive directors

The Chairman's fee is €350,000. The basic non-executive director fee is €75,000. An additional fee of €15,000 is paid for chairing the Remuneration Committee and the Audit & Compliance Committee, as well as for the Senior Independent Director.

## Payments to former directors and for loss of office

Michael Cawley and John Cronin both retired from the board on 28 April 2023 and were paid their non-executive director fee to that date. A payment of €8,065 was paid to former director, John Cronin, in respect of consultancy services. There were no other payments to past directors or payments to directors for loss of office.

## Change in directors and employee remuneration

The table below shows the percentage change in fixed and variable remuneration using the single figure methodology for the directors of the Company and the global average total remuneration of an employee for the respective year ends.

	Fixed Remuneration <sup>1</sup>			Variable Remuneration <sup>2</sup>		
	% change 2022 to 2023	% change 2021 to 2022	% change 2020 to 2021	% change 2022 to 2023	% change 2021 to 2022	% change 2020 to 2021
<b>Executive directors</b>						
Gene Murtagh	1%	3%	0%	60%	-59%	110%
Geoff Doherty	0%	1%	0%	58%	-56%	116%
Russell Shiels	-1%	17%	0%	46%	-51%	136%
Gilbert McCarthy	1%	1%	0%	37%	-57%	116%
<b>Non-executive directors</b>						
Jost Massenberg (Chairman)	0%	36%	244%	N/A	N/A	N/A
Linda Hickey	0%	24%	0%	N/A	N/A	N/A
Michael Cawley <sup>3</sup>	-67%	6%	0%	N/A	N/A	N/A
John Cronin <sup>3</sup>	-67%	0%	0%	N/A	N/A	N/A
Anne Heraty	0%	0%	0%	N/A	N/A	N/A
Éimear Moloney <sup>4</sup>	0%	50%	N/A	N/A	N/A	N/A
Paul Murtagh <sup>4</sup>	0%	50%	N/A	N/A	N/A	N/A
Senan Murphy <sup>5</sup>	347%	N/A	N/A	N/A	N/A	N/A
Louise Phelan <sup>6</sup>	N/A	N/A	N/A	N/A	N/A	N/A
Average Employee <sup>7</sup>	2%	7%	0%	-1%	-24%	32%

1. Includes salary and fees, pension contributions and taxable benefits.

2. Includes annual bonus and long term incentives calculated at the market value on the vesting date.

3. Resigned as a director as of 28 April 2023.

4. Appointed as a director as of 30 April 2021.

5. Appointed as a director as of 1 October 2022.

6. Appointed as a director as of 28 April 2023.

7. Calculated by dividing the aggregate payroll costs of employees for the respective year ends (excluding social welfare costs and costs related to executive directors) by the average number of employees for the respective year ends as disclosed in note 4 to the consolidated financial statements.

## IMPLEMENTATION OF REMUNERATION POLICY FOR 2024

### Base salary and pension

For 2024, the CEO and Mr Shiels will receive salary increases of 5%, and the CFO and Mr McCarthy will receive marginally higher increases of 9.5% with a view to bringing their remuneration closer to market levels, as set out below. This compares with the general workforce increases for the markets in which they are based and the overall global workforce range of c.4% to 5%.

	Base salary 2023	Base salary 2024
Gene Murtagh	€956,000	€1,003,800
Geoff Doherty	€618,000	€676,710
Russell Shiels	\$697,000	\$731,850
Gilbert McCarthy	€571,000	€625,245

As outlined previously, pension contributions of all incumbent executives are being reduced incrementally to 10% from 2025 with rates applicable for 2024 set out in the table on page 103.



### Annual bonus

The maximum bonus opportunity for all the executive directors remains at 150% of salary and continues to be measured as to 140% of salary on financial metrics and 10% of salary on Customer NPS. The executive directors' financial element is based solely on Group EPS and the divisional directors split equally between Group EPS and divisional profit targets. Targets are commercially sensitive and will be disclosed retrospectively with performance against them in the 2024 Report of the Remuneration Committee.

### Performance share awards

For 2024, the CEO will receive a PSP award over shares with a market value of 250% of base salary, and the other executive directors 225% of base salary. There are no changes to the sustainability measures included in the LTIP, which are measured against Kingspan's ambitious Planet Passionate goals, drawing a clear focus on achieving one of our core strategic pillars.

The 2024 PSP targets are as set out below.

Performance Measure	Weighting	Percentage vesting at threshold	Threshold vesting target	Maximum vesting target
EPS	45%	25%	3% CAGR	6% CAGR
TSR	45%	25%	Median	Upper quartile
Planet Passionate	10%	0%	-	Various

### Non-executive director fees

There are no changes to the non-executive director fees for 2024.

	2023	2024
Chairman's annual fee	€350,000	€350,000
Non-executive director's annual fee	€75,000	€75,000
Senior Independent Director's annual fee	€15,000	€15,000
Audit or Remuneration Committee Chair's annual fee	€15,000	€15,000

## COMMITTEE GOVERNANCE

### Committee membership and attendance

Name	Number of Meetings Attended
Linda Hickey (Chair)	4/4
Michael Cawley <sup>1</sup>	1/1
Anne Heraty <sup>2</sup>	1/1
Éimear Moloney <sup>3</sup>	3/3
Louise Phelan <sup>3</sup>	3/3

1. Michael Cawley retired from the committee as of 28 April 2023.

2. Anne Heraty retired from the committee as of 28 April 2023.

3. Éimear Moloney and Louise Phelan were appointed to the committee as of 28 April 2023.

The Chief Executive does not normally attend meetings but provides input, where relevant, to the committee chair prior to the meeting. No individual is present at a meeting when the terms of his or her own remuneration are discussed. The Company Secretary acts as the secretary to the committee. The terms of reference are available on the Company's website: [www.kingspan.com](http://www.kingspan.com)

## Key activities during the year

	FEB	JUL	OCT	NOV
<b>Salary and fees</b>				
Engage independent consultants for policy and benchmark review		●		
Review implementation of overall remuneration policy		●		
Review and approve executives' salary, role and responsibilities for 2024				●
Review and approve non-executives' fees for 2024				●
Review remuneration benchmark			●	●
Review non-financial performance measures				●
Review and approve Chairman's fee				●
<b>Performance pay</b>				
Assess Group and individual performance against targets for 2022	●			
Review executive bonus measures and weighting for 2024				●
Agree Group and individual performance targets for 2024				●
<b>PSP Awards</b>				
Assess performance of 2020/2022 PSP Awards against targets	●			
Determine percentage of 2020/2022 PSP Awards which vest	●			
Review performance measures for grants of PSP Awards for 2023	●			
Agree targets and level for grants of PSP Awards for 2023	●			
Review non-financial Planet Passionate measures for 2023	●			
<b>Governance</b>				
Review and approve Report of the Remuneration Committee for the Annual Report 2022	●			
Update on governance and remuneration trends generally				●
Consider shareholder votes and feedback from AGM 2023		●		
Engage with shareholders post AGM		●		

