Kingspan

Our Mission
Our Planet
Our People

ANNUAL REPORT &
FINANCIAL STATEMENTS 2023

Our mission is to accelerate a net zero emissions future-built environment with the wellbeing of people and planet at its heart.

Amager Bakke
Planet: Amager Bakke is a combined heat and power waste-to-energy plant in Copenhagen.
People: Amager Bakke doubles up as recreational facility, supported by our Derbigum® roofing membrane.

Our Mission Our Planet Our People

ANNUAL REPORT & FINANCIAL STATEMENTS 2023

Kingspan

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This copy of the statutory annual report of Kingspan Group plc for the year ended 31 December 2023 is not presented in the ESEF-format as specified in the Regulatory Technical Standards on ESEF (Delegated Regulation (EU) 2019/815). The ESEF annual report is available at: https://www.kingspan.com/group/investors/reports-presentations

"People are the key driver of our success. Kingspan would not be what it is today without the energetic teams across the world that are dedicated to growing the business, the customers that are passionate about beautiful and sustainable buildings, and the communities which support our growth.

Gene Murtagh
Chief Executive Officer

Gene Murtagh and Keara Dunne at the global launch of Kingspan's People Passionate programme

There has always been a core focus on people at Kingspan, in part to develop a strong pipeline of future leaders. In 2023, we launched the People Passionate programme which broadens the focus on people, amplifying their voices and enabling measurable outcomes and collaborative learning.

>22,500
Employees

>65,000
Customer viewpoints

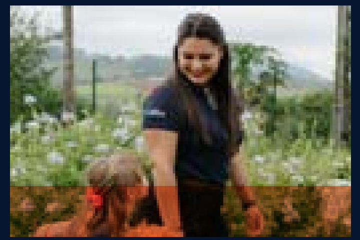
through our Worldwide Voice of Customer programme

224
Communities

Our Clan

In 2023, we launched our People Passionate programme to enrich the experience of the over 22.5k people who move Kingspan forward every day. Read some of our career stories.

See pages 2 to 7



Our Communities

Kingspan's success is enabled by the communities in which we operate, we aim to return that support through community engagement programmes.

See pages 8 to 11

Our Customers

Our customers inspire us in the innovation of our products and services, leading to breakthroughs such as our lower embodied carbon portfolio.

See pages 12 to 15

Our Clan

clan *noun*
/klæn/

a group of people united by
a strong common interest

It has been a great privilege to lead Kingspan's People Passionate programme. Since its launch, there has been an overwhelmingly open and positive response to the initiative across the business, endorsed by the whole senior leadership team.

Keara Dunne
Group Head of
Leadership Development

We are People Passionate, it is core to who we are. People Passionate is a Kingspan-wide programme designed to make a significant contribution to the success and sustainability of our people and the business. We are focusing our energy on creating a workplace where people do their best work together, grow and transform themselves and the built environment sustainably, underpinned by ethics and integrity.

Building on the success of our Planet Passionate programme, we have created a global approach which enables the sharing of good existing people and organisation practices.

This programme will channel our focus on creating positive outcomes collaboratively and enhancing the experience for our people globally.

The reporting framework enables every business to report their progress monthly, against the plan, to the senior leadership team across the areas of Talent and Succession, Capability and Leadership Development, Organisational Performance, Engagement and Strong People Foundations.

We look forward to sharing the People Passionate journey with you.

PEOPLE · PASSIONATE ·

CAPABILITIES AND LEADERSHIP

TRAINING AND DEVELOPMENT

TALENT AND SUCCESSION

STRONG PEOPLE POLICIES AND PROCESSES

CAREER PLANNING

CLARITY ON ROLE

EMPLOYEE ENGAGEMENT

CONNECTING THROUGH CONVERSATIONS

IMPROVING AND SUSTAINING ORGANISATIONAL PERFORMANCE

Louise Foody
Manging Director,
Covolve

> The launch of Covolve, our digital acceleration business, is the culmination of the empowerment I have experienced throughout my career at Kingspan.

Louise's career story

From the day I joined Kingspan as a graduate I have been empowered to be myself, always looking for the next new challenge and opportunity.

My proudest moment so far has been the launch of Covolve which has the dual purpose of advancing businesses digitally and accelerating the next big breakthrough. We have big ambitions!

2005
Marketing Executive

Excited to join Kingspan's first graduate programme.

2007
Marketing Manager North America

Industry firsts
Moved to Canada and positioned Kingspan as a leader in sustainability through the launch of an industry-first Environmental Product Declaration (EPD) for a manufacturer in the region and helped to educate the market through a Net Zero Energy App.

2014
Global Marketing Director

Global goals
Returned to Ireland as Global Marketing Director and spearheaded the launch of QuadCore™, our first truly global product.

2018
Steering the digital journey

Realised opportunity to drive Kingspan's digital transformation. Established our Digital Incubator to deeply understand and improve our customers' experience through digital and led our BIM team to win ICE's Innovation in Construction award 2022.

2023
Covolve Managing Director

Launched Covolve to drive radical innovation and advance businesses digitally.

Marcelo Mokayad

President, Kingspan LATAM

> I stopped looking for good people and started looking for what is good in people.

Marcelo's career story

I joined Kingspan in 2017 through its acquisition of Isoeste in Brazil, where I was CEO.

Kingspan's highly driven, entrepreneurial culture inspired me to stay on post-integration. Today, I am the President of Kingspan for all of Latin America with the opportunity to deliver exciting growth plans for the region, while also respecting and advancing the local communities in which we operate.

2017
CEO
Isoeste

Joined Kingspan through the acquisition of a majority stake in Isoeste.

2017-2023
CEO
Kingspan
Isoeste

4
new sites commissioned

>190%
LATAM revenue growth since 2018

2023
President
Kingspan
LATAM

> Some of my proudest moments leading Isoeste and Kingspan LATAM are centred around the positive change we have made in the lives of people, both internal to Kingspan and in the communities that help us to thrive.
>
> It is the culture we create that extracts what is good or bad in individuals.

Our Communities

Kingspan is active in 224 communities across the globe – here are some of the ways Kingspan Isoeste and its local communities in Brazil have grown together.

895

of our colleagues are employed in Kingspan Isoeste in Brazil

Casa da Carnaúba de Várzea Queimada
Kingspan Isoeste donated insulated panels and daylighting panels to support artisanal industry in north-eastern Brazil.

To support families in our communities in Brazil, Kingspan Isoeste offers childcare assistance to our female employees.

Balanced Careers, Supported Families

Kingspan Isoeste promotes work-life balance by offering exclusive daycare assistance for our female employees.

Female employees can avail of direct financial support to cover a chosen school, nursery or daycare facility. We contribute up to R$800 per child, per month, for children up to seven years of age.

This initiative promotes equal opportunity and engagement for all of our employees, ensuring everyone can succeed in their career without sacrificing family commitments.

Creating comfortable spaces for female artisans

Kingspan Isoeste partnered with an important social initiative in the remote north-eastern Brazilian hinterlands, donating insulated panels and daylighting panels to establish a tailored workspace for the skilled female artisans of the Várzea Queimada community, enhancing conditions for artisanal activities, promoting wellbeing, and strengthening the local community.

With a population of approximately 900 residents, including over 80 children, and a high rate of congenital deafness, the community heavily relies on artisanal production as its main source of income. Notably, 47 women actively contribute to the artisanal industry in the community.

Carnaúba straw dries under Kingspan Isoeste daylighting panels (left), a female artisan braids carnaúba straw (above).

Kingspan's mission is centred around people and planet. We understand the role our communities play in helping us to succeed and we believe in reinvesting in our communities so that we can thrive together.

Kingspan Isoeste employees prepare vegetables and eggs for donation.

At our facility in Anápolis, we cultivate a variety of vegetables and keep free-range hens, donating the produce to charitable organisations in the city.

Our Customers

> Our solutions driven approach to innovation puts customers at the core of our innovation agenda.

Sandra Del Bove
Group Head of Innovation

Customer Experience

Through our customer experience programme we have captured the view of over 65,000 customers, across over 80 countries and we continue to listen, learn and make meaningful change happen.

>65,000
customer voices

Across our business we have multiple touch points with our customers.

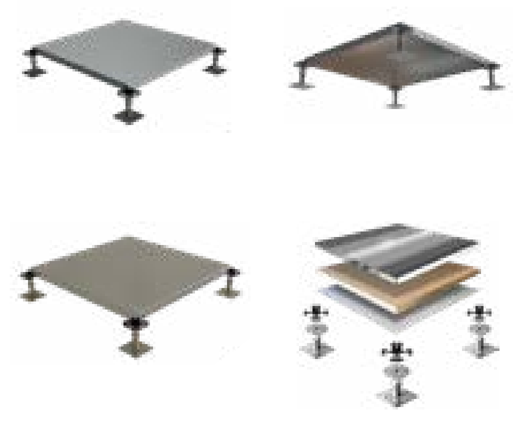
Our teams engage with customers directly on projects, meet them at industry events and trade shows, and we canvass our customers for feedback on their experience with Kingspan.

Our ambition is to create advantages for every part of our downstream value chain, including innovating our service experience.

Innovation

Our customers want to develop more sustainable buildings. To this end, our innovation team and our Planet Passionate team worked in partnership to take significant steps forward in the development of lower embodied carbon (LEC) alternatives across our portfolios. In 2023, we brought three LEC products to market: QuadCore LEC ™ insulated panel, RMG600+ LEC and LEC Tate Grid.

QuadCore LEC ™



RMG600+ LEC

LEC Tate Grid

Innovation in Action – QuadCore LEC ™
St. Modwen Park, UK

The LEC product aligns with our ambitions to reduce embodied carbon across our developments, whilst continuing to offer a functional market-facing product and the comfort of longevity.

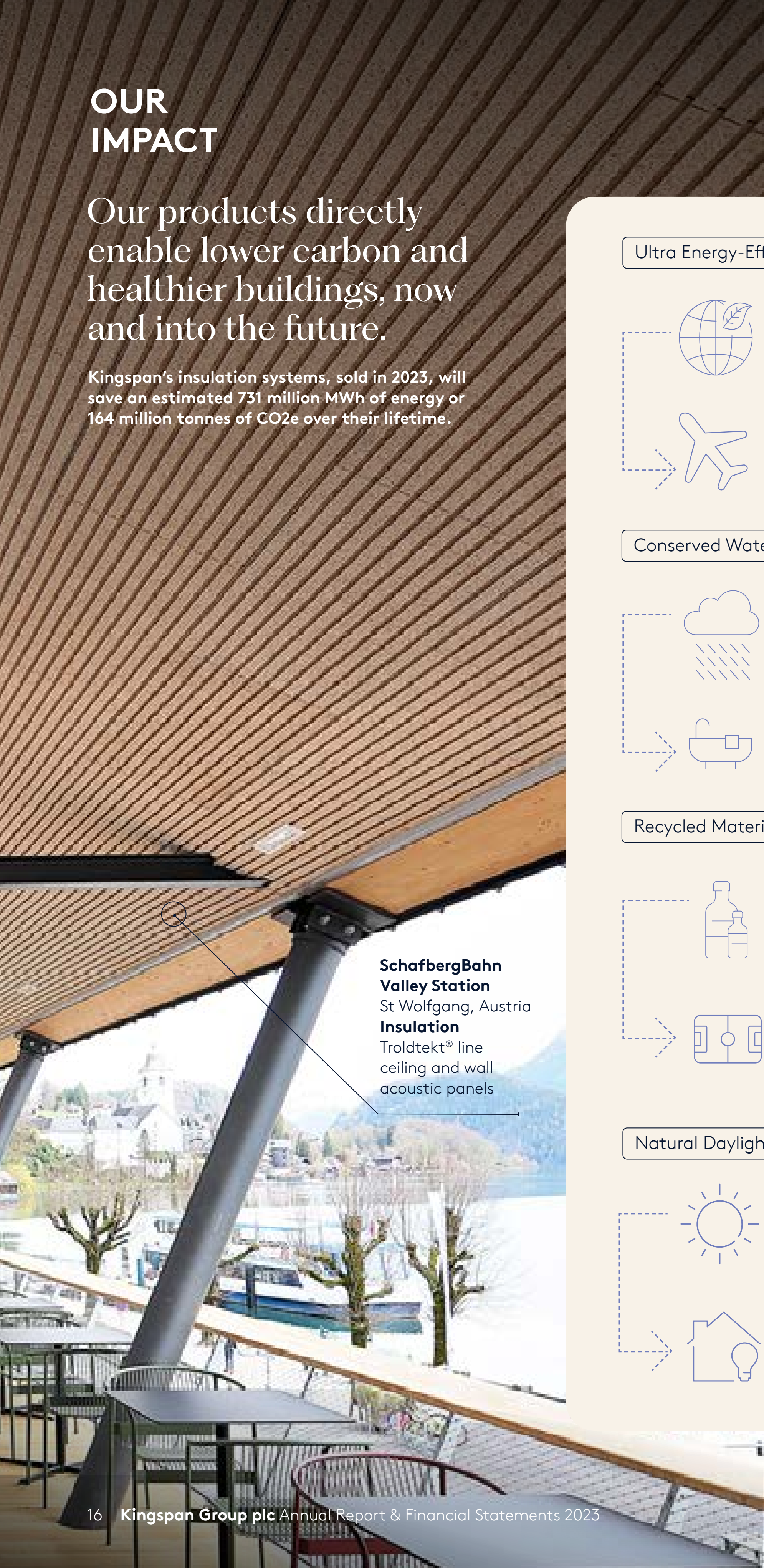
St. Modwen Park is the first project to use our innovative QuadCore LEC ™ Roof Panel solution, delivering superior energy efficiency and substantial carbon savings that can transform a building's sustainability credentials. QuadCore LEC ™ has been developed specifically to help reduce the carbon footprint of the buildings it is used on.

9,760m²
of 100mm panels were supplied for St. Modwen Park

47.1%
Recycled content

18.8%*
reduction in embodied carbon

* *QuadCore LEC ™ RW has an LCA (Life Cycle Assessment) that shows an 18.8% reduction in embodied carbon (measured by the Global Warming Potential 'GWP' kgCO2e) between life cycle modules A1 – A3 (product stage)*



OUR IMPACT

Our products directly enable lower carbon and healthier buildings, now and into the future.

Kingspan's insulation systems, sold in 2023, will save an estimated 731 million MWh of energy or 164 million tonnes of CO2e over their lifetime.

SchafbergBahn Valley Station
St Wolfgang, Austria
Insulation
Troldtekt® line ceiling and wall acoustic panels

Ultra Energy-Efficient

164m tonnes

164 million tonnes of CO2e will be saved over the life of our insulation systems sold in 2023

Enough to power a major airline for over 11 years[1]

Conserved Water

41.3bn litres

Over 41 billion litres of rainwater will be harvested by our tanks produced in 2023

Enough water to fill over 500 million baths[2]

Recycled Materials

858m

In 2023 alone we upcycled 858 million waste plastic bottles

Enough recycled bottles to fill over 1,100 football pitches

Natural Daylight

9bn lumens

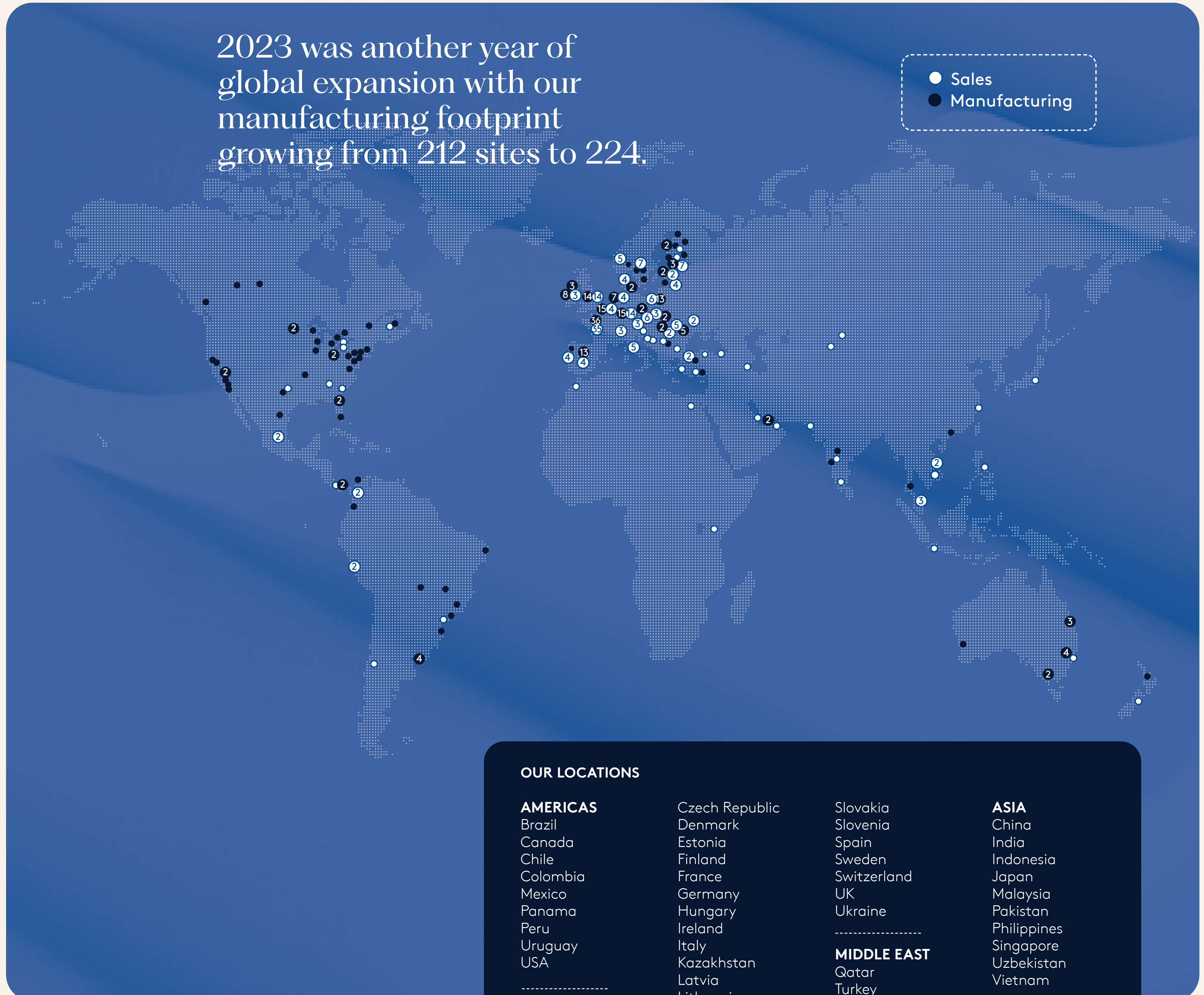
The capacity to create 9 billion lumens of natural light annually through our daylighting systems

Enough to light up 1 million homes[3]

1 Assumes 60 year product life; based on an EU airline disclosure of over 14.3m tonnes of CO2e emissions for 12 months to March 2023
2 Assumes a 20 year product life
3 Assumes 10 x 60W bulbs per home

OUR GLOBAL REACH

2023 was another year of global expansion with our manufacturing footprint growing from 212 sites to 224.



OUR LOCATIONS

AMERICAS
Brazil
Canada
Chile
Colombia
Mexico
Panama
Peru
Uruguay
USA

EUROPE
Austria
Azerbaijan
Belgium
Bosnia
Bulgaria
Croatia
Czech Republic
Denmark
Estonia
Finland
France
Germany
Hungary
Ireland
Italy
Kazakhstan
Latvia
Lithuania
Netherlands
N. Ireland
Norway
Poland
Portugal
Romania
Serbia
Slovakia
Slovenia
Spain
Sweden
Switzerland
UK
Ukraine

MIDDLE EAST
Qatar
Turkey
UAE

AFRICA
Egypt
Kenya
Morocco

ASIA
China
India
Indonesia
Japan
Malaysia
Pakistan
Philippines
Singapore
Uzbekistan
Vietnam

AUSTRALASIA
Australia
New Zealand

SUMMARY FINANCIALS

Revenue
€8.1bn
-3%
2022: €8.3bn

EBITDA[1]
€1,068m
+7%
2022: €998m

Trading Profit[2]
€877m
+5%
2022: €833m

Trading Margin[3]
10.8%
+80bps
2022: 10.0%

Profit After Tax
€654m
+6%
2022: €616m

EPS
352.3c
+7%
2022: 329.5c

Vinospol
Svatobořice-Mistřín, Czech Republic
Insulated Panels
KS1000; KS1150 insulated wall panels

1 Earnings before finance costs, income taxes, depreciation, amortisation and non trading item
2 Operating profit before amortisation of intangibles and non trading item
3 Trading profit divided by total revenue

Welcome to Kingspan's 2023 Annual Report.

Jost Massenberg

CHAIRMAN'S STATEMENT

Jost Massenberg

I am pleased to report that Kingspan has delivered a strong performance in 2023. Trading profit rose by 5% to €877m (2022: €833m) and earnings per share by 7% to 352.3 cent (2022: 329.5 cent).

Trading Profit
€877m
+5%
2022: €833m

Delivering on strategy

These record results were achieved through our focused strategy of offering an expansive range of sustainable and energy-saving building solutions aligned with our four key pillars of Innovation, Planet Passionate, Globalisation, and 'Completing the Envelope'.

Throughout the year we continued to make significant progress on our Planet Passionate programme, delivering a 54% reduction in GHG emissions, while at the same time increasing our proportion of on-site renewable energy usage by 34%. Full details of this and other progress in our ongoing initiatives across the four key pillars of Carbon, Energy, Circularity and Water, will be published shortly in our annual Planet Passionate Sustainability Report.

In our quest to decarbonise, we have focused our innovation on two main strategies: refining existing products with lower carbon alternatives, and exploring new bio-based materials and solutions. During 2023, we launched several lower embodied carbon (LEC) products in our Insulated Panel, Insulation Boards and Data + Flooring businesses. We have also invested in new bio-based technologies such as HempFlax insulation, and more recently in 2024, in Steico wood wool insulation. Such innovations ensure our products and systems help our end users to meet the pressing need to reduce the carbon footprint of the built environment.

During the year, we further expanded our building solutions portfolio with the acquisition of CaPlast, enhancing our Roofing + Waterproofing segment, and since year end we have acquired 51% of Steico SE, a world leader in wood wool insulation, adding to our growing bio-based portfolio. We have also continued our organic global growth with new Insulated Panels and Data + Flooring facilities commissioned or in progress during the year in Europe, South East Asia and the Americas. Finally, after a considerable diligence and search process we have selected a 50 hectare site in Lviv, Ukraine, which is likely to be the location of our €250m+ Building Technology Campus over the next five years or so.

In June, Kingspan successfully completed a new private placement loan notes issuance of €319m with a 6 year maturity. In total the Group now has c.€1.9bn in available cash and undrawn facilities, ensuring the Group has strong levels of development funding.

Dividend

Subject to approval at the Annual General Meeting, the Board is recommending a final dividend of 26.6 cent per share. This will give a total dividend for the year of 52.9 cent, (compared to 49.4 cent in the prior year). This is in line with Kingspan's established shareholder returns policy. If approved, the final dividend will be paid (subject to Irish withholding tax rules) on 20 May 2024 to shareholders on the register at close of business on 12 April 2024.

Our People

The success of 2023 could not have been achieved without the hard work of our people. The Board would like to thank our team for their commitment and dedication, which has been central to the delivery of another strong performance.

On behalf of the Board, I particularly want to welcome those who joined the business during this past year. They are now an important part of an innovative and visionary group working together to make a difference to our planet and to help meet climate challenges.

Our People Passionate initiative, launched in 2023, aims to enhance the employee experience across Kingspan, while over 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 the Report of the Nomination & Governance Committee.

Board governance

During 2023, the Board continued to build upon the recommendations of the external evaluation process carried out by Better Boards in 2022.

The Board continues to manage and monitor governance and risk across the business, details of which are set out in the Governance section of this Annual Report. We also maintain an open dialogue with our major shareholders on the Group's governance as well as on its strategic and financial performance, as detailed in the Financial Review and the Report of the Remuneration Committee in this Annual Report.

Board changes

During the year, we were delighted to welcome Louise Phelan to the Board as an independent non-executive director. Louise is a highly respected business leader and adviser, who has experience in leading global organisations in both the renewable energy and finance sectors. Louise's breadth of experience brings a fresh and independent view to the Board.

Having both served for nine years respectively, Michael Cawley and John Cronin retired from the Board following the conclusion of last year's Annual General Meeting. On behalf of the Board, I would like to thank them both for their much valued contributions to the Board and its committees over the years.

Looking ahead

Kingspan is well positioned with a robust balance sheet, a diversified spectrum of sustainable building solutions and a clear focus on our Planet Passionate objectives.

Management's strong track record of delivering on our strategy, combined with an exciting product and regional development pipeline, underscores my confidence that we will continue to deliver sustainable long-term value to our shareholders and wider stakeholders alike.

Jost Massenberg
Chairman
20 February 2024

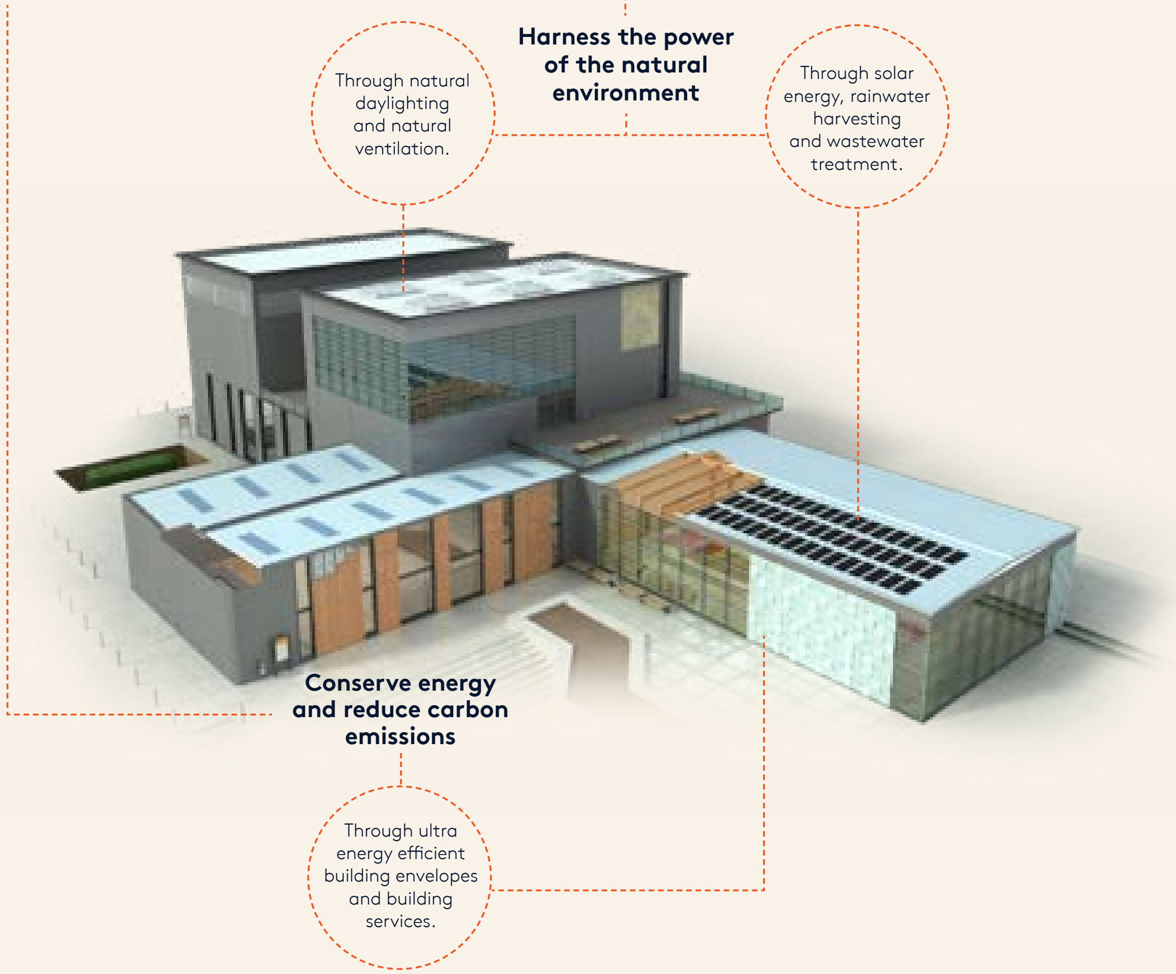
> Our People Passionate initiative, launched in 2023, aims to enhance the employee experience across Kingspan, while over time enabling the Board to assess and monitor the evolution of the Group's performance and corporate culture.