### External advisors

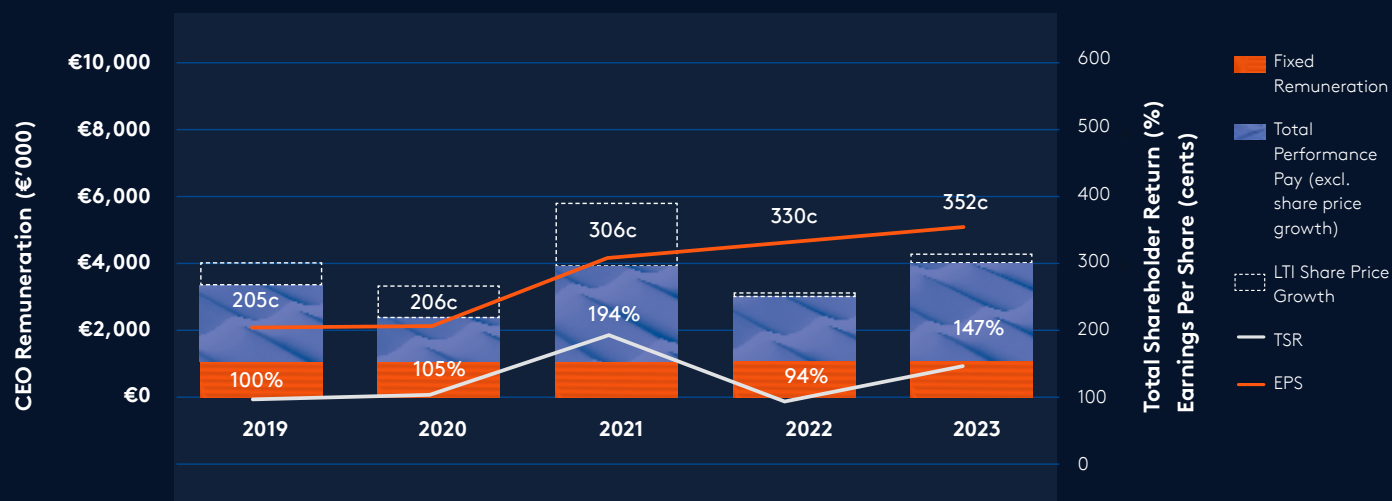
The Remuneration Committee obtained advice during the year from independent remuneration consultants Korn Ferry. Korn Ferry's fees for advice to the committee were £72k. Korn Ferry is a member of the Remuneration Consultants Group and a signatory to its Code of Conduct, and all advice is provided in accordance with this code. Korn Ferry also provided some leadership and development services to Kingspan during the year. The committee concluded that the associated fee for the provision of this service was not material and would not affect Korn Ferry's independence and objectivity. Accordingly, the committee is satisfied that the advice obtained was objective and independent.

### Shareholder Voting

The following table summarises the details of votes cast in respect of the resolution on the Report of the Remuneration Committee at the 2023 AGM.

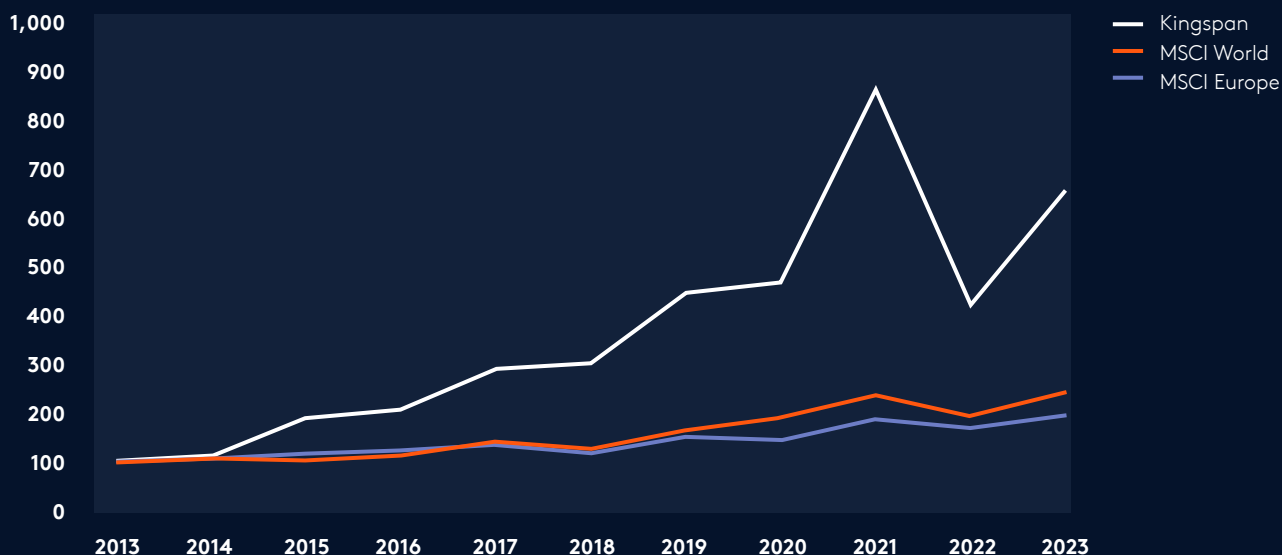
RESOLUTION	Votes For		Votes Against		Total Votes		Votes
	Number	%	Number	%	Number	% of Total Voting Rights	Withheld
Report of the Remuneration Committee	144,479,935	97.41%	3,838,268	2.59%	148,318,203	81.54%	1,560,987

### CEO Remuneration vs Kingspan Performance



The graph below shows Kingspan's TSR performance against the performance of the MSCI World and MSCI Europe indices over the 10-year period to 31 December 2023:

### Total Shareholder Returns %





**Sports Hall Louvain-la-Neuve**  
Wallonia, Belgium  
**Insulated Panels**  
JI insulated panels; JI roof  
and wall profiles



# REPORT OF THE AUDIT & COMPLIANCE COMMITTEE

Senan Murphy



**Carton Factory**  
Leichhardt, Australia  
**Insulated Panels**  
KS1000RW Trapezoidal  
insulated roof panels



As chairman of the Audit & Compliance Committee, I am pleased to present the report of the committee for the year ended 31 December 2023 to stakeholders and wider society.



This report details how the Audit & Compliance Committee has met its responsibilities under its Terms of Reference, the Irish Companies Act 2014 and under the UK Corporate Governance Code (July 2018) over the last twelve months.

The Audit & Compliance Committee focused particularly on the appropriateness of the Group's financial statements and product compliance processes.

The Audit & Compliance Committee has satisfied itself, and has advised the Board accordingly, that the 2023 Annual Report and financial statements are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Group's performance, business model and strategy. The significant issues that the committee considered in relation to the financial statements and how these issues were addressed are set out in this report.

The Audit & Compliance Committee has also satisfied itself in relation to the effectiveness of the controls and processes regarding product compliance and monitoring the culture of compliance across the Group.

The Audit & Compliance Committee note the requirements under section 225 of the Companies



Act 2014 and has ensured that the directors are aware of their responsibilities and comply fully with this provision.

One of the Audit & Compliance Committee's key responsibilities is to review the Group's risk management and internal controls systems, including internal financial controls. During the year, the committee carried out a robust assessment of the principal risks facing the Group and monitored the risk management and internal controls system on an ongoing basis. Further details regarding these matters are also set out later in this report.

The Audit & Compliance Committee also reviewed the effectiveness of both the external audit process and the internal audit function as part of the continuous improvement of financial reporting and risk management across the Group.

**Senan Murphy**  
Chairman, Audit & Compliance Committee

## ROLE AND RESPONSIBILITIES

The Board has established an Audit & Compliance Committee to monitor the integrity of the Group's financial statements and the effectiveness of the Group's internal financial and IT general controls. Additionally, the committee has responsibility for reviewing the effectiveness of the processes and controls associated with product certification and the marketing of the Group's products.

The committee's role and responsibilities are set out in the committee's Terms of Reference which are available from the Company and are displayed on the Group's website ([www.kingspan.com](http://www.kingspan.com)). The Terms of Reference are reviewed annually and amended where appropriate. During the year the committee worked with management, the external auditors and Group Internal Audit in fulfilling these responsibilities.

The Audit & Compliance Committee report deals with the key areas in which the Audit & Compliance Committee plays an active role and has responsibility. These areas are as follows:

1. Financial reporting and related primary areas of judgement;
2. The external audit process;
3. The Group's internal audit function and risk management controls;
4. The Group's product compliance and certification function;
5. Compliance with the Group Marketing Integrity Manual; and
6. Governance.

### Committee membership

As at 31 December 2023, the Audit & Compliance Committee comprised three independent non-executive directors, Senan Murphy (chairman), Anne Heraty and Éimear Moloney. The biographies of each can be found in the Directors' Report.

In conjunction with his retirement from the Board, Michael Cawley retired from the Audit & Compliance Committee in April 2023.

The Board considers that the committee has an appropriate and experienced blend of commercial, financial and industry expertise to enable it to fulfil its duties, and that the committee chairman, Senan Murphy B.Comm., F.C.A, has appropriate recent and relevant financial experience.

### Meetings

The committee met four times during the year ended 31 December 2023. Attendance at the meetings and matters under review by the Audit & Compliance Committee at each meeting are noted in the following tables.

Committee Member	Attended	Eligible	Appointment Date
Senan Murphy (chairman)	4	4	2022
Anne Heraty	4	4	2019
Éimear Moloney	4	4	2021
Michael Cawley (retired)	1	1	2014



**Medical Centre**  
Orly, France  
**Insulated Panels**  
JI Sonora; JI Brise;  
JI Albe



<b>Audit &amp; Compliance Committee Activities</b>	<b>FEB</b>	<b>JUN</b>	<b>AUG</b>	<b>NOV</b>
<b>FINANCIAL REPORTING</b>				
Review and approve preliminary & half-year results	●		●	
Consider key audit and accounting issues and judgements	●	●	●	●
Review correspondence with Irish Auditing and Accounting Supervisory Authority (IAASA)	●	●		
Approve going concern and viability statements	●		●	
Consider accounting policies and the impact of new accounting standards	●	●	●	●
Review management letter from auditors	●			
Review of any related party matters and intended disclosures	●		●	
Review Annual Report (including ESEF format) and confirm if fair, balanced and understandable	●			
<b>EXTERNAL AUDITOR (EY)</b>				
Ongoing assessment of auditor performance – including feedback from management	●	●	●	●
Approval of external audit plan and ongoing review	●	●	●	●
Review reports and correspondence from the auditor to the Audit & Compliance Committee	●	●	●	●
Review of digital audit findings and insights	●			
Confirm auditor independence and consider non-audit services and materiality of related fees	●		●	●
Review and consideration of audit fees	●			●
<b>INTERNAL AUDIT AND RISK MANAGEMENT CONTROLS</b>				
Ongoing performance assessment of internal audit team	●	●	●	●
Review of internal audit reports and monitor progress on open actions	●	●	●	●
Approve internal audit plan and resources, taking account of risk management	●	●	●	●
Review of financial and IT general controls	●	●	●	●
Review of internal audit reports for cybersecurity controls	●	●	●	●
Review and approve the structure of the internal audit team	●	●	●	●
Review details of global fraud and cyber-attack attempts and management response	●	●	●	●
Monitor Group whistleblowing procedures and reports	●	●	●	●
Assessment of compliance with Group Global Sanctions policy	●	●	●	●
Review of Group liquidity position	●	●	●	●
Assessment of the principal risks and effectiveness of internal control systems				●
<b>PRODUCT COMPLIANCE AND CERTIFICATION</b>				
Review and approve internal audit plan for audit of product marketing compliance with Group Marketing Integrity Manual	●	●	●	●
Review of internal audit reports relating to product marketing compliance	●	●	●	●
Review and consider the structure and expertise of the product compliance and certification team	●	●	●	●
Meetings and updates from Group Head of Compliance & Certification and divisional compliance teams		●		●
Discussions with divisional management on product compliance and certification matters as well as site visits		●		●
<b>GOVERNANCE</b>				
Formal evaluation of external and internal audit functions		●		
Review and approve Directors' Compliance Statement	●			
Update on Group treasury strategy and approve Group Treasury Policy		●		



Each committee meeting was attended by the Group Chief Financial Officer, the Head of Internal Audit & Compliance and the external auditor. The Company Secretary is the secretary of the Audit & Compliance Committee. Other directors and members of the senior management team may attend meetings as required.

The chairman of the Audit & Compliance Committee also met with both the Head of Internal Audit & Compliance and the external audit lead partner outside of committee meetings as required throughout the year.

### Committee evaluation

As outlined within the Report of the Nominations & Governance Committee, the performance of the Board also includes a review of the committees. Any recommendations raised in relation to the Audit & Compliance Committee are acted upon in a formal and structured manner. No issues were identified for the year ended 31 December 2023.

### Financial reporting

The committee is responsible for monitoring the integrity of the Group's financial statements and reviewing the financial reporting judgements contained therein. The financial statements are prepared by a finance team with the appropriate qualifications and expertise.

The committee confirmed to the Board that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

In respect of the year to 31 December 2023, the committee reviewed:

- the Group's Trading Updates issued in April, July and November 2023;
- the Group's Interim Report for the six months to 30 June 2023; and
- the Preliminary Announcement and Annual Report to 31 December 2023.

In carrying out these reviews, the committee:

- reviewed the appropriateness of Group accounting policies and monitored changes to, and compliance with, accounting standards on an ongoing basis;

- discussed with management and the external auditor the critical accounting policies and judgements that had been applied;
- compared the results with management accounts and budgets and reviewed reconciliations between these and the final results;
- discussed a report from the external auditor identifying the significant accounting and judgemental issues that arose in the course of the audit;
- considered the management representation letter, requested by the external auditor for any non-standard issues and monitored action taken by management as a result of any recommendations;
- discussed with management future accounting developments which are likely to affect the financial statements;
- reviewed the budgets and strategic plans of the Group to ensure that all forward looking statements made within the Annual Report reflect the actual position of the Group; and
- considered key areas in which estimates and judgement had been applied in preparation of the financial statements including, but not limited to, a review of fair values on acquisition, the carrying amount of goodwill, intangible assets and property, plant and equipment, litigation and warranty provisions, recoverability of trade receivables, determination of lease terms, valuation of inventory, and tax matters.

The primary areas of judgement considered by the committee in relation to the Group's 2023 financial statements, and how they were addressed by the committee are set out overleaf.

Each of these areas received particular focus from the external auditor, who provided detailed analysis and assessment of the matter in their report to the committee.

In addition, the Internal Audit team reviews the businesses covered in its annual internal audit plan, as agreed by the committee, and reports its findings to the Audit & Compliance Committee throughout the year. These internal audit reviews are focused on areas of judgement such as warranty provisions, trade receivables and inventory, and provide the committee with information on the adequacy and appropriateness of provisions in these areas.