Newton Staete
The Netherlands
Insulated Panels
JI insulated panels;
JI roof and wall profiles

OUR BUSINESS MODEL AND STRATEGY

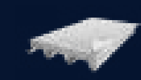
Our mission is to accelerate a zero emissions future-built environment with people and planet at its heart.

We believe buildings of the future should:



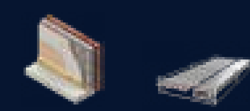
OUR SOLUTIONS

Conserve energy and reduce carbon emissions



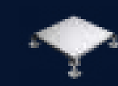
INSULATED PANELS

Kingspan Insulated Panels is the world's largest and leading manufacturer of high-performance insulated panel building envelopes. Powered by Kingspan's proprietary and differentiated insulation core technologies, a Kingspan panelised envelope provides building owners with consistently superior build quality and lifetime thermal performance compared with built-up constructions using traditional insulation.



DATA + FLOORING

Kingspan is the world's largest supplier of raised access flooring and data centre airflow management systems. Our raised access flooring systems have many benefits including optimising overall building height, achieving faster construction with greater design flexibility, enabling easier reconfiguration of a workspace, and improving indoor air quality. Our airflow management systems enable data centres to optimise cooling energy requirements while also protecting expensive equipment such as servers and storage devices.



INSULATION

Kingspan is a world leader in rigid insulation boards, which accounts for approximately two thirds of our Insulation division. Our advanced insulation technologies deliver superior thermal performance and air-tightness when compared with traditional insulation, resulting in more durable, thinner solutions that offer multiple advantages including more internal floorspace and daylight. More recently, we have been expanding our bio-based insulation offering through the acquisitions of Troldtekt and HempFlax, and the acquisition of 51% of Steico SE in early 2024.

Technical insulation is a segment which contains significant opportunity for Kingspan to expand in the future. The operation of buildings accounts for 28% of carbon emissions globally. While space heating is the largest consumer of energy in buildings, heating water and space cooling are also key energy consumers. Kingspan has innovative and ultra-performance products in both piping and ducting insulation and we service the district heating segment through supplying pre-insulated piping through our LOGSTOR business.

ROOFING + WATERPROOFING

Kingspan has a long established interest in developing a roofing and waterproofing segment to complement our insulation board offering. Roofing membrane and roofing components are essential elements for the energy efficiency and water protection of a building envelope. Through the acquisitions of Ondura Group and Derbigum in 2022, and CaPlast in April 2023, Kingspan has an annual revenue run rate in this segment of over €500m. Going forward, we expect to offer single component membrane solutions and to also offer roof systems incorporating membrane and insulation, giving our customers increased warranty protection from a single trusted supplier.

Harness the power of the natural environment

LIGHT, AIR + WATER

Kingspan Light, Air + Water is established as a global leader providing a full suite of daylighting solutions, as well as natural ventilation and smoke management solutions, which complement our existing building envelope technologies. Thermal comfort, indoor air quality and natural daylighting are widely recognised as the most important factors affecting occupant wellbeing in buildings.

Sustainable water management is rapidly becoming one of the greatest challenges of our time. We manufacture and support pioneering new technologies to preserve and protect water, such as rainwater harvesting systems and wastewater treatment systems. Kingspan is also a market leading manufacturer of innovative energy management solutions.

POWERPANEL™

PowerPanel™ is part of our Insulated Panels division. It is an engineering innovation from Kingspan which has integrated our QuadCore™ insulated panel with solar technology, enabling a single fix installation of high-performance insulated panel with solar power generation. We will launch our upgraded PowerPanel™ during 2024.

OUR STRATEGIC PILLARS

Our business model and our strategic pillars enable the ongoing conversion to ultra-performance building envelopes from outdated, inefficient, methods of construction.

INNOVATION

Kingspan's innovation agenda is driven across four key themes - performance, solutions, sustainability, and digitalisation.

We have a persistent focus on iterative performance improvements in our current portfolio including characteristics relating to thermal, structural, sustainability, fire and smoke. We innovate solutions to enable architects and building designers to create sustainable buildings, such as our integrated insulated panel with solar-PV, PowerPanel™. And by progressively surfacing our products digitally, we are making it easier to find them, specify them, buy them and track them.

PLANET PASSIONATE

Our Planet Passionate agenda is inextricably linked with innovation. Planet Passionate is Kingspan's 10-year sustainability programme which aims to impact three big global issues – climate change, circularity and protection of our natural world.

By setting ourselves challenging targets in the areas of carbon, energy, circularity and water, we aim to make significant advances in both our business operations and our products.

COMPLETING THE ENVELOPE

Our strategy of 'Completing the Envelope' aims to take our innovation and sustainability DNA and apply them to a wider portfolio of products which are complementary to our current offering.

Our systems and solutions driven approach deepens our relationships with our customers and extends the opportunities to make buildings better now and into the future.

GLOBAL

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

We aim to continue expanding globally to bring ultra-performance building envelope solutions to markets which are at an earlier stage in their evolution to sustainable and efficient methods of construction.

Strategic Highlights 2023

INNOVATION

PowerPanel™
PowerPanel™ is a fully integrated, factory manufactured, insulated panel with solar PV. The initial composition has been enhanced based on pilot project observations. The upgraded design is currently in testing and will be launched in 2024. PowerPanel™ has the capacity to advance the rapid deployment of solar power generation on widespan roofs.

Lower Embodied Carbon (LEC) Portfolio
Our Innovation and Planet Passionate teams worked in partnership to take significant steps forward in the development of lower embodied carbon alternatives across our portfolios. In 2023, we brought three LEC products to market: QuadCore LEC ™ insulated panel, RMG600+ LEC and LEC Tate Grid.

Adding value across the value chain
A core aim of our innovation effort is to address pinch points across our value chain. Given tightness in labour markets and an aging construction workforce, we saw a need for improved efficiency in building material installation. With this in mind, we have been developing a robotic alternative for panel fixings installation, which we plan to bring to market in 2024.

PLANET PASSIONATE

Internal carbon charge
From the 1st of January 2023 we introduced an internal charge of €70 per tonne for all energy related carbon emissions (excluding process and biogenic emissions).

This has helped to further incentivise the rapid deployment of decarbonisation projects to support the achievement of our net zero carbon manufacturing target.

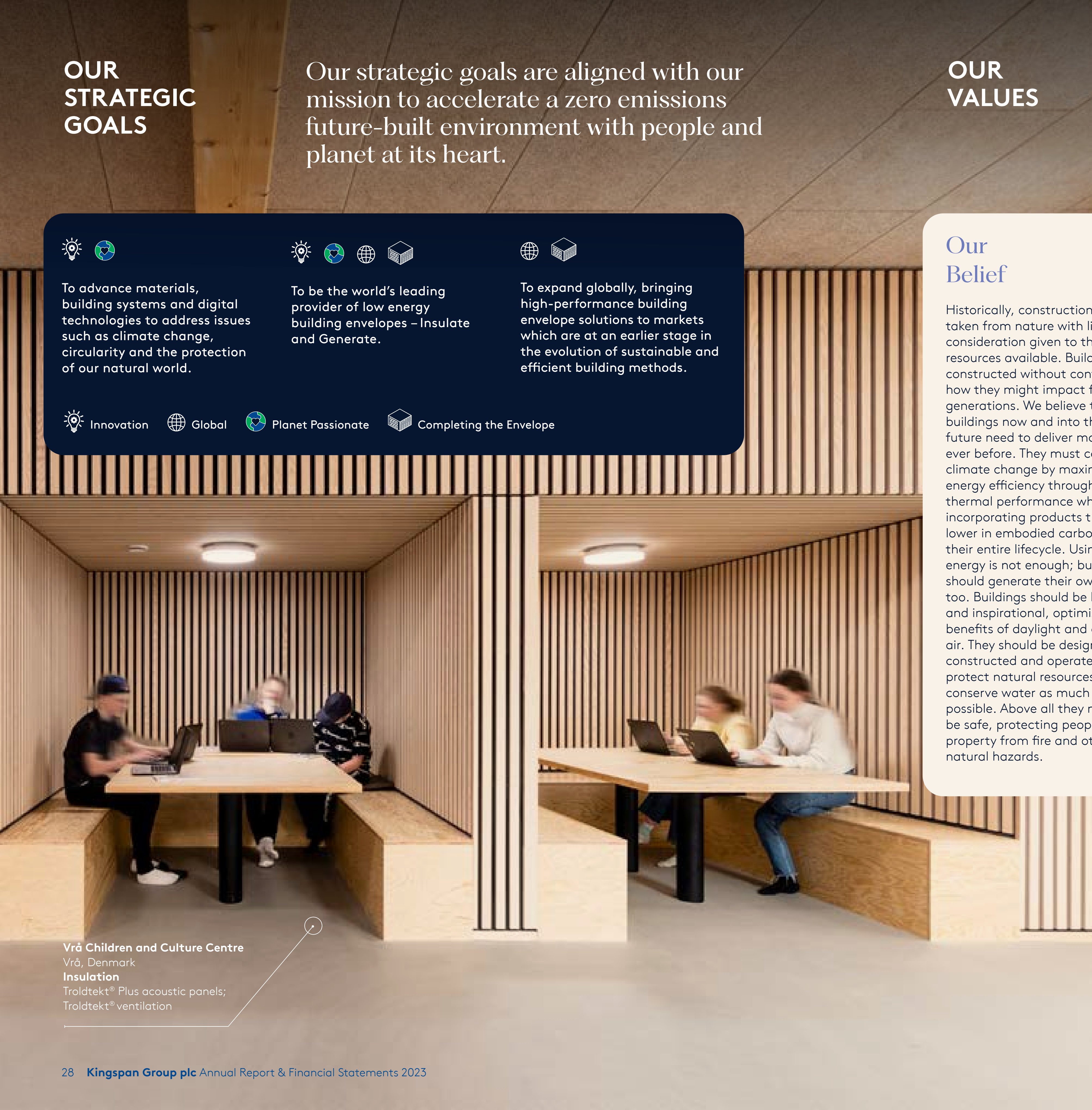
Energy and Carbon
2023 saw a reduction of 65% in Scope 1 & 2 carbon emissions from a 2020 baseline. This reduction was achieved through reduction in use of high GWP blowing agents in North America, the implementation of new renewable energy contracts and the deployment of 25 new rooftop solar-PV projects across our business, which added 6.8 MW of on-site generation capacity.

EXPANSION

Roofing + Waterproofing
In 2023, we continued to expand our presence in the Roofing + Waterproofing category. We acquired CaPlast in April, a technology leader in the development and production of membranes to ensure watertight and airtight roofs and facades. Towards the end of the year, we launched a takeover offer for Nordic Waterproofing, a leading European producer and supplier of waterproofing products and services for buildings and infrastructure.

Bio-based Insulation
Kingspan announced its intention to acquire a 51% stake in Steico SE in July 2023, and the acquisition completed in January 2024. This is an exciting next step in our strategy to provide the full spectrum of insulation solutions. Steico's suite of wood-based building envelope solutions broadens our ability to enable our customers to meet their sustainability and energy performance needs.

Global
We continued to expand organically in 2023, including a new wall panel line in our Joris Ide business in Germany and a new plant in Colombia. We have a significant amount of planned new lines and facilities, which has the capacity to add over 15% to our current global footprint over the next three years. Within those plans is our ambition to invest over €250m in a Building Technology Campus in Ukraine.



OUR STRATEGIC GOALS

Our strategic goals are aligned with our mission to accelerate a zero emissions future-built environment with people and planet at its heart.

To advance materials, building systems and digital technologies to address issues such as climate change, circularity and the protection of our natural world.

To be the world's leading provider of low energy building envelopes – Insulate and Generate.

To expand globally, bringing high-performance building envelope solutions to markets which are at an earlier stage in the evolution of sustainable and efficient building methods.

Innovation Global Planet Passionate Completing the Envelope

Vrå Children and Culture Centre
Vrå, Denmark
Insulation
Troldtekt® Plus acoustic panels;
Troldtekt® ventilation

OUR VALUES

Our values have always been the foundation of our strategy and are fundamental to how we do business and interact with each other.

Our Belief

Historically, construction has taken from nature with little consideration given to the finite resources available. Buildings were constructed without contemplating how they might impact future generations. We believe that buildings now and into the future need to deliver more than ever before. They must combat climate change by maximising energy efficiency through superior thermal performance while incorporating products that are lower in embodied carbon across their entire lifecycle. Using less energy is not enough; buildings should generate their own energy too. Buildings should be healthy and inspirational, optimising the benefits of daylight and clean air. They should be designed, constructed and operated to protect natural resources and conserve water as much as possible. Above all they must be safe, protecting people and property from fire and other natural hazards.

Our Culture and Values

Kingspan has grown from a family business and many of the values associated with family businesses form the backbone of our culture today. The business has been built on trust in the integrity of our people and of our offering. We value this trust and recognise it as being fundamental to our ongoing success. We are entrepreneurial, collaborative, honest, and we stand behind a common cause – better buildings for a better world.

We are innovative. We are the market leader in the field of high-performance building envelope solutions, which ensure lifetime carbon and resource savings. We have gained this position through a creative and solutions driven mindset, which continues to inform our innovation agenda today.

We think long-term. The strategy of the business is driven by long-term ambitions and not by quarterly performance. The success of this strategy can be seen in our long-term growth. This ethos is apparent in our multi-year commitments such as our 10-year Planet Passionate programme which will drive real, positive, impact for the environment and forms a common global goal across the business.

In 2023 we launched our People Passionate programme which focuses on the development and retention of our most important resource, our people.

Code of Conduct

Kingspan expects the highest standards of integrity, honesty and compliance with the law from our employees, our directors and our partners, globally. We actively encourage our employees to speak out if they experience instances that are not in keeping with the principles outlined in our Code of Conduct.

All new joiners in Kingspan must complete training on our Code of Conduct. Our business success is inextricably linked to our behaviours, and our aspiration is to maintain a culture where our everyday actions are built on five 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.

Please see further detail at:

2023 IN A NUTSHELL

Revenue
€8.1bn
-3%
2022: €8.3bn

Trading Profit[1]
€876.9m
+5%
2022: €833.2m

How we create value

- Product innovation and differentiation
- Excellent customer service
- Energy efficient sustainable building envelope solutions
- We operate our businesses to the highest standards
- We acquire excellent businesses
- We recycle capital to optimise returns
- We maintain financial discipline
- We balance our portfolio of businesses across product and geography
- We are reducing our environmental impacts throughout our Planet Passionate initiatives

Applications

- Retail
- Distribution
- Leisure
- Accommodation
- Food
- Manufacturing
- Data Management
- Infrastructure

How we operate

224
Global manufacturing facilities

22,500+
Employees

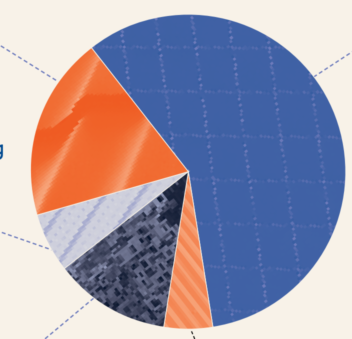
> Management controls
> Quality systems
> Responsible supply chain partnerships

Value created

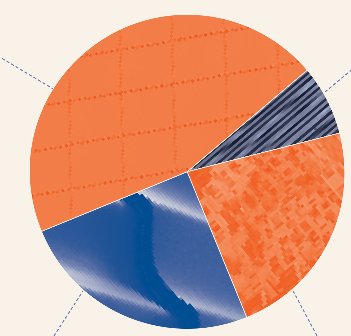
Drivers	15% Other	85% Energy Efficiency & Conversion	
Channel	34% Via Distribution	66% Direct	
Sector	23% Residential	11% Office & Data	66% Commercial & Industrial
End-Market	24% Refurbishment	76% New Build	

EBITDA[2]	EPS	ROCE	Dividend
€1,067.8m	352.3c	17.0%	52.9c
+7%	+7%		+7%
2022: €998.3m	2022: 329.5c	2022: 15.9%	2022: 49.4c

Products



Geography



1 Operating profit before amortisation of intangibles and non trading item.
2 Earnings before finance costs, income taxes, depreciation, amortisation and non trading item.

University of Missouri Stephens Indoor Facility
Missouri, USA
Insulated Panels
Designwall 2000 insulated panels

> 2023 was a landmark period for our Planet Passionate agenda, delivering an enormous 65% reduction in Scope 1 and 2 GHG emissions, against a 2020 base year.
>
> Gene Murtagh

Financial Highlights

3%
Revenue down 3% to €8.1bn, (pre-currency, down 2%).

5%
Trading profit[1] up 5% to €877m, (pre-currency, up 7%).

5%
Acquisitions contributed 5% to sales growth and 4% to trading profit growth.

6%
Profit after tax of €654m (2022: €616m).

80bps
Group trading margin[2] of 10.8%, an increase of 80bps.

CHIEF EXECUTIVE'S REVIEW

Gene Murtagh

Business Review

2023 edged ahead of the record achieved in 2022 delivering a trading profit of €877m, up 5% on prior year. EPS was up by 7%, despite revenue declining marginally by 3% in total, and by 7% on an underlying basis. Whilst some markets displayed volume pressure, the predominant reason for the contraction in revenue was the knock-on deflationary impact of raw material pricing in the early part of the year.

Tremendous progress has been made to date on our Planet Passionate agenda which saw over 300 projects implemented across the entire group, delivering a 65% reduction in total Greenhouse Gas Emissions.

In all, €482m capital was invested across businesses, €248m of inorganic and €234m on internal capital projects, most of which was focused on demand led growth in capacity.

The trading picture in end markets in the second half was similar to that of the first, where patterns of activity around the globe varied significantly. A poor start to the year in Germany, the Nordics and Central Europe persisted in the latter part of the year. France (our largest market) remained positive and the Americas performed exceptionally well. Encouragingly, insulated panel order intake was consecutively ahead of prior year in each of the last seven months of 2023.

Planet Passionate and our impact

2023 was a landmark year for our Planet Passionate programme, delivering a 65% reduction in scope 1 and 2 GHG emissions, against a 2020 base year. As well as the ongoing initiatives across the four key pillars of Carbon, Energy, Circularity and Water, the reduction in process carbon was the most significant in the year. Direct renewable energy usage increased to 34.1% and the percentage of wholly owned sites with on-site solar PV systems increased to 49.6%. Total rainwater harvested from our manufacturing locations increased to 56.7 million litres, almost triple the amount harvested in the 2020 base year.

Operational Summary

- Record performance against a challenging backdrop, improving order intake trend through the year.
- Insulated Panels sales decrease of 9% with strong activity in France, the US and LATAM offset by subdued volumes in Central and Eastern Europe and lower pricing due to input deflation.
- Insulation sales behind by 8%, driven by weak residential markets and price deflation led by inputs. Technical insulation progressing well. Extending the full spectrum of insulation offerings with acquisition of 51% of Steico in January 2024 and an agreement in February 2024 to acquire a stonewool production business in Germany.
- Strong traction on our Roofing + Waterproofing strategy with revenue touching €500m. Targeted North American market entry supported by a €750m capital injection over the next five years with the objective of achieving 15% of the relevant flat roofing market over time.
- Further progress at Light, Air + Water, with broader scale and margins progressing positively year on year.
- Data + Flooring medium term pipeline is very encouraging driven by demand in data and artificial intelligence applications.
- Invested a total of €482m in acquisitions and net capex during the year.

7%
Basic EPS up 7% to 352.3 cent. Diluted EPS also up 7% to 349.6 cent.

17.7%
Effective tax rate of 17.7% (2022: 17.5%).

26.6c
Final dividend per share of 26.6 cent (2022: 23.8 cent) giving a total dividend for the year of 52.9 cent (2022: 49.4 cent).

0.97x
Year end net debt[3] of €979.5m (2022: €1,539.6m). Net debt[4] to EBITDA[4] of 0.97x (2022: 1.62x).

17%
ROCE increase to 17.0% (2022: 15.9%).

1 Operating profit before amortisation of intangibles and non trading item
2 Trading profit divided by total revenue
3 Net debt pre-IFRS 16 per banking covenants
4 Net debt to EBITDA ratio is pre-IFRS 16 per banking covenants

The table below provides further detail on the progress within Kingspan by category:

Intensity Indicators	Change from 2020 base year
Carbon Intensity (tCO2e/€m)	76% reduction
Energy Intensity (MWh/€m)	17% reduction
Landfill Waste Intensity (t/€m)	62% reduction
Water Intensity (million lt/€m)	4% increase

In summary, 25 solar PV projects were completed across our facilities during the year, which added 6.8 MW of on-site generation capacity. 858 million PET bottles equivalent of recycled material was processed across the Group and 11 rainwater harvesting systems were installed. Additionally, 69% of all company cars acquired during the year across the Group were zero emission vehicles and our waste to landfill for the whole business reduced by 33% since 2020.

Planet Passionate Targets		Target Year	Underlying Business[1]			Whole Business[2]		
			2020	2022	2023	2020	2022	2023
CARBON	Net Zero Carbon Manufacturing (scope 1 & 2 GHG emissions[3] - tCO2e)	2030	409,783[4]	243,954[4]	**111,977**	515,813[4,5]	387,581[4,5]	**178,682[5]**
	50% reduction in product CO2e intensity from primary supply partners (% reduction)	2030	-	3.2[4]	**3.4**	-	3.2[4]	**3.4**
	Zero emission company cars[6] (annual replacement %)	2025	11	60	**70**	11	58	**69**
ENERGY	60% direct renewable energy (%)	2030	19.5	34.6[4]	**38.0**	19.5	33.7[4]	**34.1**
	20% on-site renewable energy generation (%)	2030	4.9	7.4[4]	**9.9**	4.9	7.3[4]	**8.8**
	Solar PV systems on all wholly owned sites(%)	2030	20.9[4]	40.6[4]	**54.1**	20.9[4]	35.2	**49.6**
CIRCULARITY	Zero company waste to landfill (tonnes)	2030	18,640[4]	9,819[4]	**8,282**	18,640[4]	11,584[4]	**12,407**
	Recycle 1 billion PET bottles into our manufacturing processes annually (million bottles)	2025	573	803	**858**	573	803	**858**
	QuadCore™ products utilising recycled PET (no. of sites)	2025	1	3	**8**	1	3	**8**
WATER	Harvest 100 million litres of rainwater annually (million litres)	2030	20.1	27.3[4]	**56.3**	20.1	27.4[4]	**56.7**
	Support 5 ocean clean-up projects (no. of projects)	2025	1	3	**4**	1	3	**4**

1: Underlying Business includes manufacturing, assembly and R&D sites within the Kingspan Group in 2020 plus all organic growth.
2: Whole Business includes all manufacturing, assembly and R&D sites within the Kingspan Group, including acquisitions that occurred in 2021 through to 30 September 2023.
3: Excluding biogenic emissions. Scope 2 GHG emissions calculated using market-based methodology.
4: Restated figures due to improved data collection, change in calculation methodologies and site disposal.
5: GHG emissions were recalculated due to acquisitions that occurred in 2021 through to 30 September 2023.
6: Kingspan defines a 'zero emissions car' as a vehicle with zero tailpipe emissions. The boundary does not include the energy used to power the vehicle or the embodied emissions from manufacturing.

Investing in our Future

€482m of capital was invested during the year, €248m on acquisitions and €234m in capex. CaPlast in Germany was the largest single acquisition completed in the period, at €87m, bolstering our growing Roofing + Waterproofing platform. As part of our continued path into this exciting area, we acquired an additional 6.8% of the publicly quoted Nordic Waterproofing which increased our shareholding to 30.9% and triggered our subsequent mandatory offer. This process is now underway. During the year we made an offer for 51% of Steico, the world-leader in wood wool insulation and this transaction completed in January 2024 for an initial consideration of €263.5m (€188.5m cash, €75m equity). Additionally, we will be consolidating Steico's net debt of c. €160m.

Further strategic investments completed during the year including Alaço in Portugal, Toode Group in the Baltics, MontFrío in Uruguay, HempFlax in Germany, Provan Group in Belgium and Q-nis in Ireland.

Finally, after a considerable diligence and search process we have selected a 50 hectare site in Lviv, Ukraine, which is likely to be the location of our €250m+ Building Technology Campus over the next five years or so.

Innovation in Action

LEC (Lower Embodied Carbon), natural materials, and PowerPanel™ are the priority areas of our current innovation agenda. During 2023 we launched several LEC products in QuadCore™, insulation boards and access floors and this will be expanded further across the wider product set in 2024.

Our PowerPanel™ and Rooftricity™ solutions are approaching launch stage and, after extensive testing and certification, we plan to be on the market early in the third quarter.

In Data + Flooring, the HAC (Hot Aisle Containment) solutions we have developed are advancing well and will require up to four additional manufacturing facilities across the globe in the next two years. The first of these will be in Virginia in the US, where we are well underway with commissioning, having acquired a facility last year. During the year, Data + Flooring also completed the acquisition of Q-nis in Ireland and Provan in Belgium.

Our 'natural' insulation category, branded BioKor®, advanced materially in 2023 with market entry to the Hemp insulation segment. This, together with the acquisition of a controlling stake in Steico, the world-leader in wood wool, firmly place Kingspan at the vanguard of this growing category. We believe that these and further innovations in the pipeline will form a meaningful part of the Group's offering in the future.

Product and System Integrity

By the end of 2023, 59 of our global sites were certified to ISO 37301, with a plan to have 85 sites certified to this standard by the end of 2024. ISO 37301 is the leading global standard for establishing, developing and monitoring compliance systems. Our enhanced product integrity programme is deeply embedded across the Group. In 2023 alone, 109 of our global sites were audited by the Group Compliance and Certification Team. In addition, 480 third party external products and system audits took place throughout 2023.