<b>Primary areas of judgement</b>	<b>Committee activity</b>
<b>Adequacy of warranty provision</b>	The committee reviewed the judgements applied by management in assessing both specific and risk based warranty provisions at 31 December 2023. The committee reviewed and discussed with management the monthly reports presented to the Board which set out, for each of the Group's divisions, warranty provisions, warranty costs and an analysis of these costs as a percentage of divisional sales. Warranty provisions are reviewed on an ongoing basis throughout the year in conjunction with the internal audit process. The committee was satisfied that such judgements were appropriate and the risk had been adequately addressed.
<b>Recoverability of trade receivables and adequacy of provision</b>	The committee reviewed the judgements applied by management in determining the provision for expected credit loss at 31 December 2023. The committee reviewed and discussed with management the monthly board report which sets out aged analysis of gross receivables balances and associated provisions for expected credit loss and reviewed security (including credit insurance) that is in place. Expected credit loss provisions are reviewed on an ongoing basis throughout the year in conjunction with the internal audit process. The committee was satisfied that such judgements were appropriate and the risk had been adequately addressed.
<b>Accounting for acquisitions</b>	Total acquisition consideration in 2023 amounted to €226.9m. The committee discussed with management and the external auditors the accounting treatment for newly acquired businesses, and the related judgements made by management, and were satisfied that the treatment in the Group's financial statements was appropriate.
<b>Consideration of impairment of goodwill</b>	<p>The committee considered the annual impairment assessment of goodwill prepared by management for each Cash Generating Unit ("CGU") using a discounted cash flow analysis based on the strategic plans approved by the Board, including a sensitivity analysis on key assumptions. The primary judgement areas were the achievability of the long-term business plans and the key macroeconomic and business specific assumptions. In considering the matter, the committee discussed with management the judgements made and the sensitivities performed. Further detail of the methodology is set out in Note 10 to the financial statements.</p> <p>EY also provided the committee with their evaluation of the impairment review process.</p> <p>Kingspan completed nine acquisitions during the financial year. The measurement of goodwill is not yet finalised for all acquisitions but the methodology of the assessments of such items of goodwill was presented to the committee and the results were deemed appropriate.</p>
<b>Valuation of inventory and adequacy of inventory provision</b>	The committee reviewed the valuation and provisioning for inventory at 31 December 2023. The main area of judgement was the level of provisioning required for slow moving and obsolete inventory. The committee reviewed and discussed with management the monthly board report which sets out, for each of the Group's divisions, gross inventory balances and associated obsolescence provision including an analysis by inventory, category and ageing. Inventory provisions are reviewed on an ongoing basis throughout the year in conjunction with the internal audit process. The committee was satisfied that such judgements were appropriate and the risk had been adequately addressed.
<b>Taxation</b>	Provisioning for potential current tax liabilities and the level of deferred tax asset recognition in relation to accumulated tax losses are underpinned by a range of judgements. The committee addresses these issues through a range of reporting streams from senior management and a process of challenging the appropriateness of management's views including the degree to which these are supported by professional advice from external legal and other advisory firms. This assessment was conducted in line with the provisions of IFRIC 23. The Group's Accounting Manual sets out detailed policies that prescribe the methodology to be used by management in calculating the above provisions. Each division formally confirms compliance with these policies on an annual basis. The committee was satisfied that such judgements were appropriate, and the risk had been adequately addressed.



**Stitch Design Shop**  
North Carolina, USA  
**Light, Air + Water**  
UniQuad® Polycarbonate  
Wall System

### External auditor

The Audit & Compliance Committee has responsibility for overseeing the Group's relationship with the external auditor including reviewing the audit team, the quality and effectiveness of their performance, their external audit plan and process, their independence from the Group, their appointment and their audit fee proposals.

### Performance and audit plan

Following the completion of the 2022 year end audit, the committee carried out a review of the effectiveness of the external auditor and the audit process. This review involved discussions with both Group management and internal audit, in addition to feedback provided by divisional management. The committee continues to monitor the performance, independence and objectivity of the external auditors and takes this into consideration when making its recommendations to the Board on the remuneration, the terms of engagement and the re-appointment, or otherwise, of the external auditors.

Prior to commencement of the 2023 year end audit, the committee approved the external auditor's work plan and resources and agreed

with the auditor's key areas of focus, including accounting for acquisitions, warranty provisions and revenue recognition.

During the year, the committee met with the external auditor without management being present. This meeting provided the opportunity for direct dialogue and feedback between the committee and the auditor, where they discussed inter alia some of the key audit management letter points.

### EU audit reform

The regulatory framework for the Group's statutory audit is governed by EU legislation under Directive 2014/56/EU and Regulation EU No. 537/2014. EU Audit reform legislation is applicable in the Member States of the European Union, including Ireland. Under this legislation, Kingspan Group plc is considered a Public Interest Entity (PIE). Key developments falling from the implementation of this legislation are:

- a requirement that the PIE changes its statutory auditor every ten years (following rotation, the statutory audit firm cannot be reappointed for four years);



- a requirement that certain procedures are followed for the selection of the new statutory auditor; and
- restrictions on the entitlement of the statutory auditing firm to provide certain non-audit services.

Kingspan Group plc has fully complied with EU Audit Reform. With regard to audit firm rotation, EY was selected as the external auditor for the financial year commencing 1 January 2020 and is therefore permitted to continue as auditor until the financial year ended 31 December 2029 should the committee consider it appropriate to do so.

#### Independence and objectivity

The committee is responsible for ensuring that the external auditor is objective and independent. EY was appointed as the Group's auditor on 1 May 2020, following a formal tender process in which several leading global firms submitted written tenders and delivered in-person presentations.

The committee received confirmation from the external auditor that they are independent of the Group under the requirements of the IAASA Ethical Standard for Auditors (Ireland)

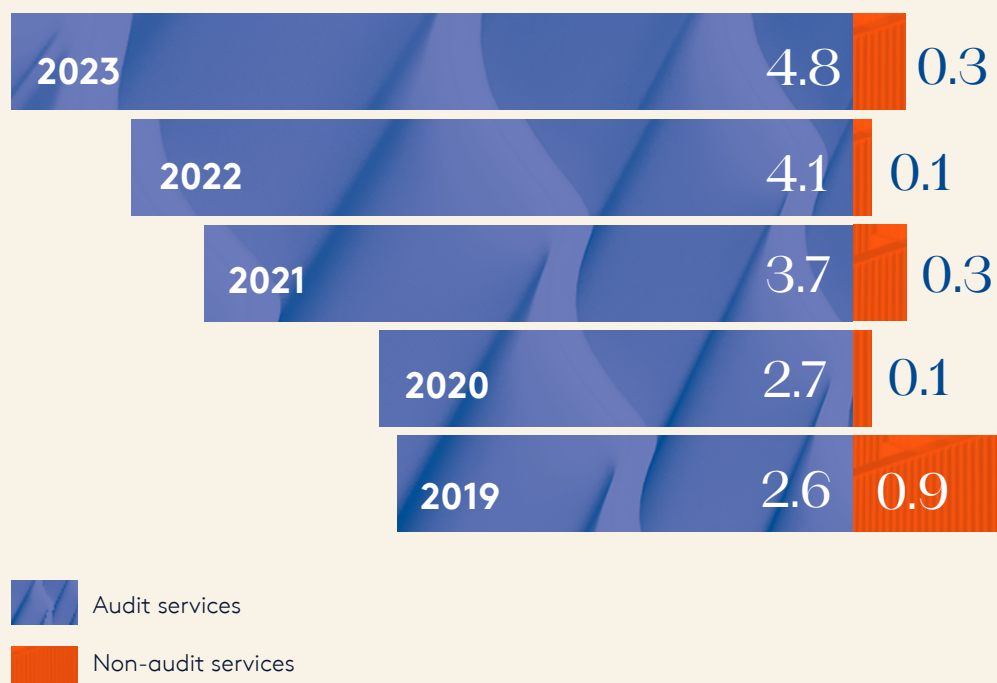
2020. The external auditor also confirmed that they were not aware of any relationships between the Group and the firm or between the firm and any persons in financial reporting oversight roles in the Group that may affect its independence.

#### Non-audit services

To further ensure independence, the committee has a policy on the provision of non-audit services by the external auditor that seeks to ensure that the services provided by the external auditor are not, or are not perceived to be, in conflict with auditor independence. The committee ensured that the independence of the external audit was not compromised by obtaining an account of all relationships between the external auditor and the Group, by reviewing the economic importance of the Group to the external auditor and by monitoring the audit fees as a percentage of total income generated from the relationship with the Group. The committee's policy on the provision of non-audit services by the Group's external auditor is fully compliant with EU audit reform legislation.

An analysis of fees paid to the external auditor, including the non-audit fees, is set out in Note 6 and below:

### Audit v Non-Audit Services (€m)





### Internal audit and compliance

The committee reviewed and agreed the annual internal audit plan, which the committee believes is appropriate to the scope and nature of the Group. The internal audit plan is risk based, with all divisions audited every year, and all new businesses audited within 12 months of acquisition.

The committee reviewed reports from the Head of Internal Audit & Compliance at its quarterly meetings. These reports enable the committee to monitor the progress of the internal audit plan, to discuss key findings and the plan to address them, and to obtain status updates of previous key findings.

The committee is responsible for reviewing the effectiveness of the internal audit function and does so based upon discussion with Group management, the Group's external auditor and feedback provided by divisional management. The committee was satisfied that the internal audit function is working effectively, improves risk management throughout the Group and that the internal audit team is sufficiently resourced in addition to having the adequate level of experience and expertise.

The terms of reference of the Audit & Compliance Committee were extended in December 2020 to include oversight of the processes around product certification and product marketing. The Head of Internal Audit & Compliance also reports to the committee in this regard.

### Risk management and internal controls

The Audit & Compliance Committee has been delegated, from the Board, the responsibility for monitoring the effectiveness of the Group's system of risk management and internal control. As part of both the year end audit and the half year review process, the Audit & Compliance Committee monitors the Group's risk management and internal control processes through detailed discussions with management and executive directors, the review and approval of the internal and external audit reports, all of which highlight the greatest areas of risk and control weakness in the Group. All weaknesses identified by either internal or external audits are discussed by the committee with Group management and an implementation plan for the targeted improvements to these systems is put in place. The implementation plan is overseen by the Group Chief Financial Officer and the committee is satisfied that this plan is being properly executed.

As part of its standing schedule of business, the committee carried out an annual risk assessment



of the business to formally identify the key risks facing the Group. Full details of this risk assessment and the key risks identified are set out in the Risks & Risk Management section of this Annual Report.

These processes, which are used by the Audit & Compliance Committee to monitor the effectiveness of the Group's system of risk management and internal control, are in place throughout the accounting period and remain in place up to the date of approval of this Annual Report.

The main features of the Group's internal control and risk management systems that specifically relate to the Group's financial reporting and accounts consolidation process are set out in the Report of the Directors.

### Product compliance and certification

The Audit & Compliance Committee has responsibility for reviewing the effectiveness of the processes and controls associated with product compliance and monitoring the culture of compliance across the Group.

The Group product compliance framework can be split into two categories:

1. Compliance of products with product specific laws and regulations, testing, certification and accreditation; and

2. The accuracy and consistency of product marketing materials.

The Group Product Compliance & Certification Team, led by the Group Head of Compliance & Certification, is independent of divisional management and performs the following functions:

- Supports compliance governance across the Group in implementing policies, processes and procedures to ensure continued improvement in management systems. This includes ownership of the Group Product Compliance Policy.
- Performs extensive audits of processes and controls associated with product compliance and the monitoring of compliance across the Group.
- Leads the design and roll-out of the Group Compliance Management System (CMS) which has achieved the international ISO 37301 standard.

The Audit & Compliance Committee meet with the Group Head of Compliance & Certification for updates on the Group's compliance and certification agenda. This includes updates on the product compliance audit schedule and the results of completed audits as well as reviewing the Group Compliance Auditing Guidelines. The Audit & Compliance Committee visit sites with the Group Product Compliance & Certification team to better understand the product compliance culture at an operational level.

The Audit & Compliance Committee also meet regularly with the Group Head of Internal Audit & Compliance in relation to product marketing compliance matters. Following the adoption of the Group Marketing Integrity Manual in September 2021, the Group Internal Audit Plan includes specific audits, performed by appropriately trained internal auditors, of product marketing compliance with the Group Marketing Integrity Manual.

The Audit & Compliance Committee noted the following product compliance highlights in 2023:

- An additional 29 sites have been accredited with the leading international compliance standard, ISO 37301. This now brings the total number of sites with this accreditation to 59 with a plan to have 85 sites certified to this standard by the end of 2024.
- Updated Group Compliance Auditing Guidelines issued.

- 109 internal product compliance audits were conducted by the Group Product Compliance and Certification team.
- 480 external product compliance audits were conducted by independent certification bodies.
- 23 business unit marketing audits were performed by the Group Internal Audit & Compliance team.
- ISO 37301 education and training systems launched.
- Incorporation of newly acquired businesses into the Compliance Management System (CMS).
- Recruitment of additional compliance experts for Group Internal Audit and Group Compliance & Certification teams.
- Divisional Compliance Managers reporting to Group Compliance & Certification team monthly.
- Product compliance registers maintained across all divisions.

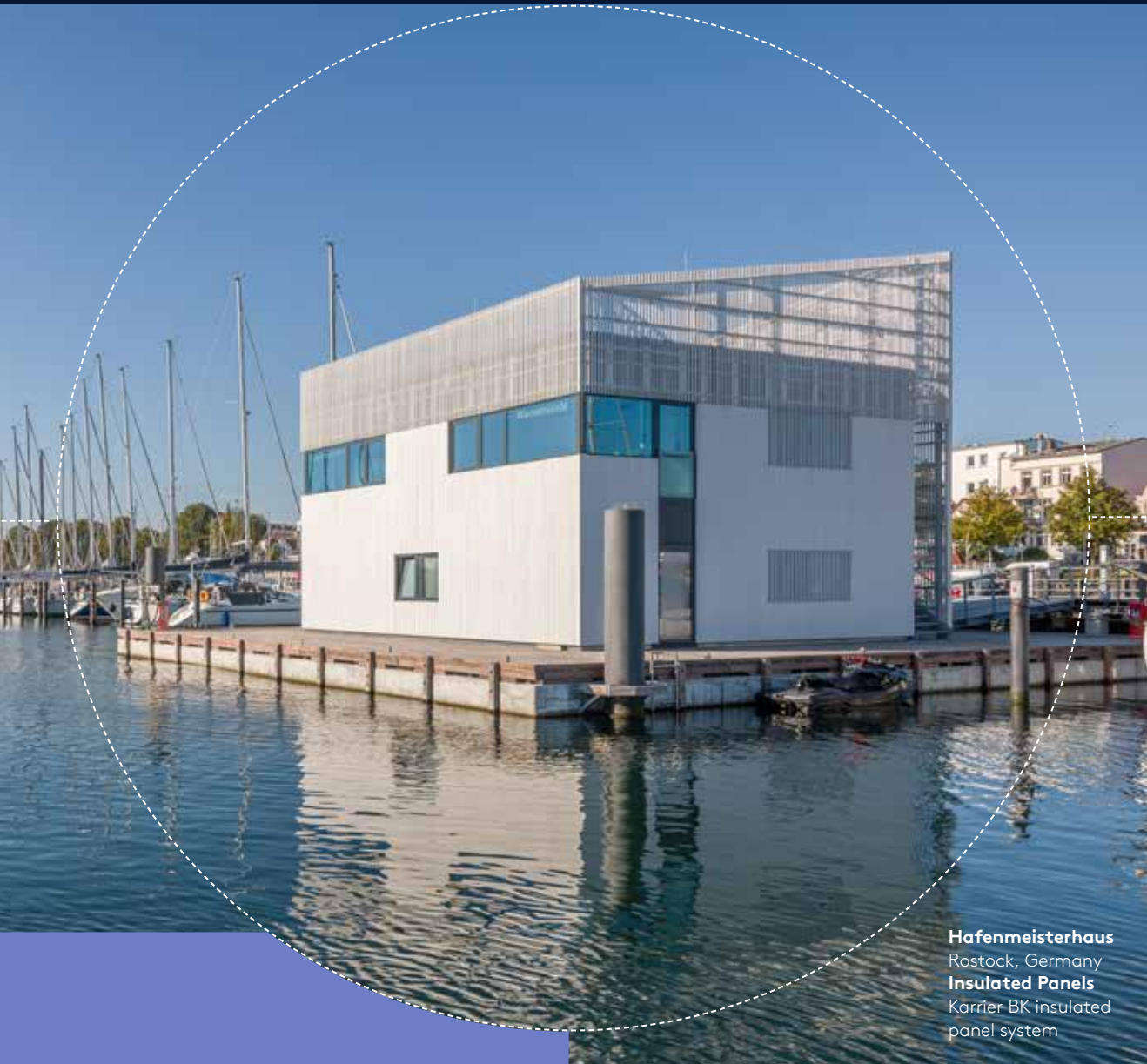
### Whistleblowing procedures

The Group has a Code of Conduct, full details of which are available on the Group's website ([www.kingspan.com](http://www.kingspan.com)).