The Harry M. Cornell Arts & Entertainment Complex
Missouri, USA
Insulated Panels
KS Series and Optimo® insulated panels

INSULATED PANELS

2023 was characterised by an extraordinary mix of market activity globally for insulated panels, our largest business category. Whilst volumes were slightly ahead, revenue was down 9% owing to price deflation from raw material movements following steep inflation in the prior year. Margins progressed reflecting a positive market mix and progression due to product innovation. Notably, global order intake volume was ahead of prior year in each of the last seven months of 2023.

In Europe, France and Benelux were strong performers, as was Romania and the Balkans where we continue to grow our presence. Germany was weak although showed some sequential volume improvement through the second half. The Nordics market was weak albeit with more positive signs towards year end.

In the Americas, the business performed exceptionally well, largely owing to years of missionary effort developing the right sector exposure and ongoing penetration growth of advanced building systems in North America and LATAM. Ongoing capacity expansion and product innovation should support further progress in the years ahead.

Australia, New Zealand and India were all ahead year on year and we expect this pattern to continue with additional capacity coming on stream. In Vietnam, we plan to commission our new greenfield manufacturing plant by mid-year 2024.

Globally, QuadCore™ sales were ahead by 7% and now represent 18% of category volume.

Turnover	Trading Profit	Trading Margin
€4,722.1m	€573.8m	12.2%
-9%(1)	+5%	+160bps
2022: €5,181.5m	2022: €548.7m	2022: 10.6%

(1) Comprising underlying -9%, currency -1% and acquisitions +1%. Like-for-like volume +1%.

Project Noorderwinkels
Nagele, The Netherlands
Insulation
TEK Building System

INSULATION

It was a challenging year for the insulation category as many newbuild residential markets were under considerable pressure coupled with deflation led by input prices. That said, the overall business performance was reasonable in that context. Margins decreased year on year and we fully expect this to improve in 2024.

Technical insulation, and the district heating category, was again a strong performer. It is to be expected that, with the acute need for alternatives in Europe, the move towards district heating should continue.

Building insulation across Europe in general has been tough, albeit more steady in the US.

An appropriate level of realignment of our cost base has taken place in Europe which leaves the business on a leaner footing heading into 2024.

New product categories including AlphaCore™, Optim-R®, acoustic solutions and BioKor® are experiencing evident market appetite that should see each of these grow in the years ahead. The first steps in executing on our previously stated intention of entering the stonewool segment came to fruition during the year with the establishment of an experienced international leadership team, followed by an agreement in February 2024 to acquire a stonewool manufacturing business in Germany from Karl Bachl Kunststoffverarbeitung GmbH & Co. KG, which is expected to complete in March 2024.

Turnover	Trading Profit	Trading Margin
€1,528.0m	€145.1m	9.5%
-8%(1)	-12%	-50bps
2022: €1,658.3m	2022: €165.2m	2022: 10.0%

(1) Comprising underlying -9%, currency -1% and acquisitions +2%.

LIGHT, AIR + WATER

2023 was a positive year for this segment as trading margins progressed to 8.1%, moving closer to our goal of exceeding 10%. Much of the last three years has been focused on integrating and streamlining many relatively small acquisitions, and in the process, developing a highly effective regionalised business structure and product offering. As always, there is more to do and ongoing opportunity.

In our core markets of Germany, France, Benelux and North America, revenue was ahead of prior year, offset somewhat by sluggish activity in smaller fringe markets. Gross margins were ahead by over 250bps, some of which flowed through to the bottom line as we continue to invest in service and innovation. This augers well for further margin progress in 2024.

Turnover
€967.4m
-2%[(1)]
2022: €987.8m

Trading Profit
€78.7m
+16%
2022: €67.7m

Trading Margin
8.1%
+120bps
2022: 6.9%

(1) Comprising underlying -1% and currency -1%.

ROOFING + WATERPROOFING

Similar to the ambition we set out for Light + Air five years ago, we are now firmly on a path in the Roofing + Waterproofing segment to develop a global presence covering multiple technologies and combinations. With annual revenue now touching €500m, the concentration to date has been in Europe where further strategic advances are planned for the current year.

Our North American presence in this segment is currently embryonic, although the ambition to scale impactfully is clear. We have ring-fenced €750m of capital over the next five years, through organic and bolt-on acquisition activity, targeting a 15% share of the relevant flat roofing market over time, at a 15% return on sales. This will require at least three combined roofing and insulation facilities across the market and an executive team has now been assigned to execute this plan.

Turnover
€493.4m
+222%[(1)]
2022: €153.2m

Trading Profit
€28.1m
+231%
2022: €8.5m

Trading Margin
5.7%
+20bps
2022: 5.5%

(1) Comprising underlying -10%, currency -5% and acquisitions +237%.

Frisco Public Library
Texas, USA
Data + Flooring
STONEWORKS panels;
ConCore 1250

DATA + FLOORING

2023 was a significant year of progress for this segment, and marked a shift in the scale of opportunity for Kingspan in this space. Sales for the year were ahead by 5% although order intake is significantly up on that number and we expect that to accelerate in 2024 and subsequent years.

As a result of this anticipated step-change in demand from the global leaders in data centres, we plan at least three new manufacturing facilities over the next two years, beginning in the US and Australia in 2024. It is conceivable that divisional revenue will approach €1bn within the next five years or so.

Turnover
€379.7m
+5%(1)
2022: €360.1m

Trading Profit
€51.2m
+19%
2022: €43.1m

Trading Margin
13.5%
+150bps
2022: 12.0%

(1) Comprising underlying +6%, currency -3% and acquisitions +2%.

LOOKING AHEAD

In the current environment it is difficult to predict what is in store near term with opportunities and challenges in equal measure. The performance of the business is varied across different geographies and sectors, a theme we have referred to consistently over the past year or so.

It is still very much early days in the current financial year, although seasonal factors have hampered early progress in some markets. Our balance sheet is robust and this coupled with a strong development pipeline, purposeful strategy and innovation agenda ought to place us positively in the year ahead.

The combination of a resolute focus on our distinctive Planet Passionate strategy, strong structural demand for energy efficiency, ever increasing and obvious impacts of climate change and the diversified nature of our end markets all position Kingspan favourably for the long term.

Gene Murtagh
Chief Executive Officer
20 February 2024

READ MORE
See our Business Model and Strategy Report

The Valley Amsterdam

Planet: Kingspan's structured glass and glass fin systems allow natural light into the building and provide the base for garden ponds.

People: The Valley is a mixed use development, aiming to bring a social dimension back to a traditionally office environment.

FINANCIAL REVIEW

Geoff Doherty

The Financial Review provides an overview of the Group's financial performance for the year ended 31 December 2023 and of the Group's financial position at that date.

Overview of result

Group revenue decreased by 3% to €8.1bn (2022: €8.3bn) and trading profit increased by 5% to €876.9m (2022: €833.2m) with an increase of 80 basis points in the Group's trading profit margin to 10.8% (2022: 10.0%). Basic EPS for the year was 352.3 cent (2022: 329.5 cent), representing an increase of 7%.

The Group's underlying sales and trading profit growth by division are set out below:

Sales	Underlying	Currency	Acquisition	Total
Insulated Panels	-9%	-1%	+1%	-9%
Insulation	-9%	-1%	+2%	-8%
Light, Air + Water	-1%	-1%	-	-2%
Roofing + Waterproofing	-10%	-5%	+237%	+222%
Data + Flooring	+6%	-3%	+2%	+5%
Group	**-7%**	**-1%**	**+5%**	**-3%**

The Group's trading profit measure is earnings before interest, tax, amortisation of intangibles and non trading item:

Trading Profit	Underlying	Currency	Acquisition	Total
Insulated Panels	+6%	-2%	+1%	+5%
Insulation	-13%	-1%	+2%	-12%
Light, Air + Water	+18%	-2%	-	+16%
Roofing + Waterproofing	+10%	-8%	+229%	+231%
Data + Flooring	+21%	-4%	+2%	+19%
Group	**+3%**	**-2%**	**+4%**	**+5%**

The key drivers of sales and trading profit performance in each division are set out in the Business Review.

Finance costs (net)
Net finance costs for the year increased by €3.3m to €41.0m (2022: €37.7m). The Group's net interest expense on borrowings (bank and loan notes net of interest receivable) was €37.3m (2022: €32.9m). This increase in net interest expense reflects higher interest rates paid on new debt issued in 2023, which is mostly offset by higher interest received on cash. Lease interest of €6.0m (2022: €4.7m) was recorded for the year. €1.2m (2022: €0.1m) was recorded in respect of a non-cash finance charge on the Group's defined benefit pension schemes. Dividend income of €3.5m (2022: €nil) was received in respect of the Group's investment in Nordic Waterproofing.

Dividends
The Board has proposed a final dividend of 26.6 cent (2022: 23.8 cent) per ordinary share payable on 20 May 2024 to shareholders registered on the record date of 12 April 2024. An interim dividend of 26.3 cent per ordinary share was declared during the year (2022: 25.6 cent). In summary, therefore, the total dividend for 2023 is 52.9 cent compared to 49.4 cent for 2022. This payout is in line with our shareholder returns policy.

Retirement benefits
The primary method of pension provision for current employees is by way of defined contribution arrangements. The Group has three legacy defined benefit schemes in the UK which are closed to new members and to future accrual. The total pension contributions to these schemes for the year amounted to €0.8m (2022: €1.8m) and the expected contributions for 2024 are €0.3m. In addition, the Group has a number of smaller defined benefit pension liabilities in Mainland Europe. The net pension liability in respect of all defined benefit schemes was €37.0m as at 31 December 2023 (2022: €49.5m) with the decrease reflecting, primarily, an increase in the value of scheme assets during the year partially offset by actuarial losses on scheme liabilities. The Group cash-settled a pension buy-in arrangement in respect of a legacy defined benefit scheme in the year for €15.9m.

Intangible assets and goodwill
Intangible assets and goodwill increased during the year by €161.7m to €2,849.0m (2022: €2,687.3m). Intangible assets and goodwill of €200.8m (2022: €708.9m) were recorded in the year relating to acquisitions completed by the Group. A decrease of €3.4m (2022: increase of €9.0m) arose due to year end exchange rates used to translate intangible assets and goodwill other than those denominated in euro. An increase of €6.0m (2022: €nil) was recorded relating to the purchase of intangible assets.

There was an annual amortisation charge of €41.7m (2022: €32.4m).

Financial key performance indicators
The Group has a set of financial key performance indicators (KPIs) which are presented in the table below. These KPIs are used to measure the financial and operational performance of the Group and to track ongoing progress in achieving medium and long term targets to maximise shareholder return.

Key performance indicators	2023	2022
Basic EPS growth	**+7%**	+8%
Sales performance	**-3%**	+28%
Trading margin	**10.8%**	10.0%
Free cashflow (€m)	**890.8**	392.5
Return on capital employed	**17.0%**	15.9%
Net debt/EBITDA	**0.97x**	1.62x

(a) Basic EPS growth. The growth in EPS is accounted for primarily by a 5% increase in trading profit and a non trading item of €16.5m in 2022 impacting 2022 basic EPS.

(b) Sales performance of -3% (2022: +28%) was driven by a 7% decrease in underlying sales, a 5% contribution from acquisitions and negative currency translation of 1%. The decrease in underlying sales reflected, primarily, the pass through effect of lower raw material pricing year on year.

(c) Trading margin by division is set out below:

	2023	2022
Insulated Panels	**12.2%**	10.6%
Insulation	**9.5%**	10.0%
Roofing + Waterproofing	**5.7%**	5.5%
Light, Air + Water	**8.1%**	6.9%
Data + Flooring	**13.5%**	12.0%

The Insulated Panels division trading margin increased year on year reflecting the market mix of sales and inventory cost dynamics. The trading margin decrease in the Insulation division reflects, in the main, negative operating leverage associated with year on year volume declines and the category mix of sales. The Roofing + Waterproofing trading margin is broadly consistent year on year and margin progression is anticipated for 2024. The increased trading margin in Light, Air + Water reflects activity growth, investment in specification and other processes as the division continues to scale up.

The increased trading margin in Data + Flooring reflects volume growth and associated operating leverage.

(d) Free cashflow is an important indicator and reflects the amount of internally generated capital available for re-investment in the business or for distribution to shareholders.

Free cashflow	2023	2022
	€m	€m
EBITDA*	**1,067.8**	998.3
Lease payments	**(60.5)**	(50.6)
Movement in working capital**	**298.1**	(136.2)
Movement in provisions	**(2.6)**	7.7
Net capital expenditure	**(233.5)**	(250.6)
Defined benefit pension scheme buy in settlement	**(15.9)**	-
Net finance costs paid	**(36.3)**	(31.9)
Income taxes paid	**(147.5)**	(158.4)
Other including non-cash items	**21.2**	14.2
Free cashflow	**890.8**	392.5

* Earnings before finance costs, income taxes, depreciation, amortisation and non trading item

** Excludes working capital on acquisition but includes working capital movements since that point

Working capital at year end was €872.2m (2022: €1,195.9m) and represents 11.3% (2022: 14.5%) of annualised sales based on fourth quarter sales. This metric is closely managed and monitored throughout the year and is subject to a certain amount of seasonal variability associated with trading patterns and the timing of significant purchases of steel and chemicals. The December 2022 working capital position was relatively high reflecting higher than normal inventory levels and these were reduced to more typical levels during 2023. This was the key driver of the reduced working capital to sales ratio.

(e) Return on capital employed, calculated as operating profit divided by total equity plus net debt, was 17.0% in 2023 (2022: 15.9%). The increase year on year reflects the 80bps increase in trading margin and structural reduction in working capital. The creation of shareholder value through the delivery of long term returns well in excess of the Group's cost of capital is a core principle of Kingspan's financial strategy.

(f) Net debt to EBITDA measures the ratio of net debt to earnings and at 0.97x (2022: 1.62x) is comfortably less than the Group's banking covenant of 3.5x in both 2023 and 2022. The calculation is pre-IFRS 16 in accordance with the Group's banking covenants.

Acquisitions
The Group spent €248.4m on acquisitions during the year as follows:

In April 2023, the Group acquired 100% of the share capital of CaPlast, enhancing our Roofing + Waterproofing underlayment and vapour control offerings in the DACH region. The total consideration, including net debt acquired amounted to €86.9m.

The Group also made a number of smaller acquisitions during the year for a combined cash consideration of €139.3m:

- The Insulated Panels division acquired 100% of the share capital of Alaço in Portugal in January 2023, 100% of the share capital of LRM in France in May 2023, 51% of the share capital of MontFrio in Uruguay in June 2023 and 100% of the share capital of Toode Group in the Baltics in September 2023.
- In June 2023, the Insulation division acquired 80% of the share capital of HempFlax Building Solutions in Germany and 100% of the share capital of Thor Building Products in Australia.
- The Data + Flooring division acquired 70% of Q-nis in Ireland during September 2023 and 100% of the share capital of Provan Group in Belgium in November 2023.
- Payment of deferred contingent consideration of €6.6m on acquisitions made in previous years.

In September 2023, the Group acquired an additional 6.8% in Nordic Waterproofing Holding AB for a consideration of €22.2m. This increased the Group's holding to 30.9% and triggered a mandatory offer to the remaining shareholders.

EU Taxonomy and TCFD
Climate related disclosures are required under the EU Taxonomy Regulation (Sustainable finance taxonomy - Regulation (EU) 2020/852) and by the Task Force on Climate-related Financial Disclosures (TCFD). The disclosures will be included in our 2023 Planet Passionate Sustainability Report that will be published at a later date within the required timeframe.

Non trading item
The Group recorded a non trading charge of €nil (2022: €16.5m) in the year. The charge in the prior year was incurred on the Group's net loss on the complete divestment of its Russian operations.

Capital structure and Group financing

The Group funds itself through a combination of equity and debt. Debt is funded through a combination of syndicated bank facilities and private placement loan notes. The principal syndicated facility is a green revolving credit facility of €800m entered into in May 2021 with a committed term to May 2026. There were no drawings on this facility at period end.

In addition, as part of the Group's longer-term capital structure, the Group has total private placement loan notes of €1,592m (2022: €1,322m) which includes a new private placement issuance of €319m in June 2023 with a 6 year maturity. The weighted average maturity of all outstanding private placement loan notes as of 31 December 2023 was 5 years (2022: 5.7 years).

During the period, the Group repaid part (€500m) of a 2022 acquisition related financing facility, with the remainder of the facility fully drawn.

The weighted average maturity of all drawn debt facilities is 4.4 years (2022: 4.1 years).

As well as ongoing free cashflow generation, the Group has significant available undrawn facilities and cash which provide appropriate headroom for operational requirements and development funding. Total available headroom was €1,874m at 31 December 2023 (2022: €1,450m).

Net debt

Net debt decreased by €560.1m during 2023 to €979.5m (2022: €1,539.6m). This is analysed in the table below:

Movement in net debt	**2023**	2022
	€m	€m
Free cashflow	**890.8**	392.5
Acquisitions and divestments	**(219.6)**	(893.4)
Purchase of financial asset	**(22.2)**	(113.3)
Deferred consideration paid	**(6.6)**	(45.4)
Transactions involving non-controlling interests	**1.0**	(2.0)
Repurchase of treasury shares	**(0.7)**	(1.4)
Dividends paid	**(91.2)**	(93.7)
Dividends paid to non-controlling interests	**(0.9)**	(3.5)
Cashflow movement	**550.6**	(760.2)
Exchange movements on translation	**9.5**	(23.3)
Movement in net debt	**560.1**	(783.5)
Net debt at start of year	**(1,539.6)**	(756.1)
Net debt at end of year	**(979.5)**	(1,539.6)

Key financial covenants

The majority of Group borrowings are subject to primary financial covenants calculated in accordance with lenders' facility agreements which exclude the impact of IFRS 16:

- A maximum net debt to EBITDA ratio of 3.5 times; and
- A minimum EBITDA to net interest coverage of 4 times.

The performance against these covenants in the current and comparative year is set out below:

		2023	2022
	Covenant	**Times**	Times
Net debt/EBITDA	Maximum 3.5	**0.97**	1.62
EBITDA/Net interest	Minimum 4.0	**27.0**	28.7

Investor relations

Kingspan is committed to interacting with the international financial community to ensure a full understanding of the Group's strategic plans and its performance against these plans. During the year, the executive management and investor team hosted a Capital Markets Day at our Light, Air + Water facility in Lyon, conducted 818 institutional one-on-one and group meetings, including presenting at 14 capital market conferences.

Share price and market capitalisation

The Company's shares traded in the range of €50.70 to €82.62 during the year. The share price at 29 December 2023 was €78.40 (30 December 2022: €50.58) giving a market capitalisation at that date of €14.3bn (2022: €9.2bn). Total shareholder return for 2023 was +56.2% (2022: -51.5%).

Financial risk management

The Group operates a centralised treasury function governed by a treasury policy approved by the Group Board. This policy primarily covers foreign exchange risk, credit risk, liquidity risk and interest rate risk. The principal objective of the policy is to minimise financial risk at reasonable cost. Adherence to the policy is monitored by the CFO and the Internal Audit & Compliance function. The Group does not engage in speculative trading of derivatives or related financial instruments.

On behalf of the Board

Geoff Doherty
Chief Financial Officer
20 February 2024

RISK & RISK MANAGEMENT

Boardman Fire Rescue Station 81
Oregon, USA
Light, Air + Water
UniQuad® Polycarbonate Wall System

As a leading building products manufacturer in a highly competitive international environment, Kingspan is exposed to a variety of risks and uncertainties which are monitored and controlled by the Group's internal risk management framework.

Gilbert Place at Virginia Tech
Virginia, USA
Insulated Panels
QuadCore™, Designwall 2000 and Designwall 4000 insulated panels

Overall responsibility for risk management lies with the Board who ensure that risk awareness is set at an appropriate level. To ensure that risk awareness is set at an appropriate level, the Audit & Compliance Committee assist the Board by taking delegated responsibility for risk identification and assessment, in addition to reviewing the Group's risk management and internal control systems and making recommendations to the Board thereon.

The chairman of the Audit & Compliance Committee reports to the Board at each board meeting on its activities, both for audit matters and risk management. The activities of the Audit & Compliance Committee are set out in detail in the Report of the Audit & Compliance Committee.

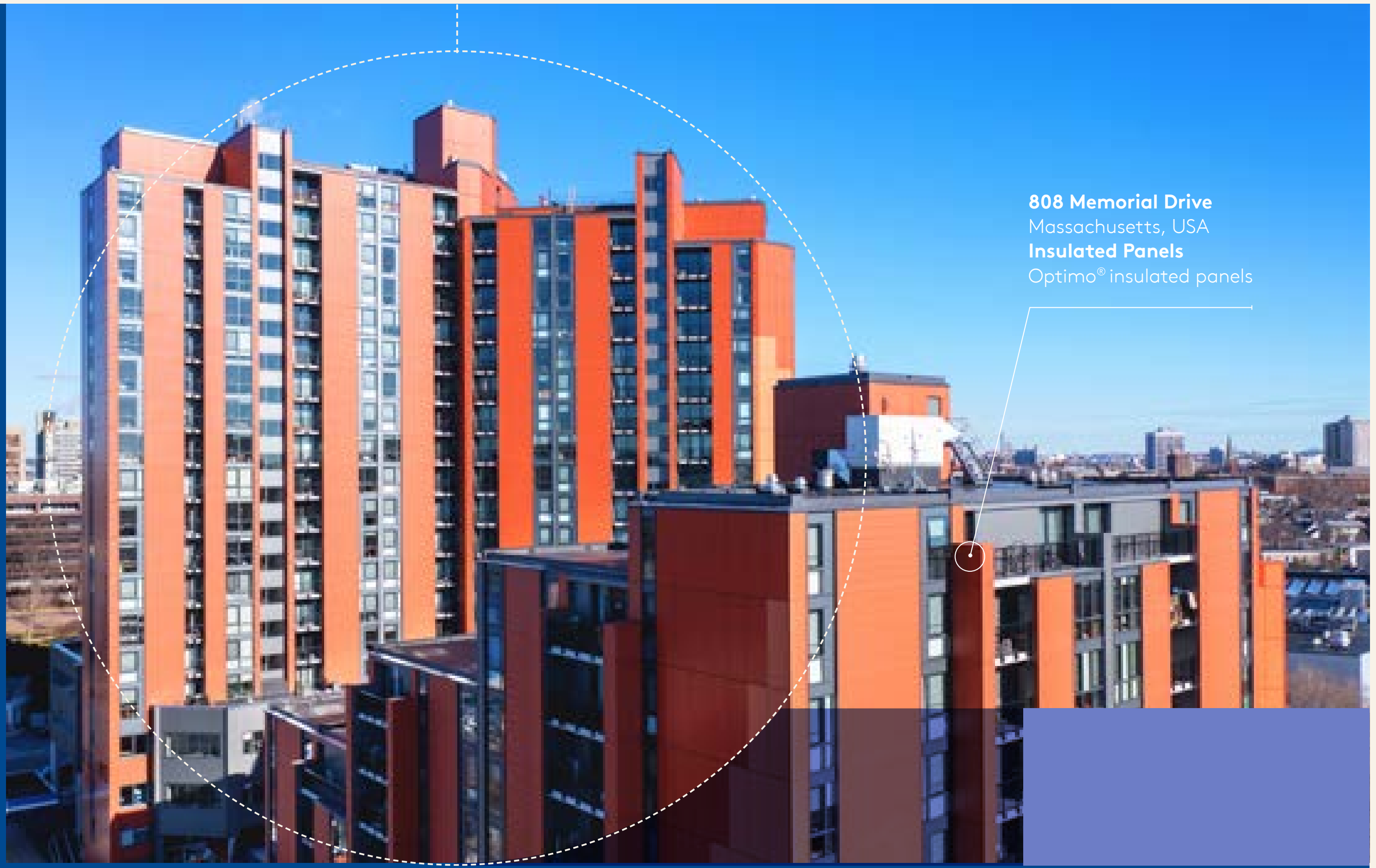
The Board monitors the Group's risk management systems through its consultation with the Audit & Compliance Committee but also through the Group's divisional monthly management meetings, where at least two executive directors are present. Business risks and trends are the focus of each division's monthly management meeting, where divisional business performance is also assessed against budget, forecast and prior year. Key performance indicators are also used to benchmark operational performance for all manufacturing sites.

In addition to this ongoing assessment of risk within the divisions, the Audit & Compliance Committee oversees an annual risk assessment for the Group whereby each divisional management team is formally asked to prepare a detailed risk assessment for their business. This assessment involves evaluating group-wide risks, as put forward by the Board, and presenting additional risks that are specific to their business.

While it is acknowledged that the Group faces a variety of risks, the Board, through the processes set out above, has identified the following principal risks and uncertainties that could potentially impact upon the Group's short- to medium-term strategic goals:

VOLATILITY IN THE MACRO ENVIRONMENT

Risk and impact	Actions to mitigate
Kingspan products are targeted at both the residential and non-residential (including industrial, retail, commercial, public sector and office) construction sectors. As a result, demand is dependent on activity levels which may vary by geographic market and is subject to the usual drivers of construction activity (i.e. general economic conditions and volatility, pandemics, political uncertainty and wars in some regions, interest rates, business/consumer confidence levels, supply chain disruption, unemployment and population growth). While construction markets are inherently cyclical, changing building and environmental regulations continue to act as an underlying positive structural trend in demand for many of the Group's products.	The exposure to cyclicality or downturn of any one construction market is partially mitigated by the Group's geographic diversification, by end application and by product. As set out in the Business Model & Strategy, the Group has mitigated this risk through diversification as follows: • an established globalisation strategy resulting in 224 global manufacturing sites and a commercial presence in more than 80 countries; • the launch of new innovative products and an approach of continual improvements to existing product lines; and • acquisitions made during the year enhance the geographic and product diversification of the Group.



808 Memorial Drive
Massachusetts, USA
Insulated Panels
Optimo® insulated panels

PRODUCT FAILURE

Risk and impact	Actions to mitigate
A key risk to the Kingspan business is the potential for functional failure of our products which could lead to health, safety, and security issues for both our people and our customers. The Kingspan brands are well established and are a key element of the Group's overall marketing and positioning strategy. In the event of a product failure, the Kingspan brands could be damaged and if so, this could lead to a loss of market share and other adverse consequences.	Dedicated structures and processes are in place to manage and monitor product quality controls throughout the business: • New products go through rigorous internal testing at the Group's Global Innovation Centre, IKON, and industry leading Kingspan Fire Engineering Research Centre before proceeding to a certification process which is undertaken by internationally recognised and independent authorities before being brought to market. • The Group Head of Compliance & Certification, reporting to the Group CEO, ensures a rigorous approach to certification, testing and product compliance across the Group and ensures consistent and robust application of processes centred around our core commitment to product safety. The Group Product Compliance Team completed the audit of 109 manufacturing sites in 2023. • A Group Marketing Integrity Manual (MIM) has been designed to incorporate the Group Code of Conduct as well as the Code for Construction Product Information. The MIM establishes a compliance framework for product marketing materials and websites. Compliance with the MIM is subject to audit by the Group Internal Audit function under a dedicated audit programme. • The Group's Product Compliance function has been accredited to the leading independent standard in compliance, ISO 37301. 59 manufacturing sites are already certified to ISO 37301 with a plan to have 85 sites certified to this standard by the end of 2024. • Quality management is a key factor in ensuring long-term product performance. ISO 9001 is a globally recognised standard for quality management. 144 of Kingspan's manufacturing sites are accredited to ISO 9001. • The terms of reference for the Audit & Compliance Committee include oversight of the product compliance agenda. • Our businesses employ quality control specialists and operate strict policies to ensure consistently high standards are maintained in addition to the sourcing and handling of raw materials. • Effective training is delivered to our employees. • Proactive monitoring of the public policy, regulatory and legislative environment.