Based on the standards set out in this Code of Conduct, the Group employs a comprehensive, confidential and independent whistleblowing phone service to allow all employees to raise their concerns about their working environment and business practices. This service then allows management and employees to work together to address any instances of fraud or other misconduct in the workplace.

Any instances of fraud or misconduct reported on the whistleblowing phone service are reported to the Head of Internal Audit & Compliance and the Company Secretary who ensure each incident is appropriately investigated and then report to the committee details of the incident, key control failures, any financial loss and actions for improvement. All reports through the whistleblower line and all fraud attempts are presented at each Audit & Compliance Committee meeting.

During the year, the committee reviewed the Group's whistleblowing process and were satisfied with the design and operating effectiveness of the process.



**Hafenmeisterhaus**  
Rostock, Germany  
**Insulated Panels**  
Karrier BK insulated  
panel system



The directors of Kingspan Group plc (“Kingspan”) have pleasure in presenting their report with the audited financial statements for the year ended 31 December 2023.

This Report of the Directors and the Business & Strategic Report on pages Pages 20-77 together comprise the 'Management Report' for the purposes of the Transparency (Directive 2004/109/EC) Regulations 2007 of Ireland.



#### Information incorporated by reference

The following information is provided in other appropriate sections of this Annual Report and the financial statements and is incorporated into this Report of the Directors by reference.

Information	Reported in	Page(s)
A review of the business of the Group.	Chief Executive's Review	33-41
The Group's Key Performance Indicators.	Financial Review	43-47
A description of likely future developments in the Group's business.	Chief Executive's Review	41
A description of the principal risks and uncertainties that could affect the Group's business.	Risk & Risk Management Report	50-57
The Company's application of the principles, and compliance with the provisions, of the 2018 UK Corporate Governance Code and the Irish Corporate Governance Annex.	Report of the Nominations & Governance Committee	82-91
The names and biographical details of the Directors.	The Board	79-81
The Directors' and Company Secretary's interests in shares and debentures.	Report of the Remuneration Committee	107-108
The Group's financial risk management objectives and policies and a description of the use of financial instruments.	Financial Statements (Note 20)	178-187
The amount of interim dividends (if any) paid by the Company during the year and the amount (if any) that the directors recommend should be paid by way of final dividend.	Financial Review	44
Information required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017.	Sustainability Report	58-77



## Principal Activities

Kingspan is the global leader in high-performance insulation and building envelope solutions. Kingspan Group plc is a holding company for the Group's subsidiaries and other entities. The Group's principal activities comprise the manufacture and distribution of the following product suites as part of the complete "Building Envelope":



### INSULATED PANELS

Manufacture of insulated panels, structural framing and metal facades.



### INSULATION

Manufacture of rigid insulation boards, technical insulation and engineered timber systems.



### LIGHT, AIR + WATER

Manufacture of energy and water solutions, daylighting, smoke management and ventilation systems and related service activities.



### DATA + FLOORING

Manufacture of data centre storage solutions and raised access floors.



### ROOFING + WATERPROOFING

Manufacture of roofing and waterproofing solutions for renovation and new construction of buildings.

Kingspan's five key business divisions offer a suite of complementary building envelope solutions for both the new build and refurbishment markets.

## Innovation

At Kingspan, innovation is a core pillar of our strategy and we view it as a key strategic advantage. We believe building industry traditions must be challenged through innovation in advanced materials and digital technologies in order to achieve a net zero emissions future.

We have innovated a portfolio of advanced products and solutions for architects and building owners which enable them to construct buildings that consume less resources. Future proofing their investment, generating returns through enhanced internal space and operational performance, and facilitating efficient construction through thinner, lighter and safer to handle materials. Increasingly we are enhancing our service and solutions through digitisation. By surfacing our products digitally, we're making it easier to find them, specify them, buy them, build with them and track them.

In the year ended 31 December 2023, the Group's research and development expenditure amounted to €63.5m (2022: €60.3m). Research and development expenditure is generally expensed in the year in which it is incurred. Kingspan's continuing investment in research and development involves a number of key projects which include:

- PV solar-integrated PowerPanel™ roof solution;
- QuadCore™ 2.0;
- Next generation Kooltherm®;
- A-class vacuum insulated panel;
- Launch of low embodied carbon insulated panel (QuadCore LEC™);
- Decarbonisation of materials;
- Digitalisation of the construction industry;
- Lower carbon acoustic solutions; and
- Bio-based low carbon insulation.

### Internal control and risk management systems

The Board confirms that there is an ongoing process for identifying, evaluating and managing any significant risks faced by the Group. This process has been in place for the year under review and up to the date of approval of the financial statements, and it is regularly reviewed by the Board in compliance with 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting' issued by the Financial Reporting Council.

**We believe building industry traditions must be challenged through innovation in advanced materials and digital technologies in order to achieve a net zero emissions future.**

The Board has delegated responsibility to the Audit & Compliance Committee to monitor and review the Group's risk management and internal control processes, including the financial, operational and compliance controls. This is done through detailed discussions with management and the executive directors, the review and approval of the internal audit reports, which focus on the areas of greatest risk to the Group, and the external audit reports, as part of both the year end audit and the half year process, all of which are designed to highlight the key areas of control weakness in the Group. Further details of the work conducted by the Audit & Compliance Committee in this regard is detailed in the Report of the Audit & Compliance Committee contained in this Annual Report.

The main features of the Group's internal control and risk management systems that relate specifically to the Group's financial reporting processes are:

- Budgets and strategic plans are approved annually by the Board and compared to actual performance and forecasts on a monthly basis;
- Sufficiently sized finance teams with appropriate level of experience and qualifications throughout the Group;
- Formal Group Accounting Manual in place which clearly sets out the Group financial policies in addition to the formal controls;
- Formal IT and treasury policies and controls in place;
- Centralised tax and treasury functions;

- Sales reports are submitted and reviewed on a weekly basis whilst full reporting packs are submitted and reviewed on a monthly basis; and
- Internal audit function review financial controls, IT general controls, cyber security controls and report results/findings on a quarterly basis to the Audit & Compliance Committee.

The main features of the Group's internal control and risk management systems that relate specifically to the Group's consolidation process are:

- The review of reporting packages for each entity as part of the year end audit process;
- The reconciliation of reporting packages to monthly management packs as part of the audit process and as part of management review;
- The validation of consolidation journals as part of the management review process and as an integral component of the year end audit process;
- The review and analysis of results by the Chief Financial Officer and the internal auditors with the management of each division;
- Consideration by the Audit & Compliance Committee of the outcomes from the annual risk assessment of the business; and
- The review of internal and external audit management letters by the Chief Financial Officer, the Head of Internal Audit & Compliance and the Audit & Compliance Committee and the follow up of any critical management letter points to ensure issues highlighted are addressed.

In addition, the remit of the Audit & Compliance Committee also includes reviewing the effectiveness of the controls and processes relating to product compliance by:

- Reviewing reports from the Group Head of Compliance relating to product compliance, certification and accreditation, including implementation status of the Group's ISO 37301 Compliance Management Systems targets;
- Auditing compliance with the Group Marketing Integrity Manual incorporating the Code for Construction Product Information (CCPI) best practice principles; and
- Monitoring the culture of compliance across the Group.

Further information on the risks faced by the Group and how they are managed are set out in the Risk & Risk Management section of this Annual Report.