FAILURE TO INNOVATE

Risk and impact	Actions to mitigate
Failing to successfully manage and compete with new product innovations, changing market trends and consumer tastes could have an adverse effect on Kingspan's market share, future growth and profitability of the business.	Innovation is one of Kingspan's four strategic pillars to increasing shareholder value and delivering on our mission to accelerate a net zero emissions future-built environment. • There is a continual review of each division's product portfolios at both the executive and local management level to ensure that they target current and future opportunities for profitable growth. • The Head of Innovation and CEO host a bi-monthly executive innovation forum where key product developments and opportunities are discussed and innovation strategies are updated. • The Group's innovation strategy is intertwined with its Planet Passionate sustainability strategy. Ambitious Planet Passionate goals require the Group to invest in expanding its existing range of sustainable building products and establish market leading supply chains for sustainable raw materials. • This risk is further mitigated by continuing innovation and compelling marketing programmes. The launch of the IKON Global Innovation Centre in 2019 has served to enhance the capabilities of the Group to innovate. • The Kingspan Fire Engineering Research Centre enables large scale fire testing to industry regulation standards thereby accelerating the pace of innovation and certification on the path to commercialisation. • Kingspan also has a deep understanding of changing consumer and industry dynamics in its key markets and continues to refine its omnichannel customer centric approach, enabling management to respond appropriately to issues which may impact business performance. • Kingspan has multiple touch points with our customers, engaging directly on projects, attending trade shows and industry events and through our Net Promoter Score surveys. Insights from these touch points directly inform innovation in our products and in our service.

Innovation Global Planet Passionate Completing the Envelope

CLIMATE CHANGE

Risk and impact	Actions to mitigate
Kingspan's products provide a solution to help mitigate climate change, particularly with respect to reducing carbon emissions in the built environment. Climate change is therefore both an opportunity and a risk for Kingspan. Climate risks within our business include regulatory changes, substitution risk should we fail to maintain our market leading offering, rising energy or carbon prices within our own operations or in our supply chain and physical risk to our operations or those of our suppliers.	Transforming building and construction is an important element of addressing the climate crisis as they represent approximately 37% of energy-related carbon emissions. Kingspan is uniquely placed to help support the decarbonisation of the building sector via our extensive offering of high-performance, energy saving systems and solutions. Risks relating to climate change are managed through a multi-disciplinary, and company-wide, risk management process. Examples of how climate change risks are mitigated include: **Planet Passionate** • Following the successful completion of our Net Zero Energy programme (our programme that focused on reducing energy consumption and increasing renewable energy use where possible), Kingspan launched the next stage of our sustainability journey in 2020, our 10-year Planet Passionate programme, which includes 11 ambitious targets in the areas of Carbon, Energy, Circularity and Water. This strategic agenda will enable significant advances in the sustainability of both our business operations and our products. • A core facet of our Planet Passionate programme is to reduce carbon emissions within our value chain. To this end, we have been working with new and existing suppliers on innovative raw materials, with lower embodied carbon and higher recycled content, leading to lower embodied carbon (LEC) products across our portfolio. **Innovation** • Our innovation agenda is inextricably linked with our Planet Passionate programme, helping us to drive market leading products in the areas of carbon savings and sustainability. Innovation is supported through ongoing investments such as the opening of IKON in 2019. • In 2023, our insulation products sold globally are estimated to save 164 million tonnes of CO2e over their lifetime. In addition, we estimate 41.3 billion litres of rainwater will be harvested over the lifetime of the tanks we produced and we recycled 858 million waste plastic bottles into our manufacturing processes. • In addition to internal innovation, Kingspan observes the market for inventive or alternate materials which can add value to our ambition to offer the full spectrum of energy efficient building envelope solutions, such as our investments in hemp and wood wool insulations. **Digitalisation** • Digital adoption is a key factor to enabling more efficiency and sustainability in the manufacture, delivery, construction and operations of the built environment. • Enhanced digitalised processes for customer engagement provide faster and deeper insight into the sustainability demands of our customers. **Global Presence** Kingspan operates out of 224 manufacturing sites across the globe, diversifying our physical risk from climate change. We have also developed relationships with a wide range of global supply partners to limit the reliance on any one supplier or even a small number of suppliers.

BUSINESS INTERRUPTION (INCLUDING IT CONTINUITY)

Risk and impact	Actions to mitigate
Kingspan's performance is dependent on the availability and quality of its physical infrastructure, its proprietary technology, its raw material supply chain and its information technology. The safe and continued operation of such systems and assets are threatened by natural and man-made perils and are affected by the level of investment available to improve them. Any significant or prolonged restriction to its physical infrastructure, the necessary raw materials or its IT systems and infrastructure could have an adverse effect on Kingspan's business performance.	• Kingspan insists on industry leading operational processes and procedures to ensure effective management of each facility. The Group invests significantly in a rigorous programme of preventative maintenance on all key manufacturing lines to mitigate the risk of production line stoppages. • With 224 manufacturing sites globally, the impact of production line stoppages is also mitigated by having business continuity plans in place to allow for the transfer of significant production volume to another plant in the event of a shutdown. • In addition, and as part of our Property Damage & Business Interruption (PDBI) insurance, Kingspan is subject to regular reviews of its manufacturing sites by external risk management experts, with these reviews being aimed at optimising Kingspan's risk profile. • Kingspan continues to focus on developing, enhancing and protecting its intellectual property (IP) portfolio. As a global leader in building envelope solutions, Kingspan considers its IP security to be paramount. In addition to trade secret policies and procedures, Kingspan has developed appropriate IP strategies to protect and defend against infringements. • To reduce Kingspan's exposure to raw material supply chain issues, Kingspan retains strong relationships with a wide range of raw material suppliers to limit the reliance on any one supplier or even a small number of global suppliers. • Kingspan's IT infrastructure is constantly reviewed and updated to meet the needs of the Group. Procedures have been established for the protection of this infrastructure and all other IT related assets. These include the development of IT specific business continuity plans, IT disaster recovery plans and back-up delivery systems, to reduce business disruption in the event of a major technology failure.

CREDIT RISKS AND CREDIT CONTROL

Risk and impact	Actions to mitigate
As part of the overall service package, Kingspan provides credit to customers and as a result there is an associated risk that the customer may not be able to pay outstanding balances. At the year end, the Group was carrying a receivables book of €1,051.8m (2022: €1,136.8m) expressed net of provision for default in payment. This represents a net risk of 13% (2022: 14%) of sales. Of these net receivables, approximately 60% (2022: 60%) were covered by credit insurance or other forms of collateral such as letters of credit and bank guarantees.	• Each business unit has rigorous procedures and credit control functions for managing its receivables and takes appropriate action when necessary. • Trade receivables are primarily managed through strong credit control functions supplemented by credit insurance to the extent that it is available. All major outstanding and overdue balances together with significant potential exposures are reviewed regularly and concerns are discussed at monthly meetings at which the Group's executive directors are present. • Control systems are in place to ensure that credit authorisation requests are supported with appropriate and sufficient documentation and are approved at appropriate levels in the organisation.

TALENT DEVELOPMENT AND RETENTION

Risk and impact	Actions to mitigate
The success of Kingspan is built upon effective management teams committed to achieving a superior performance in each division. Failure to attract, retain or develop these teams could have an impact on business performance.	• Kingspan is committed to ensuring that the necessary policies are in place to attract, develop and retain the skill levels needed to achieve the Group's strategic goals. These policies are underpinned by strong recruitment processes, succession planning, remuneration reviews, including both short- and long-term incentive plans and targeted career development programmes. • Kingspan's People Passionate programme is a strategic framework for attracting, retaining and developing talent within Kingspan. The programme is sponsored by the Group CEO and senior leadership team. The People Passionate programme enshrines all the key aspects of talent development and engagement: - health, safety and wellbeing; - recruitment; - onboarding; - performance and reward; - training and development; - leadership development; - career planning and progression; - engagement and communication; and - people and organisational policies. • Kingspan's leadership team holds an annual talent forum to review succession plans, metrics on key positions hired throughout the year and to forecast future talent gaps as part of our human capital risk assessment. • Kingspan's internal career portal provides an open and transparent forum for Kingspan employees to learn about and apply for career opportunities across all our businesses worldwide. It has a wealth of information about the types of roles and skills that are in demand to deliver on our strategic objectives. • Kingspan continues to be an attractive employer of choice for young, talented graduates with over 2,000 applications to our global website for our 2023 graduate positions. • Graduates participated in our Yours to Shape development programme which was in its seventh consecutive year in 2023. The objective of the programme is to provide new graduates with a network to collaborate across the Group and develop the capabilities to drive their careers in Kingspan. It spans 12 months of interactive workshops, peer coaching, masterclasses with senior executives and assignments on the Promote e-learning platform. • PEAK (Programme for Executive Acceleration in Kingspan) was launched in 2018 and is targeted at middle to senior managers who are currently, or will soon commence managing a team. It aims to increase leadership diversity by deepening and widening the pool of potential senior leaders to match the increasing scale and global nature of the business. • An Advanced Management Programme was launched in 2021 in partnership with INSEAD's executive business school in France. This programme supports Kingspan's senior leaders to engage with enterprise level goals in a more collaborative way while transforming their leadership capabilities to drive significant long-term growth.

FRAUD AND CYBERCRIME

Risk and impact	Actions to mitigate
Kingspan is potentially exposed to fraudulent activity, with particular focus on the Group's online banking systems, online payment procedures and unauthorised access to internal systems.	• The Group issues extensive guidance and policies, which include critical process and control policies for the mitigation of fraud risk and they must be effectively adopted by all Group businesses. • The Group internal audit programme includes rigorous tests of financial controls and general IT controls to ensure they align with Group policies that mitigate fraud risk. • All fraud and cyber crime attempts, successful and unsuccessful, are reported to the Audit & Compliance Committee. • The Group's cyber strategy is designed by a multi-discipline Group IT function with support from external advisors and our Group Head of Cyber Security. The Group Head of Cyber Security is responsible for owning and executing the Group's cyber security strategy to ensure critical assets and technologies are protected against cyber risk. • The Group's Cyber Security Roadmap sets out the phased milestones for the implementation of enhanced cyber risk policies and projects over a period of 30 months to enhance the Group's security posture. • Proactive cyber security services are in place which provide global 24/7 critical security services that include managed threat protection (Security Information and Event Management – SIEM), managed detection and incident response services, including access to trusted and experienced cyber security advisors. • The Group Internal Audit & Compliance function perform cyber audits with dedicated audit programmes in addition to separate audits of IT general controls. Findings of cyber audits are reported to the Audit & Compliance Committee and form the basis for enhanced IT policies. • Mandatory implementation of multi-factor authentication (MFA) on all internet facing and business critical services group-wide. • High frequency phishing tests performed globally. • The Group's corporate assets can be swiftly 'auto-contained' in the event of a significant cyber security incident to limit the business impact.

ACQUISITION AND INTEGRATION OF NEW BUSINESSES

Risk and impact	Actions to mitigate
Acquisitive growth is an important element of Kingspan's development strategy. A failure to execute and properly integrate significant acquisitions and capitalise on the potential synergies they bring may adversely affect the Group.	• All potential acquisitions are rigorously assessed and evaluated, both internally and by external advisors, to ensure any potential acquisition meets Kingspan's strategic and financial criteria. • This process is underpinned by extensive integration procedures and the close monitoring of performance post acquisition by both divisional and Group management. • New acquisitions are categorised as higher risk from a financial controls, IT general controls and product compliance perspective and are therefore subject to greater internal audit focus in the initial 12 month period post acquisition. • Kingspan's global management team has extensive experience in the successful integration of acquired businesses, which it leverages for onboarding new acquisitions.

HEALTH AND SAFETY

Risk and impact	Actions to mitigate
The nature of Kingspan's operations can expose its contractors, customers, suppliers and other individuals to potential health and safety risks. Health and safety incidents can lead to loss of life or severe injuries.	• A robust health and safety framework is in place throughout the Group's operations requiring all employees to complete formal health and safety training on a regular basis. • ISO 45001 is an internationally-recognised framework for managing occupational health and safety risks. 111 of Kingspan's manufacturing sites are accredited to ISO 45001. • The Group monitors the performance of its health and safety framework and takes immediate and decisive action where non-adherence is identified. • The development of a strong safety culture is driven by management and employees at every level and is a core part of doing business with integrity.

LAWS AND REGULATIONS

Risk and impact	Actions to mitigate
Kingspan is subject to a broad range of existing and evolving governance requirements, environmental, health and safety and other laws, regulations and standards which affect the way the Group operates. Non-compliance can lead to potential legal liabilities and curtail the development of the Group.	• Kingspan's in-house legal team is responsible for monitoring changes to laws and regulations that affect the business and is supported by external advisors. Issued policies include, but are not limited to, the following: - Sanctions Compliance Policy; - Anti-Fraud, Bribery and Corruption Policy; - Competition Law Compliance Policy; - Supplier Policy; - Environmental Policy; - Directors' Guidance Policy; and - Human Rights Policy. • The Group's publicly available Code of Conduct sets out the fundamental principles which it requires all its directors, officers and employees to adhere to in order to meet those standards. • Training is provided through a variety of mediums in key areas of legal and regulatory compliance, including a suite of mandatory training for those that join Kingspan. • A robust whistleblowing process is in place that allows anonymous reporting, through an independent hotline of any suspected wrongdoing or unethical behaviour, including reporting instances of non-compliance with laws and regulations. All reported cases are investigated and findings reported to the Audit & Compliance Committee.

Kingspan's Mission

To accelerate a net zero emissions future-built environment with the wellbeing of people and planet at its heart. We do this through enabling high-performance buildings via our systems and solutions that help to save more energy, carbon and water.

We recognise the vital importance of achieving this while:

- **enhancing the safety and wellbeing of people in buildings;**
- **supporting the transition to a circular economy; and**
- **always delivering more performance and value.**

We believe the answers lie in challenging building industry traditions with innovation in advanced materials and digital technologies. We are defined by our relentless pursuit for better building performance whilst being Planet Passionate in everything we do. Our commitment to sustainability is instilled throughout our business.

In developing our approach to sustainability we worked with an external consultant to conduct a thorough materiality assessment across all of the key sustainability pillars. We are in the process of refining the results of this assessment and integrating the findings into our sustainability planning.

Kingspan recognises that it has a responsibility as a business leader to contribute towards the achievement of the United Nation's Sustainable Development Goals (SDGs). We will be publishing our third Kingspan Planet Passionate Sustainability Report in March 2024 with more detail on how we contribute to the SDGs.

> We are defined by our relentless pursuit for better building performance whilst being Planet Passionate in everything we do. Our commitment to sustainability is instilled throughout our business.

PLANET PASSIONATE – see page 60
PRODUCT PASSIONATE – see page 64
PEOPLE PASSIONATE – see page 68

Scope 1+2
GHG Emissions

↓ 65%
Since 2020

PLANET PASSIONATE

Increasingly, our customers want solutions which not only enable them to preserve resources, but solutions which are also sourced and manufactured in an environmentally responsible way.

In December 2019, Kingspan launched the next phase of our sustainability journey, our Planet Passionate programme. Through this programme we are working with our suppliers and throughout our business to meet our ambitious goals in the areas of carbon, energy, circularity and water. In an effort to reduce a key source of carbon in construction, embodied carbon, we are targeting Net Zero Carbon Manufacturing by 2030 and a 50% reduction in carbon intensity from our primary suppliers by 2030.

Our Group Head of Innovation works together with our Global Head of Sustainability, and our CEO, to ensure that product development is closely aligned with our Planet Passionate objectives.

Our Planet Passionate programme is complemented by our science-based targets to reduce our Scope 1, 2 and 3 emissions aligned to a 1.5°C future.

Planet Passionate Targets	Target Year	Underlying Business[1]			Whole Business[2]		
		2020	2022	2023	2020	2022	2023
CARBON							
• Net Zero Carbon Manufacturing (scope 1 & 2 GHG emissions[3] - tCO2e)	2030	409,783[4]	243,954[4]	**111,977**	515,813[4,5]	387,581[4,5]	**178,682[5]**
• 50% reduction in product CO2e intensity from primary supply partners (% reduction)	2030	-	3.2[4]	**3.4**	-	3.2[4]	**3.4**
• Zero emission company cars[6] (annual replacement %)	2025	11	60	**70**	11	58	**69**
ENERGY							
• 60% direct renewable energy (%)	2030	19.5	34.6[4]	**38.0**	19.5	33.7[4]	**34.1**
• 20% on-site renewable energy generation (%)	2030	4.9	7.4[4]	**9.9**	4.9	7.3[4]	**8.8**
• Solar PV systems on all wholly owned sites(%)	2030	20.9[4]	40.6[4]	**54.1**	20.9[4]	35.2	**49.6**
CIRCULARITY							
• Zero company waste to landfill (tonnes)	2030	18,640[4]	9,819[4]	**8,282**	18,640[4]	11,584[4]	**12,407**
• Recycle 1 billion PET bottles into our manufacturing processes annually (million bottles)	2025	573	803	**858**	573	803	**858**
• QuadCore™ products utilising recycled PET (no. of sites)	2025	1	3	**8**	1	3	**8**
WATER							
• Harvest 100 million litres of rainwater annually (million litres)	2030	20.1	27.3[4]	**56.3**	20.1	27.4[4]	**56.7**
• Support 5 ocean clean-up projects (no. of projects)	2025	1	3	**4**	1	3	**4**

1: Underlying Business includes manufacturing, assembly and R&D sites within the Kingspan Group in 2020 plus all organic growth.
2: Whole Business includes all manufacturing, assembly and R&D sites within the Kingspan Group, including acquisitions that occurred in 2021 through to 30 September 2023.
3: Excluding biogenic emissions. Scope 2 GHG emissions calculated using market-based methodology.
4: Restated figures due to improved data collection, change in calculation methodologies and site disposal.
5: GHG emissions were recalculated due to acquisitions that occurred in 2021 through to 30 September 2023.
6: Kingspan defines a 'zero emissions car' as a vehicle with zero tailpipe emissions. The boundary does not include the energy used to power the vehicle or the embodied emissions from manufacturing.

3 GOOD HEALTH AND WELL-BEING · 6 CLEAN WATER AND SANITATION · 7 AFFORDABLE AND CLEAN ENERGY · 8 DECENT WORK AND ECONOMIC GROWTH · 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE · 11 SUSTAINABLE CITIES AND COMMUNITIES · 12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION · 14 LIFE BELOW WATER · 15 LIFE ON LAND · 17 PARTNERSHIPS FOR THE GOALS

CARBON & ENERGY

Through our Planet Passionate programme, we aim to help enable lower carbon buildings, not only in the operational phase but also in the upfront and construction phase. 2023 highlights include:

- **Internal carbon charge:** From 1 January 2023, we implemented an internal charge of €70 per tonne for all energy related emissions (excluding process and biogenic emissions) across our business. This has helped to further incentivise the rapid deployment of decarbonisation projects and support the achievement of our net zero carbon manufacturing target.
- **Scope 1 & 2 GHG emissions:** a 65% reduction was achieved in 2023 against our 2020 base year. The reduction was achieved via the implementation of new renewable energy contracts, deployment of solar PV systems and reduction in the use of high GWP blowing agents.
- **Scope 3 GHG emissions:** A key facet of our carbon ambition is to reduce our upstream carbon emissions, particularly as they relate to our purchased goods and services which, in 2023, accounted for over 88% of our total value chain emissions. We have had significant engagement with our key raw material suppliers and tracking of their decarbonisation plans, and in 2023 we had over 40 meetings on supply chain engagement, including our third supplier forum hosted in our IKON innovation centre. We also onboarded a new Scope 3 GHG emissions calculation and monitoring system, SWEEP, which will assist with the continued development of our supply chain decarbonisation strategy.
- **Product:** In 2023, we brought three new lower embodied carbon (LEC) products to market; QuadCore LEC ™ insulated panel, RMG600+ and LEC Tate Grid, all of which have reduced embodied carbon (>15%) across their lifespan when compared to their equivalent standard Kingspan product.
- **Zero emission cars:** To date, we have installed 573 EV charging points across our business. In addition, 69% of our annual replacement cars were zero emissions cars in 2023.
- **Renewable energy use:** We made significant progress with our energy suppliers and in 2023 we have 155 sites with renewable electricity contracts.
- **On-site renewable energy generation:** We deployed 25 new rooftop solar-PV projects across our business, which added 6.8 MW of on-site generation capacity, bringing the total on-site generation capacity to 42.3 MW.

CIRCULARITY

Our vision is to deliver solutions to support the transition to a circular economy within the construction sector.

- **Waste to Landfill:** In 2023, we completed over 20 landfill diversion projects resulting in over 2,400 tonnes of waste being diverted from landfill.
- **Product:** To achieve zero waste to landfill, our Brazilian business developed a new product called EcoPIR, using remanufactured production waste from scrap PIR insulated panels.
- **Recycling:** We recycled 63% of our waste in 2023. Recycling trials are ongoing to investigate ways in which Kingspan production waste could be reutilised to add value to other industries while helping us divert waste from landfill. In 2023, we installed a glycolysis chemical recycling facility in our Winterswijk site. The facility has the capacity to recycle up to 350 tonnes of our insulation production waste in its first year of operation and will produce key raw materials for our insulation products.

WATER

As a manufacturer of solutions to harvest and recycle water, we recognise the need for future water security and the protection of our natural water systems.

- In 2023, we installed 11 rainwater harvesting systems across our business, adding 9 million litres to our capacity. In total, we harvested 56.7 million litres of rainwater during the year.
- We are delighted to announce our fourth Ocean Clean Up partnership with 4ocean, in which we have sponsored a river boom system - a mechanism placed in waterways to prevent waste from flowing downstream. This will be a three-year partnership and is expected to help remove up to 150,000 pounds of plastic and trash from the Sungai Yeh Kuning River in the Jembrana region of Bali, Indonesia. Additionally, our sponsorship includes supporting three 'strike missions' targeted to clean up Florida's coastline.

> In 2023 we had over 40 meetings on supply chain engagement, including our third supplier forum hosted in our IKON innovation centre.

CRRA HQ
North Carolina, USA
Insulated Panels
Dri-Design® wall panels

Product compliance operates first and foremost to the high standards set out in our Group Code of Conduct, which has been rolled out to all employees across the Group.

PRODUCT PASSIONATE

INTEGRITY OF PRODUCT INFORMATION FOR THE DIGITAL ERA

Ensuring the safe performance and use of our products is central to our approach to product development, testing, support and marketing. At Kingspan we have implemented a global product compliance and marketing programme that ensures the accuracy of our product information, operating to the ISO 37301 global compliance standard and underpinned by a culture of integrity, honesty and compliance with the law. In late 2022, we introduced a new global Environmental Claims Guide to ensure that all marketing claims relating to the sustainability performance of our products are robust and support our group vision of making a meaningful impact on decarbonisation and circularity in the built environment. In parallel, we are developing and delivering a technology backbone for accurate digital product information that enables project efficiencies and better design decisions.

PRODUCT COMPLIANCE

Product compliance operates first and foremost to the high standards set out in our Group Code of Conduct, which has been rolled out to all employees across the Group. The Kingspan Code of Conduct incorporates a whistleblower policy which was enhanced in 2021 with higher visibility in all manufacturing sites across the Group. To support product compliance at senior management levels, a new group-wide Directors' Duties handbook was introduced in February 2022 with associated training. The Group Compliance and Certification function, which was established in 2021, operates to the ISO 37301 compliance standard with internal auditing and Board oversight. ISO 37301 is an internationally recognised Type A management system standard which sets out the requirements and provides guidelines for establishing, developing, implementing, evaluating, maintaining, and continually improving a compliance management system (CMS). Currently we have 59 manufacturing facilities around the world which are now accredited to the ISO 37301 standard.

The following structures are in place:

- Group Head of Compliance and Certification (appointed in January 2021) reporting directly to the Group CEO.
- Product Compliance Officers in each business across Kingspan Group who provide monthly reports to the Group Head of Compliance together with updates to their divisional boards.
- The role of the Kingspan Group Audit Committee has been expanded into an Audit & Compliance Committee, with responsibility to monitor compliance in product testing and marketing.
- The role of the Kingspan Group Internal Audit function has been expanded into an Internal Audit & Compliance function to audit product and marketing compliance.

The Group Head of Compliance and Certification and the Head of Internal Audit & Compliance report regularly to the Audit & Compliance Committee.

Ultra Energy-Efficient

164m tonnes

164 million tonnes of CO_2e will be saved over the life of our insulation systems sold in 2023

Enough to power a major airline for over 11 years[1]

Conserved Water

41.3bn litres

Over 41 billion litres of rainwater will be harvested by our tanks produced in 2023

Enough water to fill over 500 million baths[2]

Recycled Materials

858m

In 2023 alone we upcycled 858 million waste plastic bottles

Enough recycled bottles to fill over 1,100 football pitches

Natural Daylight

9bn lumens

The capacity to create 9 billion lumens of natural light annually through our daylighting systems

Enough to light up 1 million homes[3]

1 Assumes 60 year product life; based on an EU airline disclosure of over 14.3m tonnes of CO_2e emissions for 12 months to March 2023
2 Assumes a 20 year product life
3 Assumes 10 x 60W bulbs per home

PRODUCT SAFETY AND TESTING

The safety of those working with our products, and living in buildings that have used our products, is absolutely paramount at Kingspan.

A cornerstone of our global compliance programme has been the opening of Kingspan's new Fire Engineering Research Centre (FERC) in Holywell, Wales which has enabled a significant increase in the frequency and scope of fire testing of products. The testing carried out at FERC is also building a bank of knowledge which is helping to ensure that fire safety continues to be central to Kingspan product innovation.

Fire safety is often reduced to a simplistic "combustible" versus "non-combustible" definition, based on a small-scale test. Important factors such as building design, installation methodology and the interaction of the different materials in the actual system are not tested in small-scale materials classification testing.

Hence, our approach to the safe use of our insulation and insulated panel products in buildings is founded on the principle that system testing is the best way to assess fire performance of any roof or cladding system, regardless of the classification of the insulation materials used.

A wide range of Kingspan insulated panels carry an FM (FM Global) or LPCB (Loss Prevention Certification Board) Approval, both of which are system testing regimes developed by the insurance industry. These approvals provide objective third-party testing, which is underpinned by quarterly, bi-annual and annual factory surveillance audits (depending on the region) to verify compliance. Independent certification bodies take samples of insulated panels from our factories and send them to their own laboratories for fire testing to verify ongoing compliance. These independent audits also include assessments of change control, formulations, processing parameters, labelling and internal testing.

The Kooltherm® range of insulation boards and KoolDuct® pre-insulated ductwork are manufactured with a phenolic insulation core, which offers excellent fire and smoke performance when compared with other commonly used rigid thermoset insulants.

A comprehensive range of building facade systems incorporating our insulation board and insulated panels products have successfully passed large-scale facade tests around the globe including, but not limited to, NFPA 285 (North America), LEPIR II (France), SP 105 (Nordics), AS 5113 (Australia), ISO 13785-2 (Czech Republic) and MSZ 14800-6 (Hungary). As it relates to large scale fire tests, there are a total of 15 systems incorporating Kooltherm® which have met the requirements of BR135 when tested to BS 8414 (UK) and there are six insulated panel-based systems that have met the requirements of BR 135 when tested to BS 8414.