### Accounting Records

The directors are responsible for ensuring that accounting records, as outlined in Sections 281 to 285 of the Companies Act 2014, are kept by the Group. The directors have provided appropriate systems and resources, including the appointment of suitably qualified accounting personnel, to maintain adequate accounting records throughout the Group, in order to ensure that the requirements of Sections 281 to 285 are complied with. The accounting records of the Company are maintained at the principal executive offices located at Dublin Road, Kingscourt, Co. Cavan, A82 XY31, Ireland.

### Delisting from the London Stock Exchange

On 28 April 2023, the Company announced proposals to cancel the admission of its Ordinary Shares to the Official List of the Financial Conduct Authority of the United Kingdom and to cease trading on the London Stock Exchange's ('LSE') Main Market for listed securities. The Board noted that in recent years the volume of trading in the Ordinary Shares on the LSE was negligible as a

percentage of the overall trading volume in the Ordinary Shares and in that context, the cost and the legal and regulatory burden associated with the listing and admission to trading on the LSE was considered by the Board to be no longer justified. The Delisting Resolution was approved by shareholders at the Extraordinary General Meeting of the Company held on 20 July 2023 and Company's Ordinary Shares delisted from the LSE on 18 August 2023.

The Company's Ordinary Shares continue to be listed on the Main Market of the Euronext Dublin Stock Exchange.

### The European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006

The information required by Regulation 21 of the above Regulations as at 31 December 2023 is set out below.

### Structure of the Company's share capital

At 31 December 2023, the Company had an authorised share capital comprised of 250,000,000 (2022: 250,000,000) ordinary shares of €0.13 each and the Company's total issued share capital comprised 183,591,682 (2022: 183,591,682) ordinary shares.

Analysis of registered shareholding accounts as at 31 December 2023:

Shareholding range	Number of accounts	% of total	Number of shares held	% of total
1 - 1000	1,368	69.73	593,545	0.32
1,001 - 10,000	548	27.93	1,505,518	0.82
10,001 - 100,000	40	2.04	889,286	0.49
100,001 - 1,000,000	3	0.15	392,162	0.21
Over 1,000,000	3	0.15	180,211,171	98.16
	<b>1,962</b>	<b>100.00</b>	<b>183,591,682</b>	<b>100.00</b>

As at 16 February 2024, the Company had received notification of the interests outlined in the table below, in its ordinary share capital, which were equal to, or in excess of, 3%.

Notification Date	Shareholder	Shares held	%
27/01/2021	Eugene Murtagh	27,018,000	14.88%
30/01/2024	The Capital Group Companies, Inc.	14,629,606	7.99%
30/06/2023	Blackrock, Inc.	12,723,914	6.98%
21/12/2023	FMR LLC	9,156,541	5.03%
07/11/2022	Generation Investment Management LLP	7,273,788	4.00%
01/03/2023	Allianz Global Investors GmbH	7,258,035	3.99%

The number of shares held as treasury shares at the beginning of the year was 1,982,473 (1.09% of the then issued share capital (excluding treasury shares)) with a nominal value of €257,721. A total of 327,872 shares (0.18% of the issued share capital (excluding treasury shares)) with a nominal value of €42,623 were re-issued during the year relating mainly to the exercise of share options under the Kingspan Group Performance Share Plan and the Kingspan Group Employee Benefit Trust. A further 13,547 shares (with a nominal value of €1,761) were bought back by the Company and held in treasury for the purpose of the Deferred Bonus Scheme, leaving a balance held as treasury shares as at 31 December 2023 of 1,668,148 (0.92% of the issued share capital (excluding treasury shares)) with a nominal value of €216,859.

### **Rights and obligations attaching to the ordinary shares**

The Company has no securities in issue conferring special rights with regards control of the Company.

All ordinary shares rank *pari passu*, and the rights attaching to the ordinary shares (including as to voting and transfer) are as set out in the Company's Articles of Association ("Articles"). The Articles also contain the rules relating to the appointment and removal of directors, procedures for amending the Articles, the powers of the Company's directors, and the issuing or buying back by the Company of its shares. A copy of the Articles may be found on [www.kingspan.com](http://www.kingspan.com) or may be obtained on request to the Company Secretary.

Holders of ordinary shares are entitled to receive duly declared dividends in cash or, when offered, additional ordinary shares. In the event of any surplus arising on the occasion of the liquidation of the Company, shareholders would be entitled to a share in that surplus *pro rata* to their holdings of ordinary shares.

Holders of ordinary shares are entitled to receive notice of and to attend, speak and vote in person or by proxy, at general meetings having, on a show of hands, one vote, and, on a poll, one vote for each ordinary share held. Procedures and deadlines for entitlement to exercise, and exercise of, voting rights are specified in the notice convening the general meeting in question. There are no restrictions on voting rights except in the circumstances where a "Specified Event" (as defined in the Articles) shall have occurred and the directors have served a Restriction Notice on the shareholder. Upon the service of

such Restriction Notice, no holder of the shares specified in the notice shall, for so long as such notice shall remain in force, be entitled to attend or vote at any general meeting, either personally or by proxy.

### **Holding and transfer of ordinary shares**

The ordinary shares may be held in either certificated or uncertificated form (through the Euroclear Bank system or (via a holding of CDIs) the CREST system).

Save as set out below, there is no requirement to obtain the approval of the Company, or of other shareholders, for a transfer of ordinary shares. The directors may decline to register (a) any transfer of a partly-paid share to a person of whom they do not approve, (b) any transfer of a share to more than four joint holders, (c) any transfer of a share on which the Company has a lien, and (d) any transfer of a certificated share unless accompanied by the share certificate and such other evidence of title as may reasonably be required. The registration of transfers of shares may be suspended at such times and for such periods (not exceeding 30 days in each year) as the directors may determine.

Transfer instruments for certificated shares are executed by or on behalf of the transferor and, in cases where the share is not fully paid, by or on behalf of the transferee. Transfers of uncertificated shares may be effected by means of a relevant system in the manner provided for in the Regulation (EU) No. 909/2014 of the European Parliament and of the Council of 23 July 2014 (the "CSD Regulations") and the rules of the relevant system. The directors may refuse to register a transfer of uncertificated shares only in such circumstances as may be permitted or required by the CSD Regulations.

### **Rules concerning the appointment and replacement of the directors and amendment of the Company's Articles**

Unless otherwise determined by ordinary resolution of the Company, the number of directors shall not be less than two or more than 15.

Subject to that limit, the shareholders in general meeting may appoint any person to be a director either to fill a vacancy or as an additional director. The directors also have the power to co-opt additional persons as directors, but any director so co-opted is under the Articles required to be submitted to shareholders for re-election at the first Annual General Meeting ('AGM') following his or her co-option.



The Articles require that at each AGM of the Company one-third of the directors retire by rotation. However, in accordance with the recommendations of the UK Corporate Governance Code, the directors have resolved they will all retire and submit themselves for re-election by the shareholders at the AGM to be held on 26 April 2024.

The Company's Articles may be amended by special resolution (75% majority of votes cast) passed at general meeting.

#### **Powers of directors including powers in relation to issuing or buying back by the Company of its shares**

Under its Articles, the business of the Company shall be managed by the directors, who exercise all powers of the Company as are not, by the Companies Acts or the Articles, required to be exercised by the Company in general meeting.

The directors are currently authorised to issue a number of shares equal to the authorised but as yet unissued share capital of the Company on such terms as they may consider to be in the best interests of the Company, under an authority that was conferred on them at the AGM held on 28 April 2023. The directors are also currently authorised on the issue of new equity for cash to disapply the strict statutory pre-emption provisions that would otherwise apply, provided that the disapplication is limited to the allotment of equity securities in connection with (i) any rights issue or any open offer to shareholders, or (ii) the allotment of shares not exceeding in aggregate 5% of the nominal value of the Company's issued share capital, or (iii) for the purpose of financing (or refinancing) an acquisition or other capital investment of a kind contemplated by the UK Pre-emption Group not exceeding in aggregate 5% of the nominal value of the Company's issued share capital. Both these authorities expire on 28 July 2024 unless renewed and resolutions to that effect are being proposed at the AGM to be held on 26 April 2024.