During 2023, a total of 480 third party external products and system audits were carried out, providing reassurance on the safety of our products.

Green Hills
Solrød Denmark
Insulated Panels
JI Vulcasteel Roof

INTEGRITY OF PRODUCT MARKETING

The Group Compliance Manual, which was first published in January 2021 and covers all aspects of the processes which have been implemented across the Group, includes the requirement for a Register of External Certificates and Test Reports for each product.

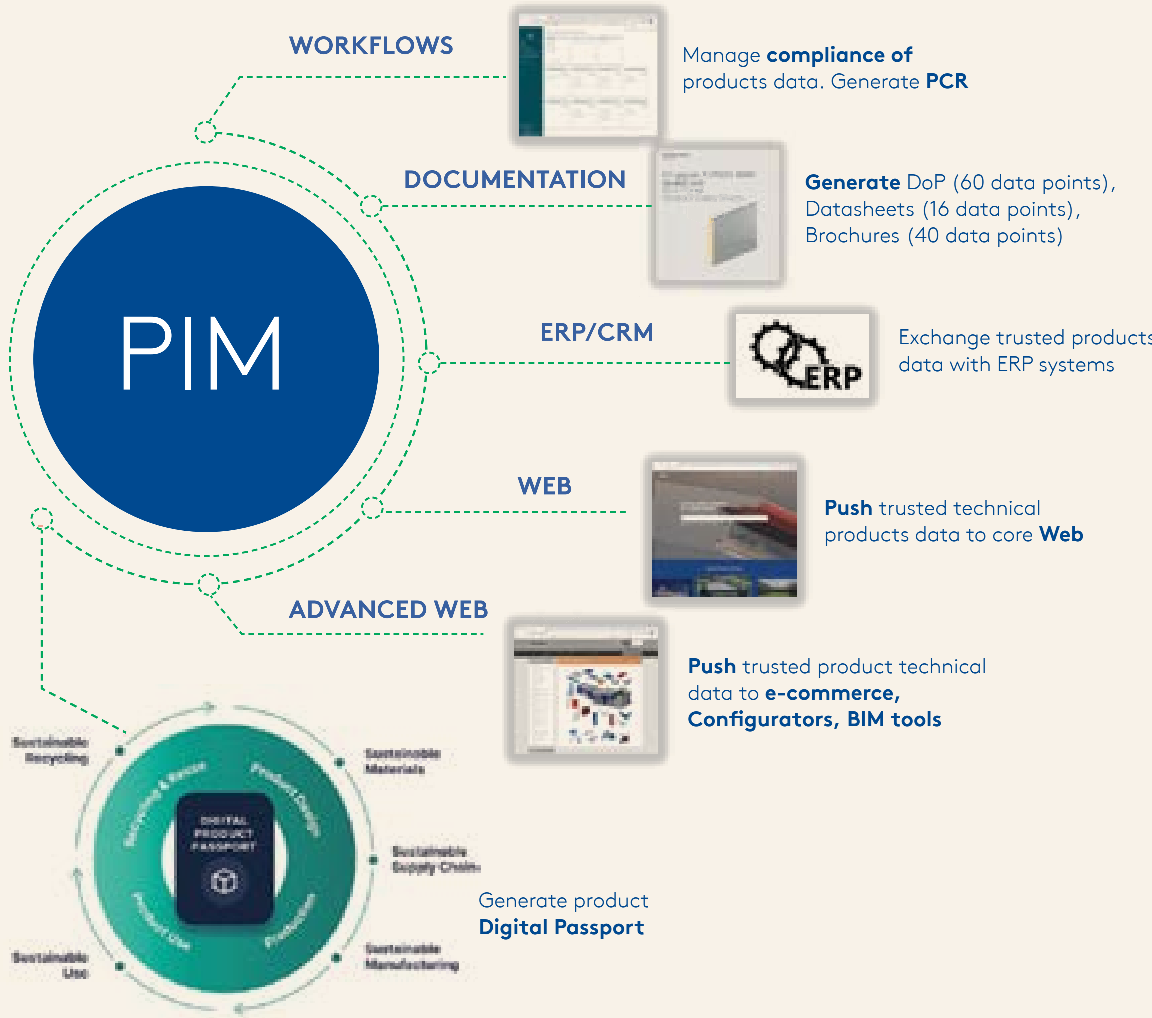
In 2021, the Marketing Integrity Manual (MIM) was launched to ensure that the information in the Product Compliance Register is represented truthfully and accurately in product marketing information. An updated version of the MIM was released in February 2023. The MIM is built on 12 clauses aligned with the UK Code of Construction Product Information.

The overall programme includes:

- Group MIM e-learning which has been rolled out to all marketing team members.
- Fire Approvals e-learning which has been rolled out for appropriate marketing team members.
- A Skills, Knowledge, Experience and Behaviours (SKEB) competency assessment model which has been introduced with associated training and strict rules for publishing product information.
- A sign-off approvals process which has been implemented for our new global website infrastructure. Furthermore, an internal ISO 37301 accredited auditing team has been appointed specifically for the MIM programme.

Kingspan PIM Model

We have built a Product Information Management (PIM) technology platform and this is currently being deployed across our business:



Joris Ide (Belgium)
Planet Passionate
Clean-up Day

> We are proud of the wide variety of skills, abilities, backgrounds, experiences and perspectives represented by employees across our Group.

40%
of our most recent graduate programme are female

PEOPLE PASSIONATE

PEOPLE PASSIONATE

We see diversity and inclusiveness as an essential part of our productivity, creativity, and innovation. Kingspan is committed to providing equal opportunities from recruitment and appointment, training and development to appraisal and promotion opportunities for a wide range of people, free from discrimination or harassment and in which all decisions are based on work criteria and individual performance. During 2023, we established a Group Diversity and Inclusion Forum to further advance our programme of work.

We are proud of the wide variety of skills, abilities, backgrounds, experiences and perspectives represented by employees across our Group. Discrimination and other unfair practices in the conduct of our day-to-day business are absolutely prohibited.

Talent retention

At Kingspan, we use multiple tools to drive talent retention. These include traditional motivational tools such as reviews and objective setting, but there is also the opportunity to join a network of people across the Group to drive real change through innovation and engagement with our Planet Passionate initiatives. We are building a network of Planet Passionate Champions to help scale local action at our sites across the globe. Kingspan's Internal Career Portal provides an open and transparent forum for Kingspan employees to learn, search and apply for career opportunities across all of our businesses worldwide. It has a wealth of information about the types of roles and skills that are in demand to deliver on our strategic objectives.

Training and Development

People are at the heart of everything we do. We unlock the potential of our employees and through them make a difference in the world. Leadership Development is a key bridge builder across all businesses worldwide. It is aligned with our strategic objectives and succession plans, which are reviewed bi-annually across the Group. We have an integrated talent management strategy which ensures that our talent and succession pipelines are robust.

During 2023, Kingspan continued to invest in developing leader capability and strengthening and deepening our talent pipelines to support workforce sustainability. Our people play a critical role in delivering our purpose and strategy, aligned to our values. Customer centricity is at the heart of our leadership development, underpinned by our focus on high-performance and continuous innovation. We encourage our leaders to grow their careers in line with the growth of the Group. At Kingspan, we are more than aware of the key role leaders play in achieving our strategy including our Planet Passionate targets. Our formal leadership development programmes are designed to equip our people with the skills to drive the business towards the achievement of our mission to accelerate a net-zero emissions future-built environment, with the wellbeing of people and planet at its heart. For the first time, we partnered with DDI, a global learning and development organisation to design and develop additional programmes at key career transitions. Kingspan's key development programmes:

- Yours to Shape – Graduate Attraction and Development
- Developing Talent Programme
- Developing Leadership Coaching Capability
- Programme for Executive Acceleration in Kingspan (PEAK)
- Kingspan Executive Development Programme, in partnership with INSEAD

Terasteel (Romania) Planet Passionate Day

2023 Graduate Programme

Yours to Shape - Graduate Attraction and Development
Kingspan continues to build leadership pipelines by investing in our global graduate attraction and development programme called 'Yours to Shape'. Over 250 graduates have completed the programme since it was launched. The programme's objective is to support the successful transition of graduates from university to Kingspan, create an international collaborative network within the Group and develop their capabilities to drive their career in Kingspan forward. It is clear from the campaign that graduates are consistently attracted to Kingspan for the Group's active and practical focus on sustainability.

This year we continued to attend University Career Fairs in-person across all regions. To offset our carbon emissions produced by attending each of these Career Fairs, we partnered with Naturefund to plant a tree in Costa Rica for every person who registered their interest in our Graduate Programme at each Career Fair. This provided the students with an opportunity to give back to the planet and make a difference in the fight against climate change.

The Yours to Shape development programme spans 12-months of virtual and in-person workshops and assignments. A key feature of the programme is the opportunity to gain an understanding of the business across different regions and divisions. In 2023, three modules were delivered virtually and two modules were delivered face-to-face. During the in-person modules graduates visited our Light + Air facility in Lyon, France and our Insulated Panels facility in Újhartyán, Hungary where we incorporated site visits, interactions with local senior managers and insights into our various products and processes.

At Kingspan we are a global leader in sustainable business and innovation. As such, our leaders are at the forefront of advances in combating climate change, the digitalisation of the construction industry and advanced material research to name but a few. During the programme graduates get the opportunity to hear first hand from those leaders about the progress that the Group is making in these areas, through two or more masterclasses.

Each year the graduates work in cross functional, regional teams and work on diverse business projects. These projects are identified by the business as real challenges. The projects are innovative, align to Kingspan's strategic priorities, which include sustainability, and have a commercial benefit.

In 2023, nine projects were showcased to an internal audience of senior leaders in IKON, our Global Innovation Centre in Ireland, and the presentations were live streamed to our facilities around the world. The level of innovation and the integration of sustainability into the projects was inspiring. The projects will be taken forward for further assessment with an aspiration to integrate the outcomes into the existing processes and product range.

The Yours to Shape programme is a key pillar for Kingspan's leadership development strategy. As talented people continue to join and develop fulfilling careers the longer-term high performance of the Group is safeguarded.

Developing Talent Programme
The Developing Talent Programme is an early careers programme aimed at developing participants to realise their full potential, now and into the future, and enabling them to add even more value to the business.

The design of the programme is based on four key principles, ownership of personal and career development, building self-awareness and confidence, developing and embedding good learning habits and enabling practical application.

There are six in-person modules in total, alongside three 1-to-1 coaching sessions. Participants must also identify and present on an improvement project which will deliver tangible results for their own role and their team.

Participants receive exposure to a range of development experiences which will help them clarify their future personal and career direction. The programme allows participants to identify and develop critical skills and capabilities and to maximise their impact and contribution to the business, all while creating a supportive peer network and broadening their exposure to the wider Kingspan business.

Developing Leadership Coaching Capability
The Developing Leadership Coaching Capability Programme (DLCC) is a cross divisional coaching programme aimed at mid-level managers. The aim of the programme is to develop leaders' coaching capability with the outcome of being more effective in critical people conversations, enabling them to have more impactful conversations in order to develop, motivate and retain their teams. The programme consists of five online sessions, alongside three 1-to-1 coaching sessions with an executive coach.

These sessions deepen the learning and provide participants with coaching experience to enhance their development as a coach.

This is an international programme hosting participants from Ireland, the UK and throughout Europe to date. DLCC ensures the ongoing development of formal coaching skills and consistency of practice globally.

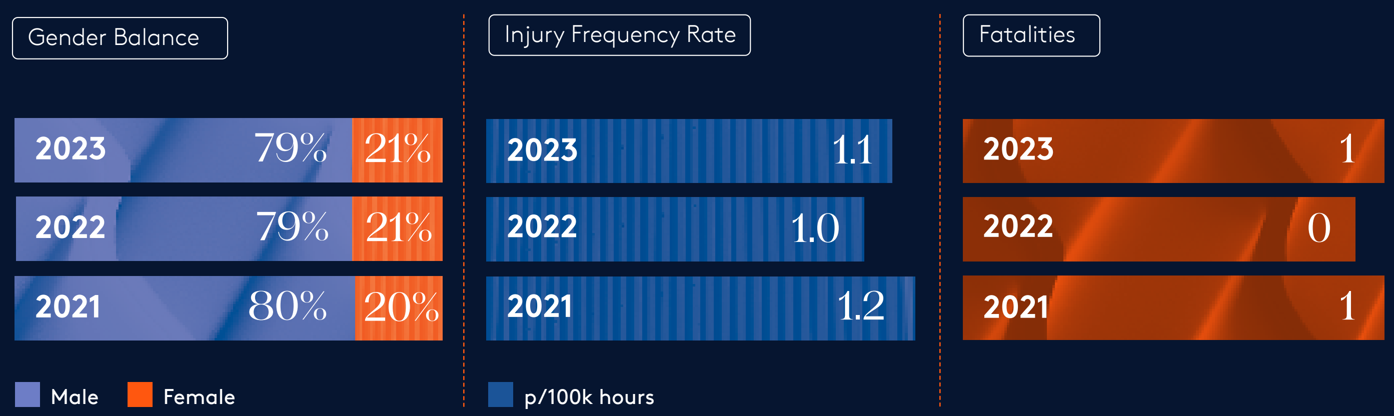
Programme for Executive Acceleration in Kingspan – PEAK
The high impact leadership development Programme for Executive Acceleration in Kingspan (PEAK) was launched in 2018 and continues each year.

This is an accelerated development programme focused on supporting the transition to a more senior leadership position. The core objective of the programme is to scale and sustain Kingspan's leadership capability in line with our growth ambitions and Planet Passionate Commitments. PEAK strengthens cross divisional relationships, as well as enabling further integration of executive talent from recent acquisitions.

The programme is delivered through a blend of online and in-person modules and is underpinned by individual coaching. Each workshop includes insights and exposure to subject matter experts. An executive business sponsor partners with participants during the programme, sharing leadership challenges and encouraging open discussion to learn together. Participants work in small groups for peer-to-peer coaching to apply the module learning, engage with leaders from Kingspan Group in a dialogue about topics of strategic relevance and deliver a strategic project that will practically impact on the performance of the business.

Kingspan Executive Development Programme, in partnership with INSEAD
This Programme was launched in partnership with INSEAD's executive business school in France, one of the world's leading and largest business schools. This is a specific leadership development programme for senior executive leaders which runs every two years.

The programme supports Kingspan's senior leaders to engage with enterprise level goals in a collaborative way while transforming their leadership capabilities to drive significant long-term growth. The programme consists of two learning events across several months as well as a number of 1-to-1 coaching sessions.



The first learning event being a five-day intensive in-person residential module which facilitates participants to learn more about topics such as Innovation, Digitalisation, Customer Centricity, Leadership Transition, Sustainability and Circularity to name but a few. As well as the formal learning, a key benefit of this module is to develop friendships, as well as a strong global network.

Following the in-person module, participants undertook an online module on innovation in the Age of Disruption. An Action Learning Project (ALP) is also completed in parallel with the online module. This ALP is supported by an INSEAD coach, line manager and Kingspan mentor.

PROTECT

Kingspan takes the safety of our employees incredibly seriously. The Group aims to record and review all accidents, as well as near misses. Health and Safety (H&S) is under ongoing review at a facility and divisional level. We hosted a H&S Forum at IKON in September, attended by over 20 H&S professionals from across the global business. There were several presentations made during the forum, covering topics such as H&S management systems, learnings from serious incidents, best practice commissioning of new machinery, and employee training.

We are deeply saddened to report that during the year, a fatal accident occurred while an employee was undertaking repairs on a sewage treatment plant in Roeselare, Belgium. An investigation is underway to discover the circumstances leading up to the tragedy. Policies and training will be updated to reflect any learnings.

In 2023, we invested over €12m on improving our H&S environment. 111 of Kingspan's manufacturing sites are accredited to ISO 45001, an internationally recognised framework for managing occupational health and safety risks.

Hazard Identification Processes include but are not limited to:

- All near misses are assessed and processes are updated;
- Employees are encouraged to make suggestions for process improvements;
- Safety walks by responsible persons;
- Periodic workplace inspections; and
- Risk assessment on new machines at installation.

Initiatives implemented throughout 2023:

- Site specific safety improvements including machinery guarding across Kingspan LATAM, Insulation and Data + Flooring business units;
- Safety animation movie developed for external truck drivers in Zwevezele, Belgium;
- Roll out of standardised divisional Lock-Out Tag-Out Try-Out (LOTOTO) procedures across all Insulation business units;
- All new employees for Data + Flooring in the United States, are required to complete 10 hours of OSHA (Occupational Safety and Health Administration) training; and
- Roofing + Waterproofing organised a Safety Day event at their Onduline, Alwitra and Corotop facilities. Operations were temporarily halted to facilitate comprehensive first-aid training, fire prevention drills, and housekeeping activities.

Equal opportunities, employee rights and diversity

Kingspan is committed to providing equal opportunities from recruitment and appointment, training and development to appraisal and promotion opportunities for a wide range of people, free from discrimination or harassment and in which all decisions are based on work criteria and individual performance. We see diversity and inclusiveness as an essential part of our productivity, creativity and innovation. Diversity is widely promoted within Kingspan, 40% of our most recent graduate programme are female and 31% of our senior executive team, reporting to the CEO, are female.

Our Finnish team promised to plant a tree for every visitor at their exhibition booth at FinnBuild. By June 2023, they had planted 2,500 trees in Virrat, Finland.

OUR COMMUNITIES

In Autumn 2021, we launched Planet Passionate Communities, the philanthropic arm of our 10-year Planet Passionate programme. At the heart of Planet Passionate Communities is an ambition to create a positive legacy as a business.

Locally, our businesses are devoting their time and resources to support community projects.

The idea is to build a world that's powered by renewable energy, has net-zero carbon, manages water sustainably, and protects the earth's valuable resources by reducing, re-using and recycling.

We take pride in our diverse range of global projects, showcasing our commitment to a sustainable future for our communities.

Here are some of our initiatives in action:

World Cleanup Day, Atlanta, USA
Kingspan Insulation's Atlanta team volunteered at the Sandy Springs Recycling Centre, Georgia.

International Water Day, Romania
The Terasteel team worked together to clear up riverbeds close to our manufacturing sites.

OUR POLICIES

Aims

- Comply with all local laws in the countries we operate in.
- Ensure supply chain accountability.

Modern slavery

Slavery and human trafficking are abhorrent crimes and we all have a responsibility to ensure that they do not continue. At Kingspan we pride ourselves on conducting our business ethically and responsibly.

The Modern Slavery Act 2015 became UK legislation and required all large UK companies and businesses who supply goods or services in the UK to publish a slavery and human trafficking statement each financial year on their website. Kingspan is fully committed to ensuring that modern slavery is not taking place in our business or any of our supply chains. We adopted and published our policy statement at the end of 2016 and all our businesses are responsible for ensuring supplier compliance with the legislation.

Supply chain engagement

Kingspan continues to develop its ethical and environmental strategy for procuring materials and services. We seek to build and maintain long-term relationships with key suppliers and contractors to ensure that they are aligned to the same goals and standards as Kingspan, to address strategic global issues, emerging trends and ultimately our customer needs. This approach has divisional and regional variances based on the local requirements and materials, but is built on core social, ethical and environmental standards.

In all cases we aim to foster an environment of collaboration. In 2022, we adopted and published our Group Supplier Policy which sets out our expectations of suppliers in terms of business practices and integrity, ethical employment practices, anti-corruption and bribery and environmental responsibility.

EcoVadis

In late 2021, Kingspan subscribed to EcoVadis. The EcoVadis sustainability management platform will help us to monitor and track our suppliers ESG performance, promote transparency, reduce risk and identify areas for improvement. EcoVadis is a sustainability rating platform which assesses a company's supply chain network under environmental, ethics, labour and human rights, and sustainable procurement criteria. The outcome of the assessment process is a company scorecard which provides an overall ESG performance rating of the supplier. In 2022, we began the roll out of EcoVadis questionnaire requests across our key supplier base. To date we have received scorecards that cover 48% of our key supply base by spend.

Customer experience programme

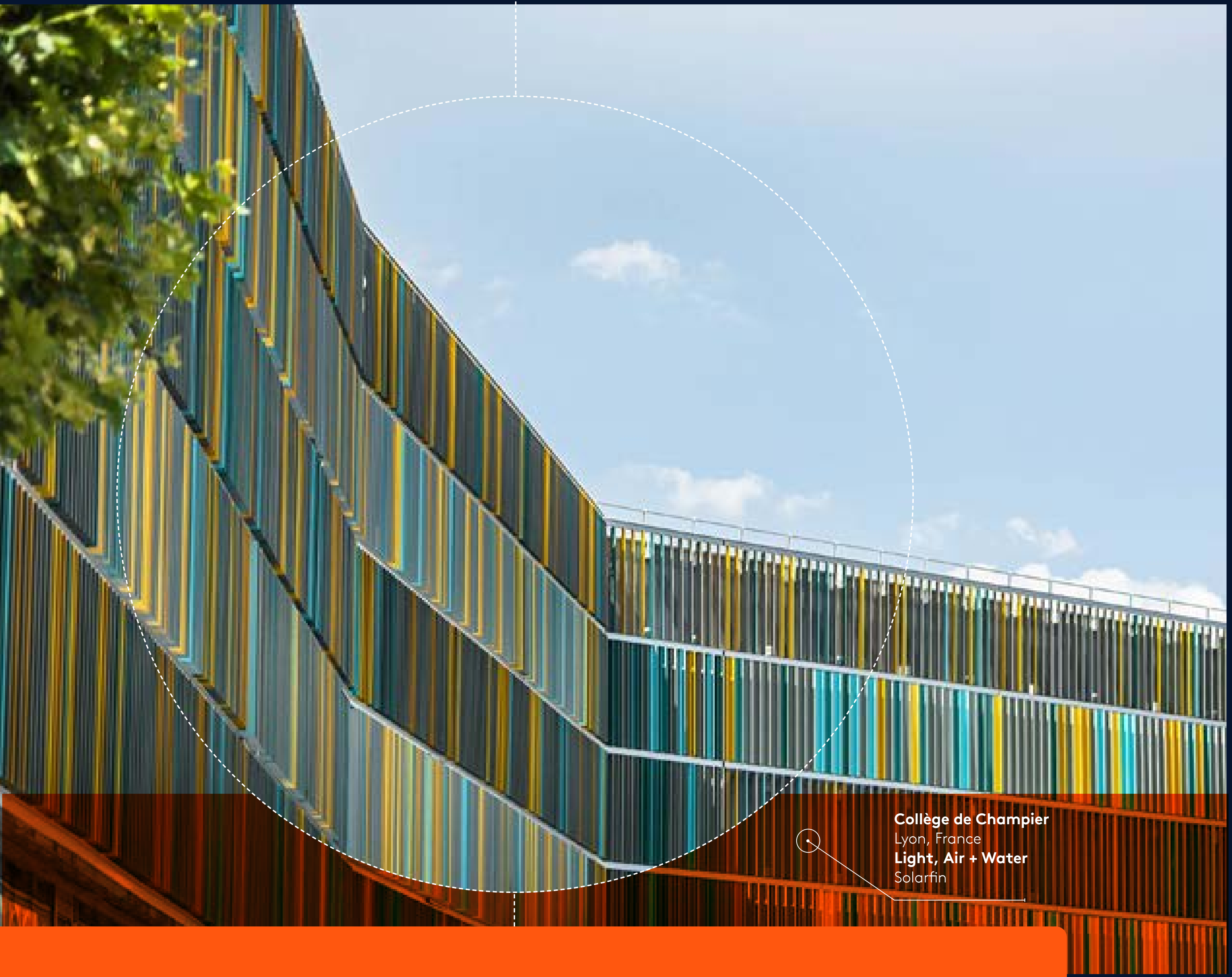
Customers are at the core of what we do – what this means in reality is us looking at how to improve our business for them in every aspect. The Global Customer Experience Team was established in 2018 who designed, developed and introduced our Worldwide Voice of Customer programme enabling us to listen, capture and understand the experiences our customers have across 200+ of our businesses and multitude of brands. Through this programme we identify changes in our customers' expectations and behaviour allowing us to spot challenges and innovative opportunities. The programme helps us to prioritise where we need to make improvements in the areas most important to our customers; driving change not only in our products, our services, our processes and our daily business but also driving our Digital Agenda. Since inception we have captured the views of over 65,000 customers, across over 80 countries and we continue to listen, learn and make meaningful change happen.

Human Rights Risk Assessment

In 2023, Kingspan engaged with an external consultant to develop a human rights risk assessment framework. The assessment involved identifying salient human rights issues across our value chain groups of employees, customers, and communities, conducting human rights risk assessment, and designing due diligence pathways. An assessment to evaluate human rights risks within our upstream supply-chain was also conducted throughout the year in a separate piece of analysis. The outcome of both assessments has allowed Kingspan to develop and adopt our Human Rights Policy, which outlines our commitment to upholding international human rights. To further support our commitment to promoting and respecting human rights, the Board has established a Human Rights Charter, which sets out our approach in terms of how we assess impacts, those responsible, and how we engage with the relevant stakeholders.

> Kingspan continues to develop its ethical and environmental strategy for procuring materials and services.

OLI
Aveiro, Portugal
Insulated Panels
QuadCore™
insulated panels



Leadership and Experience

NON-EXECUTIVE CHAIRMAN

Jost Massenberg

(Age 67)
Germany
Independent

N

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: A Audit & Compliance N Nominations & Governance R 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 and 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).

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.

READ MORE
See our Board of Directors' biographies

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

	AGM 2023	Board (maximum 8)	Audit & Compliance (maximum 4)	Nominations & Governance (maximum 1)	Remuneration (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[1]	-	7/7			3/3
Michael Cawley[2]	-	1/1	1/1		1/1
John Cronin[2]	-	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.

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. 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.

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

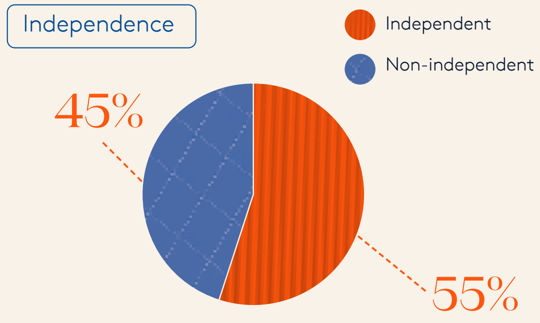
The Company operates under the Irish Companies Act 2014 (the "Act"). This Act provides for two types of shareholder meetings: the Annual General Meeting (AGM) with all other meetings being called Extraordinary General Meetings (EGM).

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.

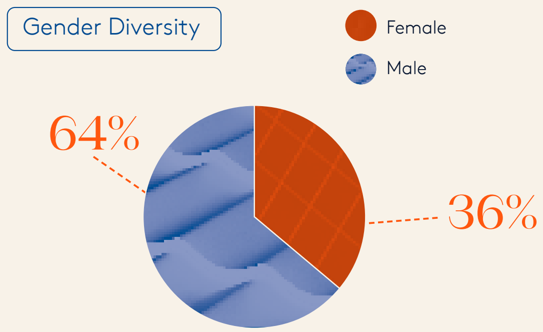
The Chairman of the Board of Directors presides as chairman of every general meeting and in his absence, one of the directors present will act in the capacity of chairman. The quorum for a general meeting shall be not less than three members present in person or by proxy and entitled to vote. All ordinary 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

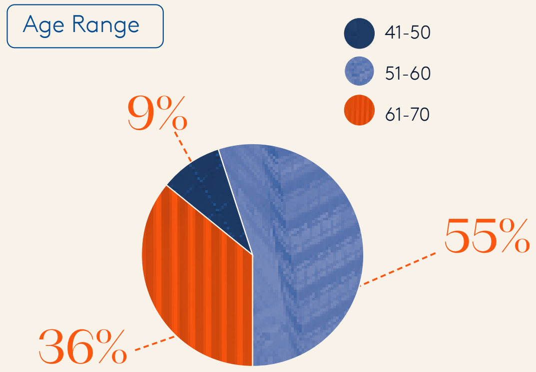
Independence



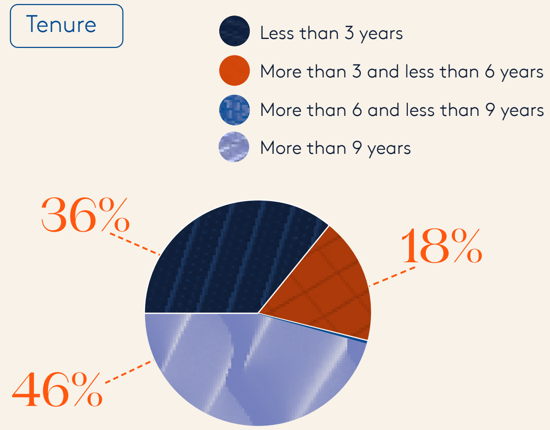
Gender Diversity



Age Range



Tenure



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

REPORT OF THE REMUNERATION COMMITTEE

Linda Hickey

> 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

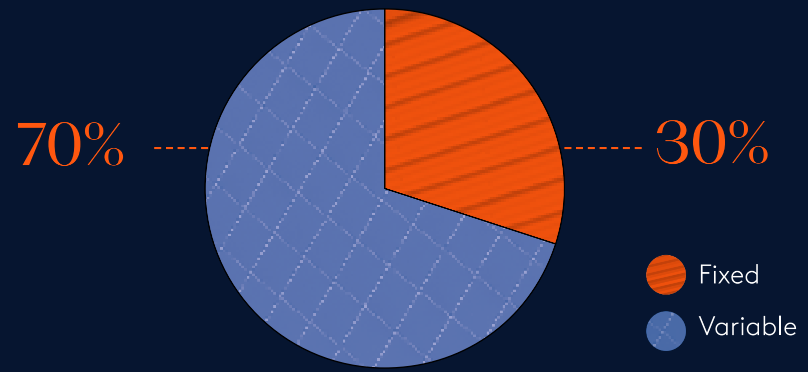
Kingspan's excellent performance against a challenging market backdrop is fairly reflected in the incentive outcomes for 2023. The committee is satisfied that the incentive outturn for 2023 and the setting of targets for 2024 are in all the circumstances appropriate and aligned with our remuneration 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.

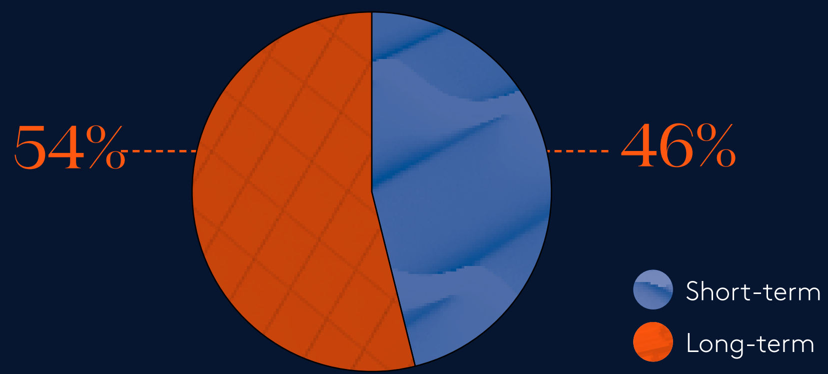
Linda Hickey
Chair of the Remuneration Committee

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.

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
FIXED REMUNERATION		
Base Salary 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.
Benefits 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.
Pensions 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.

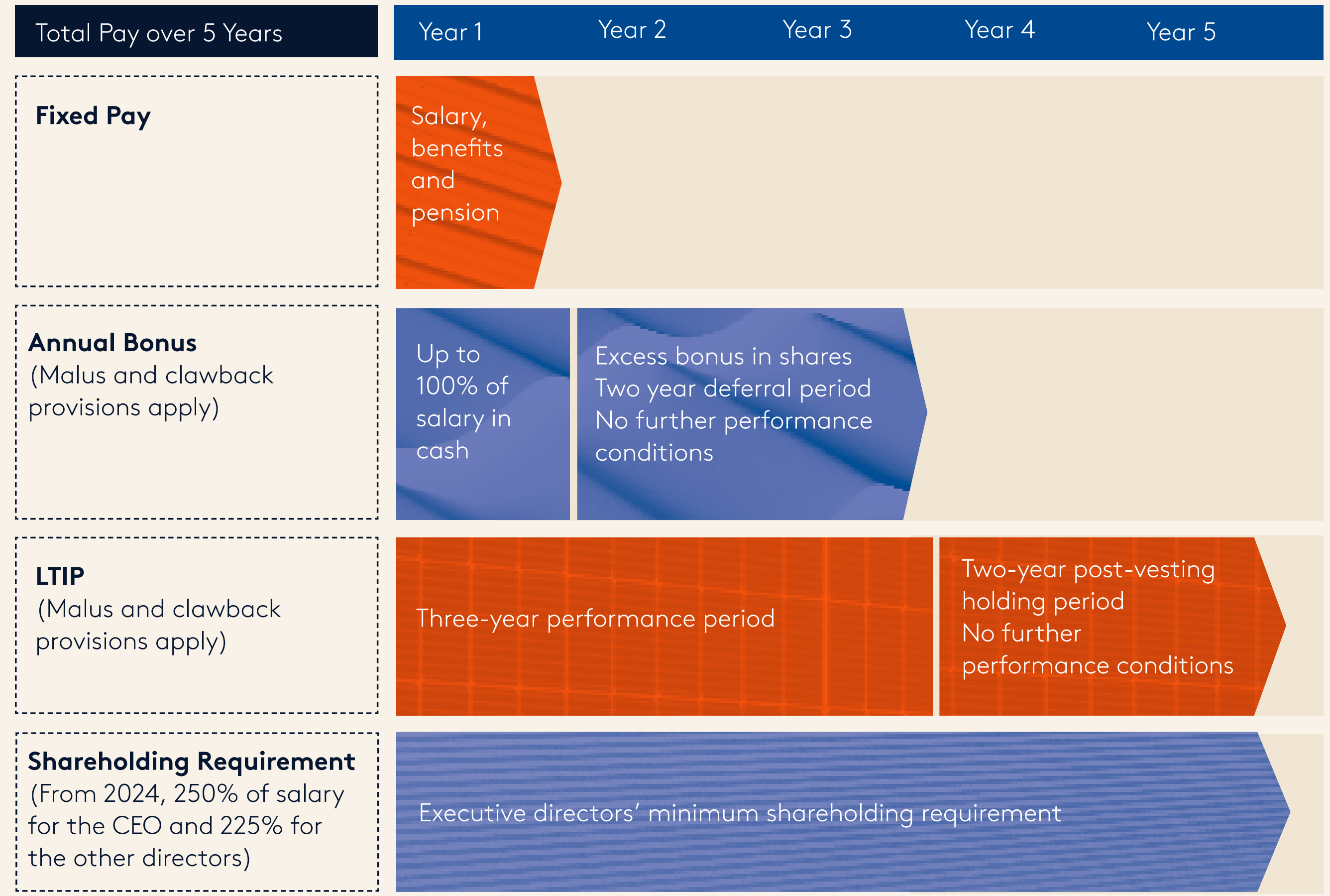
Key element	Operation	Opportunity and measures
VARIABLE REMUNERATION		
Annual performance bonus To reward the delivery of short-term performance targets and business strategy, satisfied in cash and deferred share awards, aligning management interests with shareholders and the longer term performance of the Group.	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. 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. The committee has discretion to adjust formulaic bonus outcomes to reflect company performance.	The maximum potential bonus for the executive directors is 150% of base salary. The committee selects stretching performance targets each year. 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.
Long-term incentive plan (LTIP) 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.	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. The awards are subject to a two-year post vesting holding period.	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. 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.

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

Key element	Operation	Opportunity
Non-executive director fees To reflect time commitment, experience and responsibilities, and to attract and retain high calibre non-executive directors by offering a market competitive fee level.	Non-executive director fee levels are reviewed annually. The Chairman receives a single fee for all their responsibilities. 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. Non-executive directors are entitled to the reimbursement of reasonable business expenses including any tax (grossed up) that may be payable on those expenses.	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.

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

Clawback and malus Ensures an appropriate balance between risk and reward.	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. The period within which clawback and malus can be operated is 2 years from payment of annual bonus and/or vesting of LTIP awards.
Shareholding guideline Ensures alignment between the interests of executive directors and shareholders.	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. 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.
Post cessation of employment and general shareholding requirements Ensures alignment between the interests of executive directors and shareholders.	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. Achievement is measured through beneficially owned shares, and the retention of vested deferred share and LTIP awards.
Approach to recruitment To attract an executive director of the calibre required to shape and deliver the Group's business strategy.	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.
Termination - notice periods	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. 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.
Termination - annual performance bonus and long-term incentive plans	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. 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.



> 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[1] 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 [2]	**134**	148	**99**	120	**122**	154	**80**	94	**435**	516
Benefits [3]	**32**	37	**38**	35	**94**	73	**47**	40	**211**	185
Total Fixed Remuneration	**1,122**	1,113	**755**	754	**860**	869	**698**	688	**3,435**	3,424
Performance Pay										
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 [4] [5]	**1,463**	750	**827**	415	**765**	384	**765**	384	**3,820**	1,933
LTI - Share Price Growth [4] [5]	**235**	23	**127**	13	**117**	12	**117**	12	**596**	60
Total Performance Pay	**3,091**	1,926	**1,855**	1,172	**1,784**	1,219	**1,471**	1,075	**8,201**	5,392
Total Remuneration	**4,213**	3,039	**2,610**	1,926	**2,644**	2,088	**2,169**	1,763	**11,636**	8,816

Non-Executive Directors	2023	2022
Jost Massenberg	**350**	350
Linda Hickey	**105**	105
Anne Heraty	**75**	75
Éimear Moloney	**75**	75
Paul Murtagh	**75**	75
Senan Murphy[6]	**85**	19
Louise Phelan[7]	**50**	-
Michael Cawley[8]	**30**	90
John Cronin[9]	**25**	75
Total Non-Executive Pay	**870**	864
Total Directors' Remuneration	**12,506**	9,680

(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	62nd percentile	27.5%
Planet Passionate	10%	See below		See below	See below	10%
Total Vesting						82.5%

		Performance Measure	Weighting[1]	2020 Base Year	2023 Target	2023 Actual	Vesting %
Planet Passionate	Carbon	Net Zero carbon manufacturing (scope 1 & 2 GHG emissions – tCO2e)[2]	1.1%	409,783[3]	327,820	111,977	100%
		Zero emissions company cars – annual replacement (%)	1.1%	11	50	70	100%
	Energy	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[3]	41.0	54.1	100%
	Circularity	Zero company waste to landfill (tonnes)	1.1%	18,640[3]	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%
	Water	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[1] (% 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[1]	45%	Less than 3% p.a.	3% p.a.	6% p.a.
TSR[1]	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
Gene Murtagh									
Unvested	76,149	33,917	(12,134)	(12,134)	1	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
	151,369	**33,917**	**-**	**(12,134)**		**173,152**	**0.13**		
Geoff Doherty									
Unvested	42,944	19,489	(6,715)	(6,715)	1	49,003	0.13	24/02/2024	20/02/2030
Vested	-	-	6,715	(6,715)	2	-	0.13	-	-
	42,944	**19,489**	**-**	**(13,430)**		**49,003**	**0.13**		
Russell Shiels									
Unvested	41,156	20,166	(6,211)	(6,211)	1	48,900	0.13	24/02/2024	20/02/2030
Vested	-	-	6,211	(6,211)	3	-	0.13	-	-
	41,156	**20,166**	**-**	**(12,422)**		**48,900**	**0.13**		
Gilbert McCarthy									
Unvested	39,719	18,007	(6,211)	(6,211)	1	45,304	0.13	24/02/2024	20/02/2030
Vested	83,778	-	6,211	(44,859)	4	45,130	0.13	26/02/2021	24/02/2027
	123,497	**18,007**	**-**	**(51,070)**		**90,434**	**0.13**		
Company Secretary									
Lorcan Dowd									
Unvested	9,232	3,548	(2,080)	(2,080)	5	8,620	0.13	24/02/2024	20/02/2030
Vested	17,405	-	2,080	(8,710)	6	10,775	0.13	26/02/2021	24/03/2027
	26,637	**3,548**	**-**	**(10,790)**		**19,395**	**0.13**		

1 Cancelled on 24/02/2023 due to partial achievement of performance conditions.
2 Exercised on 27/02/2023. Market value on day of exercise €63.68.
3 Exercised on 21/03/2023. Market value on day of exercise €60.40.
4 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.
5 Cancelled on 24/03/2023 due to partial achievement of performance conditions.
6 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[1] (% Salary)	Shareholding requirement met (200% salary)
Executive directors				
Gene Murtagh	**1,080,020**	1,080,020	8,597%	Yes
Geoff Doherty	**253,547**	256,635	3,122%	Yes
Russell Shiels	**226,008**	219,797	2,669%	Yes
Gilbert McCarthy	**282,833**	282,833	3,769%	Yes
Non-executive directors				
Jost Massenberg (Chairman)	**1,000**	-		
Linda Hickey	**5,000**	5,000		
Anne Heraty	**2,250**	2,250		
Éimear Moloney	**2,000**	2,000		
Paul Murtagh	**-**	-		
Senan Murphy	**-**	-		
Louise Phelan	**-**	n/a		
Company Secretary				
Lorcan Dowd	**3,667**	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[1]			Variable Remuneration[2]		
	% change 2022 to 2023	% change 2021 to 2022	% change 2020 to 2021	% change 2022 to 2023	% change 2021 to 2022	% change 2020 to 2021
Executive directors						
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%
Non-executive directors						
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[3]	-67%	6%	0%	N/A	N/A	N/A
John Cronin[3]	-67%	0%	0%	N/A	N/A	N/A
Anne Heraty	0%	0%	0%	N/A	N/A	N/A
Éimear Moloney[4]	0%	50%	N/A	N/A	N/A	N/A
Paul Murtagh[4]	0%	50%	N/A	N/A	N/A	N/A
Senan Murphy[5]	347%	N/A	N/A	N/A	N/A	N/A
Louise Phelan[6]	N/A	N/A	N/A	N/A	N/A	N/A
Average Employee[7]	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[1]	1/1
Anne Heraty[2]	1/1
Éimear Moloney[3]	3/3
Louise Phelan[3]	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

Key activities during the year

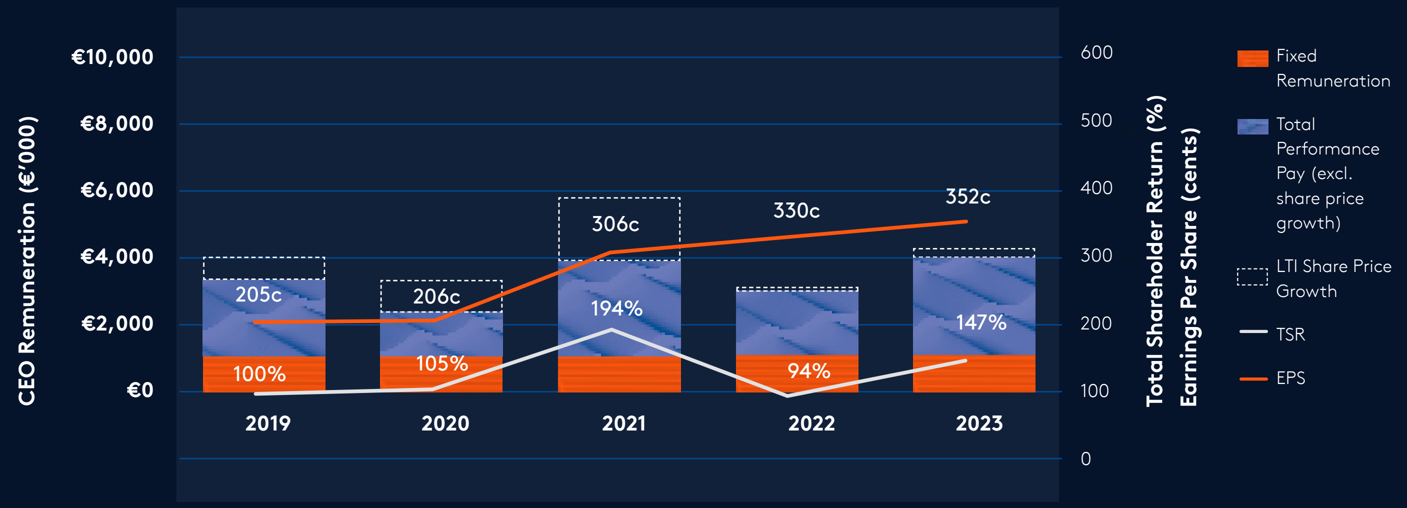
	FEB	JUL	OCT	NOV
Salary and fees				
Engage independent consultants for policy and benchmark review		●		
Review implementation of overall remuneration policy		●		
Review and approve executives' salary, role and responsibilities for 2024				●
Review and approve non-executives' fees for 2024				●
Review remuneration benchmark			●	●
Review non-financial performance measures				●
Review and approve Chairman's fee				●
Performance pay				
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				●
PSP Awards				
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	●			
Governance				
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.

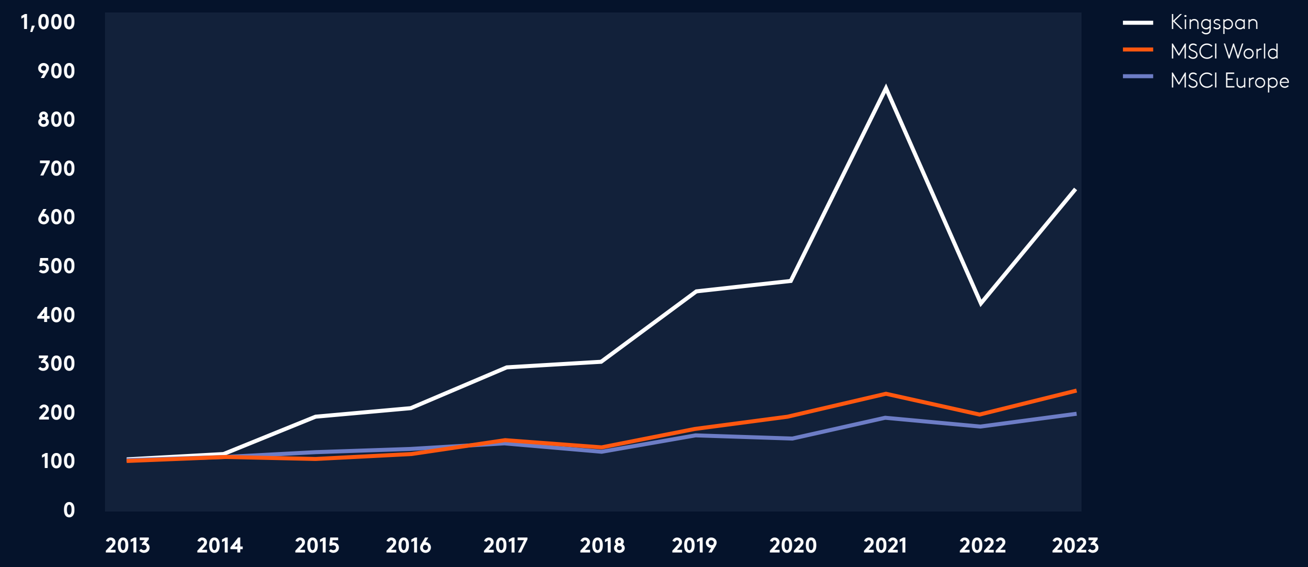
RESOLUTION	Votes For		Votes Against		Total Votes		Votes
	Number	%	Number	%	Number	% of Total Voting Rights	Withheld
Report of the Remuneration Committee	144,479,935	97.41%	3,838,268	2.59%	148,318,203	81.54%	1,560,987

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 %



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). 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

Audit & Compliance Committee Activities	FEB	JUN	AUG	NOV
FINANCIAL REPORTING				
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	●			
EXTERNAL AUDITOR (EY)				
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	●			●
INTERNAL AUDIT AND RISK MANAGEMENT CONTROLS				
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				●
PRODUCT COMPLIANCE AND CERTIFICATION				
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		●		●
GOVERNANCE				
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.

Primary areas of judgement	Committee activity
Adequacy of warranty provision	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.
Recoverability of trade receivables and adequacy of provision	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.
Accounting for acquisitions	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.
Consideration of impairment of goodwill	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. EY also provided the committee with their evaluation of the impairment review process. 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.
Valuation of inventory and adequacy of inventory provision	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.
Taxation	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.

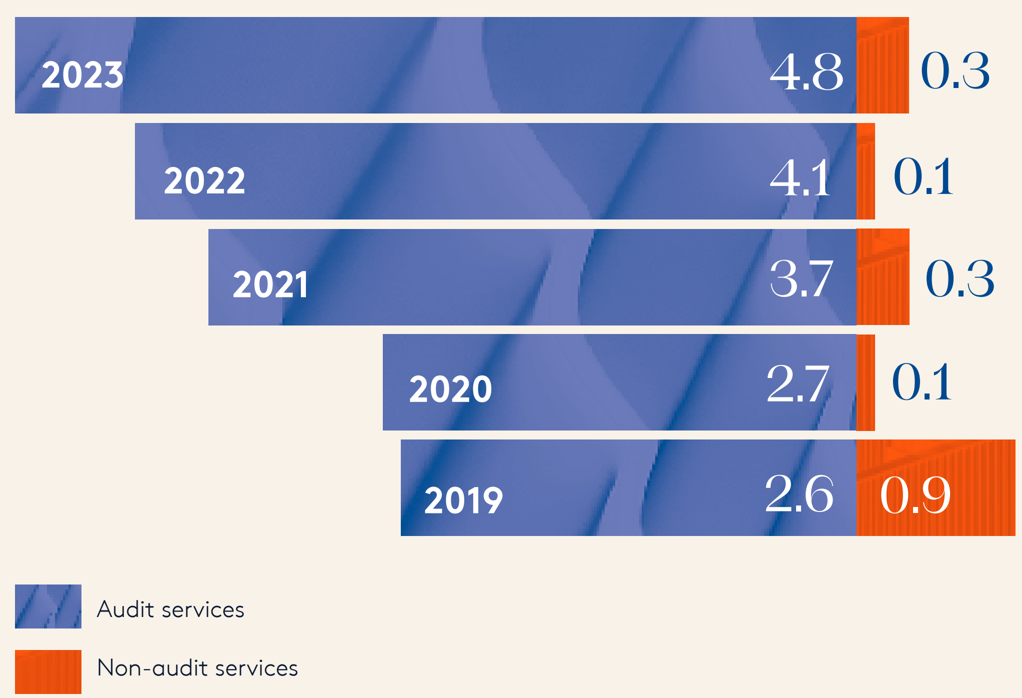
Independence and objectivity
The committee is responsible for ensuring that the external auditor is objective and independent. EY was appointed as the Group's auditor on 1 May 2020, following a formal tender process in which several leading global firms submitted written tenders and delivered in-person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

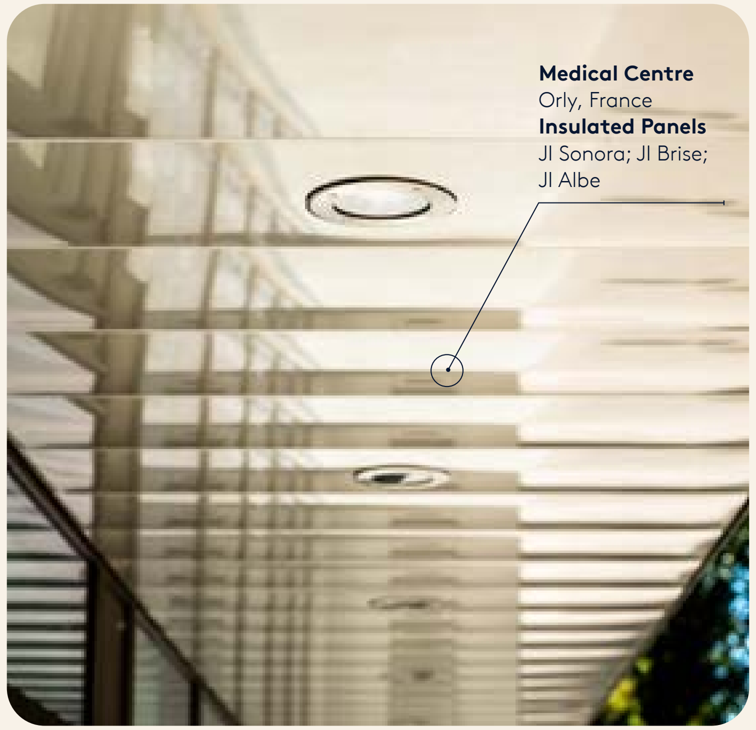
The committee is responsible for reviewing the effectiveness of the internal audit function and does so based upon discussion with Group management, the Group's external auditor and feedback provided by divisional management. The committee was satisfied that the internal audit function is working effectively, 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.



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Orly, France
Insulated Panels
Jl Sonora; Jl Brise; Jl Albe

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).

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.

REPORT OF THE DIRECTORS

Gene Murtagh
Geoff Doherty

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

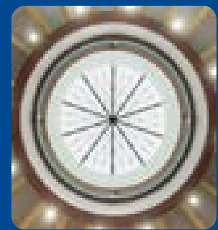
Principal Activities
Kingspan is the global leader in high-performance insulation and building envelope solutions. Kingspan Group plc is a holding company for the Group's subsidiaries and other entities. The Group's principal activities comprise the manufacture and distribution of the following product 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
	1,962	**100.00**	**183,591,682**	**100.00**

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 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

FINANCIAL STATEMENTS

Report on the audit of the financial statements

Opinion

We have audited the European Single Electronic Format financial statements ('the financial statements') of Kingspan Group plc ('the Company') and its subsidiaries ('the Group') for the year ended 31 December 2023, which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Statement of Financial Position, the Company Statement of Changes in Equity, the Company Statement of Cash Flows, and notes to the financial statements, including the material accounting policy information set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

In our opinion:

- the Group financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2023 and of its profit for the year then ended;
- the Company financial statements gives a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2023;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014; and
- the Group financial statements and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group and Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard as applied to public interest entities issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and parent company's ability to continue to adopt the going concern basis of accounting included:

- We confirmed our understanding of management's going concern assessment process and also engaged with management to ensure all key factors were considered in their assessment;
- We obtained management's going concern assessment, including the cash forecasts and covenant calculations for the going concern period which covers a period of at least 12 months from the date the financial statements are authorised for issue;
- We considered the appropriateness of the methods used to calculate the cash forecasts and covenant calculations and determined through inspection and testing of the methodology and calculations that the methods utilised were appropriately sophisticated to be able to make an assessment for the Group;
- We considered the mitigating factors included in the cash forecasts and covenant calculations that are within control of the Group. This includes review of the Group's non-operating cash outflows and evaluating the Group's ability to control these outflows as mitigating actions if required. We also verified credit facilities available to the Group;
- We have performed reverse stress testing in order to identify what factors would lead to the Group utilising all liquidity or breaching the financial covenant during the going concern period; and
- We reviewed the Group's going concern disclosures included in the Annual Report in order to assess that the disclosures were appropriate and in conformity with the reporting standards.