The Company may, subject to the Companies Acts and the Articles, purchase any of its shares and may either cancel or hold in treasury any shares so purchased, and may re-issue any such treasury shares on such terms and conditions as may be determined by the directors. The Company shall not make market purchases of its own shares unless such purchases have been authorised by a special resolution passed by the members of the Company at a general meeting. At the AGM held on 28 April 2023, shareholders passed a resolution giving the Company, or any of its subsidiaries, the authority to purchase up to 10% of the Company's

issued ordinary shares. At the AGM to be held on 26 April 2024, shareholders are being asked to renew this authority.

#### **Miscellaneous**

There are no agreements between shareholders that are known to the Company which may result in restrictions on the transfer of securities or voting rights.

Some of the Group's banking facilities include provisions that, in the event of a change of control of the Company, could oblige early prepayment of the facilities. Some of the Company's joint venture arrangements also contain provisions that would allow the counterparty to terminate the agreement in the event of a change of control of the Company. The Company's Performance Share Plan contains change of control provisions which allow for the acceleration of the exercise of share options/awards in the event of a change of control of the Company.

There are no agreements between the Company and its directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid.

#### **Directors and Secretary**

The directors and secretary of the Company at the date of this report are as shown in The Board section of this Annual Report. Ms. Louise Phelan was appointed as a non-executive director on 28 April 2023 and, Mr. Michael Cawley and Mr. John Cronin retired as non-executive directors on 28 April 2023.

#### **Conflicts Of Interest**

None of the directors have any direct or indirect interest in any contract or arrangement subsisting at the date hereof which is significant in relation to the business of the Company or any of its subsidiaries nor in the share capital of the Company or any of its subsidiaries.

#### **Financial Instruments**

In the normal course of business, the Group has exposure to a variety of financial risks, including foreign currency risk, interest rate risk, liquidity risk and credit risk. The Company's financial risk objectives and policies are set out in Note 20 of the financial statements.

#### **Political Donations**

Neither the Company nor any of its subsidiaries have made any political donations in the year which would be required to be disclosed under the Electoral Act 1997 (2022: €nil).

### Subsidiary Companies

Kingspan is a truly global business, trading in over 80 countries with 224 manufacturing sites across the globe.

The Company's principal subsidiary undertakings at 31 December 2023, country of incorporation and nature of business are listed on pages 204 to 205 of this Annual Report.

The Company does not have any branches outside of Ireland.

### Significant Events Since Year End

On 5 January 2024, Kingspan completed the acquisition of a majority stake (51%) of the shares of Steico SE, a world leader in wood wool insulation, from Schramek GmbH for an initial consideration of €263.5m (€188.5m cash, €75m equity).

On 16 February 2024, the Group signed a series of agreements to acquire the stonewool insulation business and assets of Karl Bachl Kunststoffverarbeitung GmbH & Co. KG in Germany. The transaction is expected to complete by 31 March 2024 and will be funded from existing cash reserves.

There have been no other significant events since the year end which would require adjustment to, or disclosure in this report.

### Going Concern

The directors have reviewed budgets and projected cash flows for a period of not less than 12 months from the date of this Annual Report, and considered its net debt position and capital commitments, available committed banking facilities and other relevant information including the economic conditions currently affecting the building environment generally and the Group's Strategic Plan. On the basis of this review, the directors have concluded that there are no material uncertainties that would cast significant doubt over the Company's and the Group's ability to continue as a going concern. For this reason, the directors consider it appropriate to adopt the going concern basis in preparing the financial statements.

### Viability Statement

The directors are required to assess the prospects of the Company, explain the period over which we have done so and state whether we have a reasonable expectation that the Company will be able to continue in operation and meet liabilities as they fall due over this period of assessment.

The directors have assessed the prospects of the Group over the three-year period to February 2027.

The directors concluded that three years was an appropriate period for the assessment, having had regard to:

- the Group's rolling Strategic Plan which extends to 2027;
- the Group's long-term funding commitments some of which fall to be repaid during the period;
- the inherent short-cycle nature of the construction market including the Group's order bank and project pipeline; and
- the potential impact of macro-economic events and political uncertainty in some regions.

It is recognised that such future assessments are subject to a level of uncertainty that increases with time, and therefore future outcomes cannot be guaranteed or predicted with certainty.

The Group Strategic Plan is approved by the Board, building upon the several divisional management plans as well as the Group's strategic goals. It is based on a number of cautious assumptions concerning macro growth and stability in our key markets, and continued access to capital to support the Group's ongoing investments. The strategic plan is subject to stress testing which involves flexing a number of the main assumptions underlying the forecast in severe but reasonable scenarios. Such assumptions are rigorously tested by management and the directors. It is reviewed and updated annually and was considered and approved by the Board at its meeting in October 2023.

In making this assessment, the directors have considered the resilience of the Group, taking account of its current position and the principal risks facing the business as outlined in the Risk & Risk Management Report contained in this Annual Report, and the Group's ability to manage those risks. The risks have been identified using a top-down and bottom-up approach, and their potential impact was assessed having regard to the effectiveness of controls in place to manage each risk. In assessing the prospects of the Group such potential impacts have been considered as have the mitigating factors in place.

Based on this assessment the directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period of their assessment.

## Directors' Responsibility Statement

Each of the directors whose names and functions are set out in the Board section of this Annual Report confirm their responsibility for preparing the Annual Report and the consolidated and Company financial statements in accordance with applicable Irish law and regulations.

Company law in Ireland requires the directors to prepare financial statements for each financial year. Under that law the directors have to prepare the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU). The directors have elected to prepare the Company financial statements in accordance with IFRSs as adopted by the EU and as applied by the Companies Act 2014. The financial statements are required by law to give a true and fair view of the assets, liabilities and financial position of the Group and Company at 31 December 2023 and of the profit or loss of the Group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company, and the Group as a whole, will continue in business.

The directors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company and which enable them to ensure that the financial statements comply with the Companies Act 2014 and Article 4 of the IAS Regulation.

They are responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Transparency (Directive 2004/109/EC) Regulations 2007 and the Transparency Rules of the Financial Regulator, the directors confirm that to the best of their knowledge:

- the Group financial statements and the Company financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and Company; and
- the Report of the Directors includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face.

They are also satisfied:

- that the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, business model and strategy.

## Directors' Compliance Statement

The directors acknowledge that they are responsible for securing the Company's compliance with its relevant obligations in accordance with Section 225(2) (a) of the Companies Act 2014 (the "Act") (described below as the "Relevant Obligations").

In accordance with Section 225 (2) (b) of the Act, the directors confirm that:

1. a Compliance Policy Statement has been drawn up setting out the Company's policies (that are, in the opinion of the directors, appropriate to the Company) in respect of the compliance by the Company with its Relevant Obligations;
2. appropriate arrangements or structures are in place that, in the opinion of the directors, provide a reasonable assurance of compliance in all material respects with the Company's Relevant Obligations; and
3. during the financial year to which this report relates, a review has been conducted of the arrangements or structures that are in place to ensure material compliance with the Company's Relevant Obligations.



### **Audit Information**

Each of the directors have taken all the steps that they should or ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Group's statutory auditor is aware of that information. So far as the directors are aware, there is no relevant information of which the Group's statutory auditor is unaware.

### **Auditor**

In accordance with Section 383(2) of the Companies Act 2014, the Company's auditor, EY, will continue in office. EY were first appointed as

the Company's auditor on 1 May 2020, with effect for the financial year ending 31 December 2020. A resolution authorising the directors to determine their remuneration will be proposed at the AGM.

On behalf of the Board

### **Gene Murtagh**

Chief Executive Officer

### **Geoff Doherty**

Chief Financial Officer

20 February 2024