The Group continued to generate significant operating cash flows of €1,162.2 million in 2023. The majority of the Group's long-term funding commitments (90% or €1.69 billion) matures after February 2025. At 31 December 2023, the Group has unrestricted cash and cash equivalents of €0.94 billion and unused committed debt facilities of up to €0.8 billion from a revolving bank credit facility expiring in May 2026. Further the Group has access to significant liquidity.

Conclusion
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Group and parent company's reporting on how they have applied the UK Corporate Governance Code and Irish Corporate Governance Annex, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and parent company's ability to continue as a going concern.

Overview of our audit approach

Key audit matters	• The key audit matters that we identified in the current year were: » Warranty provisions » Revenue recognition
Audit scope	• We performed an audit of the complete financial information of 23 components and performed audit procedures on specific balances for a further 37 components • We performed procedures at a further 16 components that were specified by the Group audit team in response to specific risk factors • The components where we performed full or specific audit procedures accounted for 70% of the Group's Profit before tax, 68% of the Group's Revenue and 80% of the Group's Total Assets • 'Components' represent business units across the Group considered for audit scoping purposes
Materiality	• Overall Group materiality was assessed to be €39.7 million which represents approximately 5% of Profit before tax. • For the year ended 31 December 2022, our materiality was based on 5% of Profit Before Tax Adjusted for non-trading items (PBTA). In the current year there were no such adjustments.

The key audit matters set out in the table below are consistent with those reported in 2022, with the exception of the removal of "Accounting for significant acquisitions" due to a decrease in the size and level of acquisition activity in 2023. The risk associated with this matter is no longer a fraud and significant audit risk in 2023.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Warranty provisions (2023: €183.9 million, 2022: €181.5 million) The Group's business involves the sale of products under warranty, some of which use new technology and applications. Due to the nature of its product offering, the Group has significant exposure to warranty claims which are inherently uncertain in nature. Management are required to exercise significant judgement with regard to warranty provision assumptions. Changes in these assumptions, which may be subject to management override, can materially affect the levels of provisions recorded in the financial statements due to the higher estimation uncertainty on the Group's costs of repairing and replacing, or otherwise making reparations for the consequences of, product that is ascertained to be faulty. Refer to the Audit and Compliance Committee Report (page 114); the Statement of Accounting Policies (page 151); and note 21 of the Group Financial Statements (page 187).	We performed audit procedures that included understanding the Company's process for recording and monitoring potential warranty claims incorporating management's review of significant assumptions applied in the provision calculation and the recording of the resulting amounts (including walkthroughs of the design and implementation of relevant controls); consideration of the nature and basis of the provision; review and assessment of correspondence in relation to specific claims; progress on individual significant claims; and relevant settlement history of claims and utilisation of related provisions. We tested the validity, completeness and accuracy of the data used in the calculations of product return rates. We evaluated and tested the Group's assumptions developed and used in the determination of the provisions by examining potential failure rates, considering past failure rates, the costs estimated for remediation, examining related settlements where necessary. We considered whether alternative rates to those employed by management might be more appropriate and further tested manual journal entries. We substantively tested material movements in the provisions, including warranty provisions arising on acquisitions, and considered the accounting for movements in the provision balances and the related disclosures for compliance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets.* The above procedures are performed both locally and by the Group audit team.	Our observations included an outline of the audit procedures performed, management's key judgements and the results of our testing. Our planned audit procedures in respect of warranty provision were completed without exception.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Revenue recognition (2023: €8,090.6 million, 2022: €8,340.9 million) The Group has a number of revenue streams with different revenue recognition policies across its divisions. There is a significant risk that revenue may be recognised in an incorrect period as a result of management accelerating revenue recognition to achieve revenue targets or forecasts. Refer to the Audit and Compliance Committee Report (page 114); the Statement of Accounting Policies (page 151); and note 2 of the Group Financial Statements (page 160).	We performed procedures on revenue at all relevant in-scope components, as outlined in further detail in the 'Tailoring the scope' section below. Detailed transactional testing of revenue recognised throughout the year was performed, commensurate with the higher audit risk assigned to revenue. Dependent on the nature of the revenue recognised at each component, we obtained an understanding of each in-scope component's revenue recognition policy and how it was applied, including a walkthrough of the design and implementation of relevant controls; examined supporting documentation including customer contracts and terms of agreements, statements of works or purchase orders, sales invoices, customer balance confirmations and cash receipts to determine whether revenue is recognised in accordance with terms of contracts and the group accounting policies. We performed cut-off procedures and review of credit memos and other adjustments such as discounts and rebates. In addition we performed material revenue journal entry testing and customer balance confirmations. In some components data analytics procedures were also performed. We audited key financial statement disclosures for compliance with IFRS 15 *Revenue from Contracts with Customers*.	Our observations included an overview of the risk, outline of the audit procedures performed, the judgements we focused on and the results of our testing. Our planned audit procedures in respect of revenue recognition were completed without exception.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be €39.7 million (2022: €38.2 million), which is approximately 5% of Group's Profit before tax (2022: 5% of PBTA). Profit before tax is a key performance indicator for the Group and is also a key metric used by the Group in the assessment of the performance of management. We therefore considered the Group's Profit before tax to be the most appropriate performance metric on which to base our materiality calculation as we consider it to be the most relevant performance measure to the stakeholders of the Group.

We determined materiality for the Company to be €22.8 million (2022: €13.5 million), which is approximately 1% of total equity.

During the course of our audit, we reassessed initial materiality and considered that no further changes to materiality were necessary.

Performance materiality

Performance materiality is the application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality should be set at 50% (2022: 50%) of our planning materiality, namely €19.9 million (2022: €19.1 million). We have set performance materiality at this percentage based on our assessment of the risk of misstatements, both corrected and uncorrected.

Audit work at component locations for the purpose of obtaining audit coverage over significant financial statement accounts is undertaken based on a percentage of total performance materiality. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component.

In the current year, the range of performance materiality allocated to components was €3.9 million to €5.89 million (2022: €3.5 million to €5.25 million).

Reporting threshold

Reporting threshold is an amount below which identified misstatements are considered as being clearly trivial.

Independent Auditor's Report (continued)
to the Members of Kingspan Group plc

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of €1.99 million (2022: €1.91 million), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

An overview of the scope of our audit report

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each entity within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements.

In determining those components in the Group at which we perform audit procedures, we utilised size and risk criteria in accordance with ISAs (Ireland).

In assessing the risk of material misstatement to the Group financial statements, and to ensure we had adequate quantitative coverage of significant accounts in the financial statements, we selected 80 components covering entities across Europe, the Americas, the Middle East and Australia, which represent the principal business units within the Group.

Of the 80 components selected, we performed an audit of the complete financial information of 23 components ("full scope components") which were selected based on their size or risk characteristics. For the remaining 37 components ("specific scope components"), we performed audit procedures on specific accounts within that component that we considered had the potential for the greatest impact on the significant accounts in the financial statements either because of the size of these accounts or their risk profile.

In addition to the 60 components discussed above; we selected a further 16 components where we performed procedures at the component level that were specified by the Group audit team in response to specific risk factors. Also, we performed review procedures at an additional 4 components.

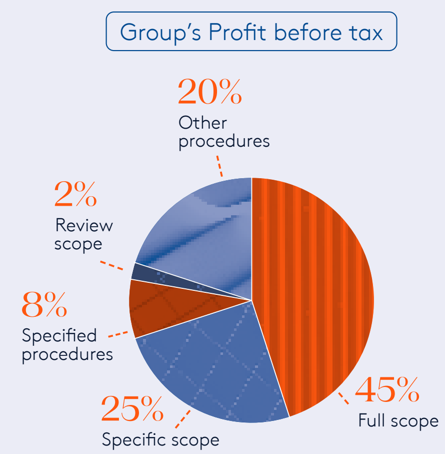
The reporting components where we performed either full or specific scope audit procedures accounted for 70% of the Group's Profit before tax (2022: 74% of PBTA), 68% (2022: 72%) of the Group's Revenue and 80% (2022: 81%) of the Group's Total Assets.

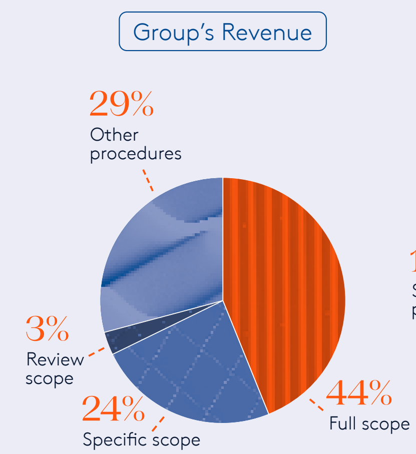
The full scope components contributed 45% of the Group's Profit before tax (2022: 45% of PBTA), 44% (2022: 48%) of the Group's Revenue and 58% (2022: 62%) of the Group's Total Assets. The specific scope components contributed 25% of the Group's Profit before tax (2022: 29% of PBTA), 24% (2022: 24%) of the Group's Revenue and 22% (2022: 19%) of the Group's Total Assets.

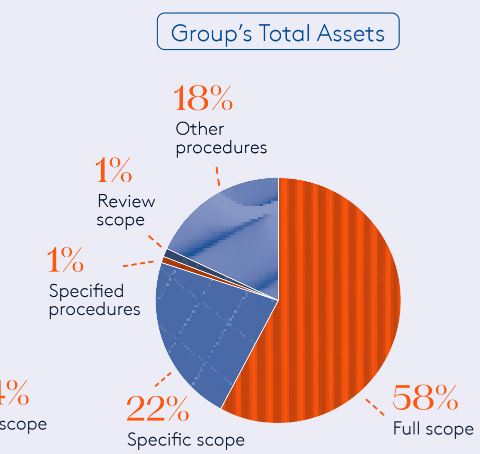
The components where we either performed procedures that were specified by the Group audit team in response to specific risk factors or review scope procedures contributed 8% and 2% respectively of the Group's Profit before tax, 0% and 3% respectively of the Group's Revenue and 1% and 1% respectively of the Group's Total Assets. The audit scope of these components may not have included testing of all significant accounts of the component but will have contributed to the coverage of significant accounts tested for the Group.

Of the remaining components, which together represent 20% of the Group's Profit before tax, none is individually greater than 1% of the Group's Profit before tax. For these components, we performed other procedures, including analytical review, confirmation of cash balances, testing of consolidation journals and intercompany eliminations and foreign currency translation recalculations to respond to any potential risks of material misstatement to the Group financial statements.

The charts below illustrate the coverage obtained from the work performed by our audit teams







Involvement with component teams
In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the primary audit engagement team, or by component auditors from other EY global network firms operating under our instruction. Of the 23 full scope components, audit procedures were performed on 3 of these directly by senior members of the Group audit team and on 20 by component audit teams. For the specific scope components, where the work was performed by component auditors, we determined the appropriate level of involvement to enable us to determine that sufficient audit evidence had been obtained as a basis for our opinion on the Group as a whole.

We issued detailed instructions to each component auditor in scope for the Group audit, with specific audit requirements and requests across key areas. The Group audit team continued to follow a programme of planned visits that has been designed to ensure that senior members of the Group audit team, including the Audit Engagement Partner, visit a number of overseas locations. During the current year's audit cycle, visits were undertaken by the primary audit team to the component teams in Belgium, the UK, Northern Ireland and the USA. These visits involved discussing the audit approach and any issues arising with the component team and holding discussions with local management and attending closing meetings as well as review of component team files.

The primary team interacted regularly with the component teams where appropriate during various stages of the audit, reviewed key working papers and were responsible for the scope and direction of the audit process. This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

Conclusions relating to principal risks, going concern and viability statement
We have nothing to report in respect of the following information in the Annual Report, in relation to which the ISAs (Ireland) require us to report to you whether we have anything material to add or draw attention to:

- the disclosures in the Annual Report set out on pages 48 to 57 that describe the principal risks and explain how they are being managed or mitigated;
- the Directors' confirmation set out on page 131 to 132 in the Annual Report that they have carried out a robust assessment of the principal risks facing the Group and the parent company, including those that would threaten its business model, future performance, solvency or liquidity;
- the Directors statement set out on page 131 in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the Directors identification of any material uncertainties to the Group's and the parent company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- whether the Directors statement relating to going concern required under the Listing Rules of Euronext Dublin is materially inconsistent with our knowledge obtained in the audit; or
- the Directors' explanation set out on page 131 in the Annual Report as to how they have assessed the prospects of the Group and the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group and the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Corporate Governance Statement

We report, in relation to information given in the Corporate Governance Statement included in the Directors' Report and elsewhere in the Annual Report that:

- in our opinion, based on the work undertaken during the course of the audit, the information given in the Corporate Governance Statement pursuant to subsections 2(c) and (d) of section 1373 of the Companies Act 2014 is consistent with the Company's statutory financial statements in respect of the financial year concerned and such information has been prepared in accordance with the Companies Act 2014. Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in this information;
- in our opinion, based on the work undertaken during the course of the audit, the Corporate Governance Statement contains the information required by Regulation 6(2) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017; and
- in our opinion, based on the work undertaken during the course of the audit, the information required pursuant to section 1373 (2) (a), (b), (e) and (f) of the Companies Act 2014 is contained in the Corporate Governance Statement.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- *Fair, balanced and understandable* (set out on pages 131 to 132) – the statement given by the Directors that they consider 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 and the parent company's performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or
- *Audit committee reporting* (set out on pages 114 to 123 – the section describing the work of the audit committee does not appropriately address matters communicated by us to the Audit Committee is materially inconsistent with our knowledge obtained in the audit; or
- *Directors' statement of compliance with the UK Corporate Governance Code* (set out on page 84) *and the Irish Corporate Governance Annex* – the parts of the Directors' statement required under the Listing Rules relating to the Company's compliance with the UK Corporate Governance Code and the Irish Corporate Governance Annex containing provisions specified for review by the auditor in accordance with the Listing Rules of Euronext Dublin do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code and the Irish Corporate Governance Annex.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Report, other than those parts dealing with the non-financial statement pursuant to the requirements of S.I. No. 360/2017 on which we are not required to report in the current year, is consistent with the financial statements; and
- the Directors' Report, other than those parts dealing with the non-financial statement pursuant to the requirements of S.I. No. 360/2017 on which we are not required to report in the current year, has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the Company statement of financial position is in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures required by sections 305 to 312 of the Act, which relate to disclosures of Directors' remuneration and transactions, are not complied with by the Company. We have nothing to report in this regard.

We have nothing to report in respect of section 13 of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017, which require us to report to you if, in our opinion, the Company has not provided in the non-financial statement the information required by Section 5(2) to (7) of those Regulations, in respect of year ended 31 December 2022.

The Companies Act 2014 also requires us to report to you if, in our opinion, the Company has not provided the information required by Section 1110N in relation to its remuneration report for the financial 31 December 2022. We have nothing to report in this regard.

The Listing Rules of the Irish Stock Exchange require us to review:

- the Directors' statement, set out on pages 131 to 132, in relation to going concern and longer-term viability;
- the part of the Corporate Governance Statement on page 84 relating to the Company's compliance with the provisions of the UK Corporate Governance Code and the Irish Corporate Governance Annex specified for our review; and
- certain elements of disclosures in the report to shareholders by the Board on Directors' remuneration.

Respective responsibilities

Responsibilities of Directors for the financial statements
As explained more fully in the Directors' responsibilities statement set out on pages 131 and 132, the Directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group and the parent Company's ability to continue as going concerns, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or the parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation to what extent the audit was considered capable detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud, that could reasonably be expected to have a material effect on the financial statements. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. In addition, the further removed any non-compliance is from the events and transactions reflected in the financial statements, the less likely it is that our procedures will identify such non-compliance. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the form and content of external financial and corporate governance reporting including company law, tax legislation, employment law and regulatory compliance

Explanation to what extent the audit was considered capable detecting irregularities, including fraud

- We understood how Kingspan Group plc is complying with those frameworks by making enquiries of management, internal audit, those responsible for legal and compliance procedures and the Company Secretary. We corroborated our enquiries through our review of the Group's Compliance Policies, board minutes, papers provided to the Audit Committee and correspondence received from regulatory bodies
- We assessed the susceptibility of Group's financial statements to material misstatement, including how fraud might occur, by meeting with management, including within various parts of the business, to understand where they considered there was susceptibility to fraud. We also considered performance targets and the potential for management to influence earnings or the perceptions of analysts. Where this risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures included a review of board minutes to identify any non-compliance with laws and regulations, a review of the reporting to the Audit Committee on compliance with regulations, enquiries of internal and external legal counsel and management

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

Independent Auditor's Report (continued)
to the Members of Kingspan Group plc

Other matters which we are required to address

We were appointed by the Board of Directors following the AGM held on 1 May 2020 to audit the financial statements for the year ended 31 December 2020 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is four years.

The non-audit services prohibited by IAASA's Ethical Standard were not provided to the Group and we remain independent of the Group in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit Committee.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Pat O'Neill
for and on behalf of
Ernst & Young Chartered Accountants and
Statutory Audit Firm Dublin

21 February 2024

1. The maintenance and integrity of the Kingspan Group plc web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Consolidated Income Statement
For The Year Ended 31 December 2023

	Note	2023 €m	2022 €m
REVENUE	2	**8,090.6**	8,340.9
Cost of sales		**(5,750.9)**	(6,124.6)
GROSS PROFIT		**2,339.7**	2,216.3
Operating costs, excluding intangible amortisation		**(1,462.8)**	(1,383.1)
TRADING PROFIT	2	**876.9**	833.2
Intangible amortisation	11	**(41.7)**	(32.4)
Non trading item	3	**-**	(16.5)
OPERATING PROFIT		**835.2**	784.3
Finance expense	5	**(63.7)**	(39.4)
Finance income	5	**22.7**	1.7
PROFIT FOR THE YEAR BEFORE INCOME TAX	6	**794.2**	746.6
Income tax expense	8	**(140.3)**	(130.6)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**653.9**	616.0
Attributable to owners of Kingspan Group plc		**640.3**	598.0
Attributable to non-controlling interests	29	**13.6**	18.0
		653.9	616.0
EARNINGS PER SHARE FOR THE YEAR			
Basic	9	**352.3**	329.5c
Diluted	9	**349.6**	326.9c

Gene Murtagh
Chief Executive Officer

Geoff Doherty
Chief Financial Officer

20 February 2024

Consolidated Statement of Comprehensive Income
For The Year Ended 31 December 2023

	Note	2023 €m	2022 €m
Profit for the year		**653.9**	616.0
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		**(19.0)**	(24.7)
Effective portion of changes in fair value of cash flow hedges		**(0.6)**	-
Items that will not be reclassified subsequently to profit or loss			
Actuarial losses on defined benefit pension schemes	32	**(5.0)**	(20.3)
Income taxes relating to actuarial losses on defined benefit pension schemes	22	**0.4**	4.9
Equity investments at FVOCI – net change in fair value	13	**12.5**	(32.6)
Total other comprehensive loss		**(11.7)**	(72.7)
Total comprehensive income for the year		**642.2**	543.3
Attributable to owners of Kingspan Group plc		**626.4**	521.3
Attributable to non-controlling interests	29	**15.8**	22.0
		642.2	543.3

Consolidated Statement of Financial Position
As At 31 December 2023

	Note	2023 €m	2022 €m
ASSETS			
NON-CURRENT ASSETS			
Goodwill	10	**2,660.6**	2,495.5
Other intangible assets	11	**188.4**	191.8
Financial assets	13	**128.4**	93.6
Property, plant and equipment	12	**1,567.2**	1,437.9
Right of use assets	17	**219.2**	205.3
Retirement benefit assets	32	**1.0**	3.3
Deferred tax assets	22	**79.6**	40.1
		4,844.4	4,467.5
CURRENT ASSETS			
Inventories	14	**964.3**	1,235.8
Trade and other receivables	15	**1,254.2**	1,328.4
Derivative financial instruments	20	**-**	0.4
Cash and cash equivalents	18	**938.7**	649.3
		3,157.2	3,213.9
TOTAL ASSETS		**8,001.6**	7,681.4
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	16	**1,346.1**	1,368.7
Provisions for liabilities	21	**70.2**	74.0
Lease liabilities	17	**48.0**	43.2
Derivative financial instruments	20	**0.2**	-
Deferred contingent consideration	19	**190.2**	174.9
Interest bearing loans and borrowings	18	**200.6**	85.0
Current income tax liabilities		**57.6**	54.9
		1,912.9	1,800.7
NON-CURRENT LIABILITIES			
Retirement benefit obligations	32	**38.0**	52.8
Provisions for liabilities	21	**113.7**	107.5
Interest bearing loans and borrowings	18	**1,717.6**	2,103.9
Lease liabilities	17	**171.8**	153.6
Deferred tax liabilities	22	**60.9**	55.2
Deferred contingent consideration	19	**38.9**	12.2
		2,140.9	2,485.2
TOTAL LIABILITIES		**4,053.8**	4,285.9
NET ASSETS		**3,947.8**	3,395.5
EQUITY			
Share capital	24	**23.9**	23.9
Share premium	25	**129.3**	112.4
Capital redemption reserve		**0.7**	0.7
Treasury shares	26	**(55.8)**	(56.9)
Other reserves		**(336.7)**	(288.0)
Retained earnings		**4,086.6**	3,527.6
EQUITY ATTRIBUTABLE TO OWNERS OF KINGSPAN GROUP PLC		**3,848.0**	3,319.7
NON-CONTROLLING INTEREST	29	**99.8**	75.8
TOTAL EQUITY		**3,947.8**	3,395.5

Gene Murtagh
Chief Executive Officer

Geoff Doherty
Chief Financial Officer

20 February 2024

Consolidated Statement of Changes in Equity

For The Year Ended 31 December 2023

	Share Capital	Share Premium	Capital Redemption Reserve	Treasury Shares	Translation Reserve	Cash Flow Hedging Reserve	Share Based Payment Reserve	Revaluation Reserve	Put Option Liability Reserve	Retained Earnings	Total Attributable to Owners of the Parent	Non-Controlling Interest	Total Equity
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	**€m**
Balance at 1 January 2023	23.9	112.4	0.7	(56.9)	(137.2)	0.6	55.1	0.7	(207.2)	3,527.6	3,319.7	75.8	**3,395.5**
Transactions with owners recognised directly in equity													
Employee share based compensation	-	-	-	-	-	-	22.7	-	-	-	22.7	-	**22.7**
Tax on employee share based compensation	-	-	-	-	-	-	3.2	-	-	1.4	4.6	-	**4.6**
Exercise or lapsing of share options	-	16.9	-	1.8	-	-	(19.7)	-	-	1.0	-	-	**-**
Repurchase of shares	-	-	-	(0.7)	-	-	-	-	-	-	(0.7)	-	**(0.7)**
Dividends	-	-	-	-	-	-	-	-	-	(91.2)	(91.2)	-	**(91.2)**
Transactions with non-controlling interests:													
Arising on acquisition	-	-	-	-	-	-	-	-	(22.9)	-	(22.9)	7.7	**(15.2)**
Increase in NCI	-	-	-	-	-	-	-	-	-	(0.4)	(0.4)	1.4	**1.0**
Dividends to NCI	-	-	-	-	-	-	-	-	-	-	-	(0.9)	**(0.9)**
Fair value movement	-	-	-	-	-	-	-	-	(10.2)	-	(10.2)	-	**(10.2)**
Transactions with owners	-	16.9	-	1.1	-	-	6.2	-	(33.1)	(89.2)	(98.1)	8.2	**(89.9)**
Total comprehensive income for the year													
Profit for the year	-	-	-	-	-	-	-	-	-	640.3	640.3	13.6	**653.9**
Other comprehensive loss: Items that may be reclassified subsequently to profit or loss													
Cash flow hedging in equity													
- current year	-	-	-	-	-	(0.6)	-	-	-	-	(0.6)	-	**(0.6)**
- tax impact	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Exchange differences on translating foreign operations	-	-	-	-	(21.2)	-	-	-	-	-	(21.2)	2.2	**(19.0)**
Items that will not be reclassified subsequently to profit or loss													
Actuarial losses on defined benefit pension scheme	-	-	-	-	-	-	-	-	-	(5.0)	(5.0)	-	**(5.0)**
Income taxes relating to actuarial losses on defined benefit pension scheme	-	-	-	-	-	-	-	-	-	0.4	0.4	-	**0.4**
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	-	-	-	12.5	12.5	-	**12.5**
Total comprehensive income for the year	-	-	-	-	(21.2)	(0.6)	-	-	-	648.2	626.4	15.8	**642.2**
Balance at 31 December 2023	23.9	129.3	0.7	(55.8)	(158.4)	-	61.3	0.7	(240.3)	4,086.6	3,848.0	99.8	**3,947.8**

Consolidated Statement of Changes in Equity

For The Year Ended 31 December 2022

	Share Capital	Share Premium	Capital Redemption Reserve	Treasury Shares	Translation Reserve	Cash Flow Hedging Reserve	Share Based Payment Reserve	Revaluation Reserve	Put Option Liability Reserve	Retained Earnings	Total Attributable to Owners of the Parent	Non-Controlling Interest	Total Equity
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	**€m**
Balance at 1 January 2022	23.9	94.4	0.7	(57.3)	(108.5)	0.6	57.3	0.7	(227.8)	3,108.1	2,892.1	67.2	**2,959.3**
Transactions with owners recognised directly in equity													
Employee share based compensation	-	-	-	-	-	-	18.4	-	-	-	18.4	-	**18.4**
Tax on employee share based compensation	-	-	-	-	-	-	(11.4)	-	-	2.5	(8.9)	-	**(8.9)**
Exercise or lapsing of share options	-	18.0	-	1.8	-	-	(9.2)	-	-	(10.6)	-	-	**-**
Repurchase of shares	-	-	-	(1.4)	-	-	-	-	-	-	(1.4)	-	**(1.4)**
Dividends	-	-	-	-	-	-	-	-	-	(93.7)	(93.7)	-	**(93.7)**
Transactions with non-controlling interests:													
Settlement of put option	-	-	-	-	-	-	-	-	36.6	(28.3)	8.3	(8.3)	**-**
Purchase of NCI	-	-	-	-	-	-	-	-	-	(0.4)	(0.4)	(1.6)	**(2.0)**
Dividends to NCI	-	-	-	-	-	-	-	-	-	-	-	(3.5)	**(3.5)**
Fair value movement	-	-	-	-	-	-	-	-	(16.0)	-	(16.0)	-	**(16.0)**
Transactions with owners	-	18.0	-	0.4	-	-	(2.2)	-	20.6	(130.5)	(93.7)	(13.4)	**(107.1)**
Total comprehensive income for the year													
Profit for the year	-	-	-	-	-	-	-	-	-	598.0	598.0	18.0	**616.0**
Other comprehensive loss: Items that may be reclassified subsequently to profit or loss													
Exchange differences on translating foreign operations	-	-	-	-	(28.7)	-	-	-	-	-	(28.7)	4.0	**(24.7)**
Items that will not be reclassified subsequently to profit or loss													
Actuarial losses on defined benefit pension scheme	-	-	-	-	-	-	-	-	-	(20.3)	(20.3)	-	**(20.3)**
Income taxes relating to actuarial losses on defined benefit pension scheme	-	-	-	-	-	-	-	-	-	4.9	4.9	-	**4.9**
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	-	-	-	(32.6)	(32.6)	-	**(32.6)**
Total comprehensive income for the year	-	-	-	-	(28.7)	-	-	-	-	550.0	521.3	22.0	**543.3**
Balance at 31 December 2022	23.9	112.4	0.7	(56.9)	(137.2)	0.6	55.1	0.7	(207.2)	3,527.6	3,319.7	75.8	**3,395.5**

Consolidated Statement of Cash Flows
For The Year Ended 31 December 2023

	Note	2023 €m	2022 €m
OPERATING ACTIVITIES			
Profit for the year		**653.9**	616.0
Add back non-cash and/or non-operating expenses:			
Income tax expense	8	**140.3**	130.6
Depreciation	6	**190.9**	165.1
Amortisation of intangible assets	11	**41.7**	32.4
Impairment of property, plant and equipment	12	**2.9**	-
Loss on divestment of subsidiary	3	**-**	16.5
Employee equity settled share options	4	**22.7**	18.4
Finance income	5	**(22.7)**	(1.7)
Finance expense	5	**63.7**	39.4
Profit on sale of property, plant and equipment	6	**(1.3)**	(0.4)
Movement of deferred contingent consideration		**0.3**	-
Changes in working capital:			
Inventories		**299.2**	14.6
Trade and other receivables		**74.0**	25.7
Trade and other payables		**(75.1)**	(176.5)
Other:			
Change in provisions		**(2.6)**	7.7
Defined benefit pension scheme buy in settlement		**(15.9)**	-
Pension contributions	32	**(3.4)**	(3.8)
Cash generated from operations		**1,368.6**	884.0
Income tax paid		**(147.5)**	(158.4)
Interest paid		**(58.9)**	(33.6)
Net cash flow from operating activities		**1,162.2**	692.0
INVESTING ACTIVITIES			
Additions to property, plant and equipment		**(234.2)**	(269.2)
Additions to intangible assets		**(3.5)**	-
Proceeds from disposals of property, plant and equipment		**4.2**	18.6
Purchase of subsidiary undertakings (including net debt/cash acquired)	23	**(219.6)**	(887.0)
Transactions involving non-controlling interests		**1.0**	(2.0)
Purchase of financial asset	13	**(22.2)**	(113.3)
Divestment of subsidiary		**-**	(6.4)
Payment of deferred contingent consideration	19	**(6.6)**	(45.4)
Finance income received		**22.6**	1.7
Net cash flow from investing activities		**(458.3)**	(1,303.0)
FINANCING ACTIVITIES			
Drawdown of loans	30	**319.0**	846.0
Repayment of loans and borrowings	30	**(582.0)**	(66.0)
Payment of lease liability	17	**(60.5)**	(50.6)
Repurchase of shares	26	**(0.7)**	(1.4)
Dividends paid to non-controlling interest	29	**(0.9)**	(3.5)
Dividends paid	28	**(91.2)**	(93.7)
Net cash flow from financing activities		**(416.3)**	630.8
INCREASE IN CASH AND CASH EQUIVALENTS	30	**287.6**	19.8
Effect of movement in exchange rates on cash held		**1.8**	(11.9)
Cash and cash equivalents at the beginning of the year		**649.3**	641.4
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**938.7**	649.3

Company Statement of Financial Position
As At 31 December 2023

	Note	2023 €m	2022 €m
ASSETS			
NON-CURRENT ASSETS			
Investments in subsidiaries	13	**2,118.4**	1,238.5
CURRENT ASSETS			
Amounts owed by group undertakings	15	**165.9**	300.1
Cash and cash equivalents		**0.4**	0.4
TOTAL ASSETS		**2,284.7**	1,539.0
LIABILITIES			
CURRENT LIABILITIES			
Amounts owed to group undertakings	16	**0.1**	195.5
Payables	16	**0.2**	0.2
TOTAL LIABILITIES		**0.3**	195.7
NET ASSETS		**2,284.4**	1,343.3
EQUITY			
Equity attributable to owners of Kingspan Group plc			
Share capital	24	**23.9**	23.9
Share premium	25	**129.3**	112.4
Capital redemption reserve		**0.7**	0.7
Treasury shares	26	**(55.8)**	(56.9)
Retained earnings	27	**2,186.3**	1,263.2
TOTAL EQUITY		**2,284.4**	1,343.3

In accordance with section 304 of the Companies Act 2014, the Company's profit for the financial year was €1,000.1m (2022: loss of €0.5m).

Gene Murtagh — *Chief Executive Officer*
Geoff Doherty — *Chief Financial Officer*
20 February 2024

Company Statement of Changes in Equity
For The Year Ended 31 December 2023

	Share Capital €m	Share Premium €m	Capital Redemption Reserves €m	Treasury Shares €m	Retained Earnings €m	Shareholders' Equity €m
Balance at 1 January 2023	23.9	112.4	0.7	(56.9)	1,263.2	**1,343.3**
Shares issued	-	16.9	-	1.8	(8.5)	**10.2**
Repurchase of shares	-	-	-	(0.7)	-	**(0.7)**
Employee share based compensation	-	-	-	-	22.7	**22.7**
Dividends paid	-	-	-	-	(91.2)	**(91.2)**
Transactions with owners	-	16.9	-	1.1	(77.0)	**(59.0)**
Profit for the year	-	-	-	-	1,000.1	**1,000.1**
Balance at 31 December 2023	23.9	129.3	0.7	(55.8)	2,186.3	**2,284.4**

	Share Capital €m	Share Premium €m	Capital Redemption Reserves €m	Treasury Shares €m	Retained Earnings €m	Shareholders' Equity €m
Balance at 1 January 2022	23.9	94.4	0.7	(57.3)	1,345.6	1,407.3
Shares issued	-	18.0	-	1.8	(6.6)	13.2
Repurchase of shares	-	-	-	(1.4)	-	(1.4)
Employee share based compensation	-	-	-	-	18.4	18.4
Dividends paid	-	-	-	-	(93.7)	(93.7)
Transactions with owners	-	18.0	-	0.4	(81.9)	(63.5)
Loss for the year	-	-	-	-	(0.5)	(0.5)
Balance at 31 December 2022	23.9	112.4	0.7	(56.9)	1,263.2	1,343.3

Company Statement of Cash Flows
For The Year Ended 31 December 2023

	2023 €m	2022 €m
OPERATING ACTIVITIES		
Profit/(loss) for the year after tax	**1,000.1**	(0.5)
Net cash flow from operating activities	**1,000.1**	(0.5)
FINANCING ACTIVITIES		
Change in receivables	**134.2**	18.3
Change in payables	**(195.4)**	57.8
Repurchase of shares	**(0.7)**	(1.4)
Proceeds from equity settled share scheme	**18.7**	19.8
Dividends paid	**(91.2)**	(93.7)
Net cash flow from financing activities	**(134.4)**	0.8
INVESTING ACTIVITIES		
Investment in subsidiaries	**(865.7)**	-
Net cash flow from investing activities	**(865.7)**	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**0.4**	0.1
Net increase in cash and cash equivalents	**-**	0.3
CASH AND CASH EQUIVALENTS AT END OF YEAR	**0.4**	0.4

Notes to the Financial Statements
For The Year Ended 31 December 2023

1 Statement of Accounting Policies

General information
Kingspan Group plc is a public limited company registered and domiciled in Ireland. Its registered number is 70576 and the address of its registered office is Dublin Road, Kingscourt, Co Cavan.

The principal activities of Kingspan Group plc ("the Group") comprise the manufacture of insulated panels, rigid insulation boards, technical insulation, architectural facades, roofing and waterproofing solutions, data and flooring technology, daylighting and ventilation systems and water and energy solutions. The Group's Principal Subsidiary Undertakings are set out on page 204 to 205.

Statement of compliance
The consolidated and Company financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and their interpretations issued by the International Accounting Standards Board (IASB) as adopted by the EU and those parts of the Companies Acts 2014, applicable to companies reporting under IFRS and Article 4 of the IAS Regulation.

The Company has availed of the exemption in Section 304 of the Companies Act 2014 and has not presented the Company Income Statement, which forms part of the Company's financial statements, to its members and the Registrar of Companies.

Basis of preparation
The financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by:

- measurement at fair value of share based payments at initial date of award;
- certain financial assets (including derivative financial instruments) and deferred contingent consideration recognised and measured at fair value; and
- recognition of the defined benefit liability as plan assets less the present value of the defined benefit obligation.

The accounting policies set out below have been applied consistently to all years presented in these financial statements, unless otherwise stated.

These consolidated financial statements have been prepared in Euro. The Euro is the presentation currency of the Group and the functional and presentation currency of the Company.

The Group uses a number of Alternative Performance Measures (APMs) throughout these financial statements to give assistance to investors in evaluating the performance of the underlying business and to give a better understanding of how management review and monitor the business on an ongoing basis. These APMs have been defined and explained in more detail on page 201 to 203.

Changes in Accounting Policies and Disclosures

New and amended standards and interpretations effective during 2023

The following new standards, amendments to standards and interpretations are effective for the Group from 1 January 2023 and do not have a material effect on the results or financial position of the Group:

	Effective Date – periods beginning on or after
IFRS 17 *Insurance Contracts* including Amendments to IFRS 17	1 January 2023
Amendments to IAS 12 *Income Taxes* – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IAS 12 *Income Taxes*: International Tax Reform – Pillar Two Model Rules	1 January 2023
Amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 – Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* – Definition of Accounting Estimates	1 January 2023
Amendments to IFRS 17 *Insurance Contracts:* Initial Application of IFRS 17 and IFRS 9 – Comparative information	1 January 2023

1 Statement of Accounting Policies (continued)

There are a number of amendments to standards and interpretations that are not yet effective and have not been applied in preparing these consolidated financial statements. These amendments to standards and interpretations are either not expected to have a material impact on the Group's financial statements or are still under assessment by the Group. The principal new standards, amendments to standards and interpretations are as follows:

	Effective Date – periods beginning on or after
Amendments to IAS 1 *Presentation of Financial Statements* – Classification of Liabilities as Current or Non-current, Classification of Liabilities as Current or Non-current – Deferral of Effective Date and Non-current Liabilities with Covenants	1 January 2024
Amendments to IFRS 16 *Leases*: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments*: *Disclosures*: Supplier Finance Arrangements	1 January 2024*
Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates:* Lack of Exchangeability	1 January 2025*

*Not EU endorsed

Basis of consolidation
The Group consolidated financial statements incorporate the financial statements of the Company and its subsidiary undertakings.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are included in the Group financial statements from the date on which control over the entity is obtained and cease to be consolidated from the date on which control is transferred out of the Group.

Transactions eliminated on consolidation
Intragroup transactions and balances, and any unrealised gains arising from such transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment.

Segment reporting
The Group's accounting policy for identifying segments is based on internal management reporting information that is routinely reviewed by the Board of Directors, which is the Chief Operating Decision Maker (CODM) for the Group.

The measurement policies used for the segment reporting under IFRS 8 *Operating Segments* are the same as those used in the consolidated financial statements. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, finance income and expenses and tax assets and liabilities.

The Group has determined that it has five (2022: six) operating segments: Insulated Panels, Insulation, Light, Air + Water, Data + Flooring, and Roofing + Waterproofing.

Revenue recognition
The Group recognises revenue exclusive of sales tax and trade discounts which would occur over time or at a point in time. The Group uses the five-step model as prescribed under IFRS 15 *Revenue from Contracts with Customers* on the Group's revenue transactions. This includes the identification of the contract, identification of the performance obligations under same, determination of the transaction price, allocation of the transaction price to performance obligations and recognition of revenue. Typically, individual performance obligations are specifically called out in the contract which allows for accurate recognition of revenue as and when performances are fulfilled.

The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customers.

The Group has identified a number of revenue streams where revenue is recognised at a point in time and/or over time. These are detailed below:

Supply only contracts
The point of recognition arises when the Group satisfies a performance obligation by transferring control of a promised good or service to the customer, which could occur over time or at a point in time. Revenue is recognised at the time of delivery at the delivery address (where Kingspan is to deliver the goods to the delivery address) or at Kingspan's works (where the customer is to collect the goods) or, if the customer wrongfully fails to take delivery of the goods, the time when Kingspan has tendered delivery of the goods. Invoicing occurs at the point of final delivery of the product or performance obligation, at which point a right is established for unconditional consideration as control passes to the customer. Typically, payment terms are 30 days from the end of the month in which the invoice is raised.

1 Statement of Accounting Policies (continued)

Supply and install projects
If a contract requires the Group to install or commission a product and the product can be separated or sold separately from the installation service and the contract specifically separates the performance obligations then the product only supply element is recognised in line with the criteria set out in the supply only policy. The installation element is recognised over time in line with the milestones set out in the contract. If there is significant integration provided for in the contract then a single purchase order is identified and the revenue is recognised over time.

Service and maintenance
Where the Group provides a post-sale service and maintenance offering the revenue associated with this separately identifiable performance obligation is initially recognised in deferred income. The revenue is recognised in the Consolidated Income Statement as each site visit occurs.

Research and Development
Expenditure on research and development is recognised as an expense in the period in which it is incurred. An asset is recognised only when all the conditions set out in IAS 38 *Intangible Assets* are met.

Non trading items
Non trading items refer to certain items, which by virtue of their nature and amount, are disclosed separately in order for the user to obtain a proper understanding of the financial information. Non trading items include gains or losses on the disposal or acquisition of businesses and material related acquisition and integration costs, and material impairments to the carrying value of intangible assets or property, plant and equipment. It is determined by management that each of these items relate to events or circumstances that are non-recurring in nature.

Business Combinations
Business combinations are accounted for using the acquisition method as at the date of acquisition.

In accordance with IFRS 3 *Business Combinations*, the fair value of consideration paid for a business combination is measured as the aggregate of the fair values at the date of exchange of assets given and liabilities incurred or assumed in exchange for control. The assets, liabilities and contingent liabilities of the acquired entity are measured at fair value as at the acquisition date. When the initial accounting for a business combination is determined, it is done so on a provisional basis with any adjustments to these provisional values made within 12 months of the acquisition date and are effective as at the acquisition date.

To the extent that deferred contingent consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred contingent consideration is discounted at an appropriate interest rate and, accordingly, carried at net present value (amortised cost) in the Consolidated Statement of Financial Position. The discount component is then unwound as an interest charge in the Consolidated Income Statement over the life of the obligation.

Where a business combination agreement provides for an adjustment to the cost of a business acquired contingent on future events, other than put options held by non-controlling interests, the Group accrues the fair value of the additional consideration payable as a liability at acquisition date. This amount is reassessed at each subsequent reporting date with any adjustments recognised in the Consolidated Income Statement.

If the business combination is achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree is re-measured at the acquisition date through the Consolidated Income Statement or the Consolidated Statement of Other Comprehensive Income.

For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Transaction costs are expensed to the Consolidated Income Statement as incurred.

Put options held by non-controlling interest shares
Any contingent consideration is measured at fair value at the date of acquisition. Where a put option is held by a non-controlling interest ("NCI") in a subsidiary undertaking, whereby that party can require the Group to acquire the NCI's shareholding in the subsidiary at a future date, but the NCI retains present access to the results of the subsidiary, the Group applies the present access method of accounting to this arrangement. The Group recognises a contingent consideration liability at fair value, being the Group's estimate of the amount required to settle that liability and a corresponding reserve in equity. Any subsequent remeasurements required due to changes in fair value of the put liability estimation are recognised in the Put Option Liability Reserve in equity.

Goodwill
Goodwill arises on business combinations and represents the difference between the fair value of the consideration and the fair value of the Group's share of the identifiable net assets of a subsidiary at the date of acquisition.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

1 Statement of Accounting Policies (continued)

As at the acquisition date, any goodwill acquired is allocated to each of the cash generating units expected to benefit from the combination's synergies. The cash generating units represent the lowest level within the Group which generate largely independent cash inflows and these units are not larger than the operating segments (before aggregation) determined in accordance with IFRS 8 *Operating Segments*.

Goodwill is tested for impairment at the same level as the goodwill is monitored by management for internal reporting purposes, which is at the individual cash generating unit level.

Goodwill is subject to impairment testing on an annual basis and at any time during the year if an indicator of impairment is considered to exist. The goodwill impairment tests are undertaken at a consistent time each year. Impairment is determined by assessing the recoverable amount of the cash generating unit to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than the carrying amount, an impairment loss is recognised in the Consolidated Income Statement. Impairment losses arising in respect of goodwill are not reversed following recognition.

On disposal of a subsidiary, the attributable amount of goodwill, not previously written off, is included in the calculation of the profit or loss on disposal.

Intangible Assets (other than goodwill)
Intangible assets separately acquired are capitalised at cost. Intangible assets acquired as part of a business combination are capitalised at fair value as at the date of acquisition.

Following initial recognition, intangible assets, which have finite useful lives, are carried at cost or initial fair value less accumulated amortisation and accumulated impairment losses.

The amortisation of intangible assets is calculated to write off the book value of intangible assets over their useful lives on a straight-line basis on the assumption of zero residual value. Amortisation charged on these assets is recognised in the Consolidated Income Statement.

The carrying amount of intangible assets is reviewed for indicators of impairment at each reporting date and is subject to impairment testing when events or changes of circumstances indicate that the carrying values may not be recoverable.

The estimated useful lives are as follows:

Customer relationships	2 - 10 years
Trademarks & Brands	2 - 12 years
Patents	8 years
Technological know how and order backlogs	1 - 10 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted as necessary.

Foreign currency
Functional and presentation currency
The individual financial statements of each Group company are measured and presented in the currency of the primary economic environment in which the company operates, the functional currency. The Group financial statements are presented in Euro, which is the Company's functional currency.

Transactions and balances
Transactions in foreign currencies are translated into the functional currency at the exchange rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates at the reporting date. All currency translation differences on monetary assets and liabilities are taken to the Consolidated Income Statement, except when deferred in equity as qualifying net investment hedges, which are recognised in the Consolidated Statement of Comprehensive Income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are initially translated at the exchange rate at the date of acquisition and then subsequently these assets and liabilities are treated as part of a foreign entity and are translated at the closing rate.

Exchange rates of material currencies used were as follows:

	Average rate		Closing rate	
Euro =	2023	2022	2023	2022
Pound Sterling	**0.870**	0.853	**0.869**	0.886
US Dollar	**1.082**	1.054	**1.106**	1.067
Canadian Dollar	**1.459**	1.370	**1.464**	1.444
Australian Dollar	**1.629**	1.517	**1.622**	1.569
Czech Koruna	**24.000**	24.562	**24.701**	24.143
Polish Zloty	**4.541**	4.685	**4.344**	4.680
Hungarian Forint	**381.550**	391.090	**382.520**	400.190
Brazilian Real	**5.401**	5.442	**5.374**	5.632

1 Statement of Accounting Policies (continued)

Foreign operations
The Consolidated Income Statement, Statement of Financial Position and Cash Flow Statement of Group companies that have a functional currency different from that of the Company are translated as follows:

- Assets and liabilities at each reporting date are translated at the closing rate at that reporting date.
- Results and cash flows are translated at actual exchange rates for the year, or an average rate where this is a reasonable approximation.

All resulting exchange differences are recognised in the Consolidated Statement of Comprehensive Income and accumulated as a separate component of equity, the Translation Reserve.

On disposal of a foreign operation, any such cumulative retranslation differences, previously recognised in equity, are reclassified to the Consolidated Income Statement as part of gain or loss on disposal.

Inventories
Inventories are stated at the lower of cost and net realisable value.

Cost is based on the first-in, first-out principle and includes all expenditure incurred in acquiring the inventories and bringing them to their present location and condition.

- Raw materials are valued at the purchase price including transport, handling costs and net of trade discounts.
- Work in progress and finished goods are carried at cost consisting of direct materials, direct labour and directly attributable production overheads and other costs incurred in bringing them to their existing location and condition.

Net realisable value represents the estimated selling price less costs to completion and appropriate marketing, selling and distribution costs.

A provision is made, where necessary, in all inventory categories for obsolete, slow-moving and defective items.

Income tax
Income tax in the Consolidated Income Statement represents the sum of current income tax and deferred tax not recognised in other comprehensive income or directly in equity.

Current tax
Current tax represents the expected tax payable or recoverable on the taxable profit for the year using tax rates and laws that have been enacted, or substantively enacted, at the reporting date and taking into account any adjustments from prior years. Liabilities for uncertain tax treatments are recognised in accordance with IFRIC 23 *Uncertainty Over Income Tax Treatments* and are measured using either the most likely amount method or the expected value method – whichever better predicts the resolution of the uncertainty.

Deferred Tax
Deferred tax is provided using the liability method on temporary differences at the reporting date. Temporary differences are defined as the difference between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets and liabilities are not subject to discounting and are measured at the tax rates that are expected to apply in the period in which the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

The Group offsets deferred tax assets and deferred tax liabilities only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax liabilities are recognised for all taxable temporary differences (i.e. differences that will result in taxable amounts in future periods when the carrying amount of the asset or liability is recovered or settled).

Deferred tax assets are recognised in respect of all deductible temporary differences (i.e. differences that give rise to amounts which are deductible in determining taxable profits in future periods when the carrying amount of the asset or liability is recovered or settled), carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which to offset these items.

The carrying amounts of deferred tax assets are subject to review at each reporting date and reduced to the extent that future taxable profits are considered to be inadequate to allow all or part of any deferred tax asset to be utilised.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

The Group has applied the amendment to IAS 12 *Income Taxes* on the mandatory temporary exception to recognising and disclosing information about deferred tax assets and liabilities that are related to tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). The amendments require that entities shall apply the amendments immediately upon issuance.

Investments in subsidiaries
Investments in subsidiaries held by the Parent Company are carried at cost less accumulated impairment losses.

Property, Plant and Equipment
Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses.

1 Statement of Accounting Policies (continued)

Depreciation is provided on a straight line basis at the rates stated below, which are estimated to reduce each item of property, plant and equipment to its residual value by the end of its useful life:

Freehold buildings	2% - 2.5% on cost
Plant and machinery	4% to 20% on cost
Fixtures and fittings	10% to 20% on cost
Computer equipment	12.5% to 33% on cost
Motor vehicles	10% to 25% on cost

Freehold land is stated at cost and is not depreciated.

The estimated useful lives and residual values of property, plant and equipment are determined by management at the time the assets are acquired and subsequently reassessed at each reporting date. These lives are based on historical experience with similar assets across the Group.

In accordance with IAS 36 *Impairment of Assets*, the carrying values of property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying value of an asset or its cash generating unit exceeds its recoverable amount.

Impairment losses are recognised in the Consolidated Income Statement. Following the recognition of an impairment loss, the depreciation charge applicable to the asset or cash-generating unit is adjusted to allocate the revised carrying amount, net of any residual value, over the remaining useful life.

Assets under construction are carried at cost less any recognised impairment loss. Depreciation of these assets commences when the assets are ready for their intended use.

Leases

The Group recognises right of use assets representing its right to use the underlying assets and lease liabilities representing its obligation to make lease payments at the lease commencement date. The right of use assets are initially measured at cost, and subsequently measured at cost less accumulated depreciation and impairment losses. The cost of the right of use asset consists of the initial measurement of the lease liability, any initial direct costs incurred in entering into the lease, restoration costs and any payments made on or before the lease commencement date, net any lease incentives received.

Depreciation is provided on a straight line basis over the period of the lease, or useful life if shorter.

Lease liabilities are measured at the present value of the future lease payments, discounted at the Group's incremental borrowing rate. Subsequent to the initial measurement, the lease liabilities are increased by the interest cost and reduced by lease payments made.

The right of use assets and lease liabilities are remeasured when there are changes in the assessment of whether an extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised or where there is a change in future lease payments as a result of a change in an index or rate. The Group applies judgement when determining the lease term where renewal and termination options are contained in the lease contract.

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date. The Group also applies the lease of low-value assets recognition exemption to leases of equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the term of the lease.

Retirement benefit obligations

The Group operates defined contribution and defined benefit pensions schemes.

Defined contribution pension schemes

The costs arising on the Group's defined contribution schemes are recognised in the Consolidated Income Statement in the period in which the related service is provided. The Group has no legal or constructive obligation to pay further contributions in the event that these plans do not hold sufficient assets to provide retirement benefits.

Defined benefit pension schemes

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurements of the net defined benefit liability or asset, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognised immediately in other comprehensive income.

The Group determines the net interest expense on the net defined benefit liability or asset by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability or asset, taking into account any changes in the net defined benefit liability or asset during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Notes to the Financial Statements (continued)
For The Year Ended 31 December 2023

1 Statement of Accounting Policies (continued)

Provisions

A provision is recognised in the Consolidated Statement of Financial Position when the Group has a present constructive or legal obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation and the amount of the obligation can be estimated reliably.

A specific provision is created when a claim has actually been made against the Group or where there is a known issue at a known customer's site, both relating to a product or service supplied in the past. In addition, a risk-based provision is created where future claims are considered incurred but not reported. The warranty provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

Specific provisions will generally be aged as a current liability, reflecting the assessment that a current liability exists to replace or repair product sold on foot of an accepted valid warranty issue. Only where the liability is reasonably certain not to be settled within the next 12 months, will a specific provision be categorised as a long-term obligation. Risk-based provisions will generally be aged as a non-current liability, reflecting the fact that no warranty claim has yet been made by the customer.

Provisions which are not expected to give rise to a cash outflow within 12 months of the reporting date are, where material, determined by discounting the expected future cash flows. The unwinding of the discount is recognised as a finance expense.

Dividends

Final dividends on ordinary shares are recognised as a liability in the financial statements only after they have been approved at the Annual General Meeting of the Company. Interim dividends on ordinary shares are recognised when they are paid.

Cash and cash equivalents

Cash and cash equivalents principally comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Derivative financial instruments

Derivative financial instruments, principally interest rate and currency swaps, are used to hedge the Group's foreign exchange and interest rate risk exposures.

Derivative financial instruments are recognised initially at fair value and thereafter are subsequently remeasured at their fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of these instruments is the estimated amount that the Group would receive or pay to terminate the swap at the reporting date, taking into account current interest and currency exchange rates and the current creditworthiness of the swap counterparties.

The Group designates all of its derivatives in one or more of the following types of relationships:

i. *Fair value hedge:* Hedges the exposure to movements in fair value of recognised assets or liabilities that are attributable to hedged risks.
ii. *Cash flow hedge:* Hedges the Group's exposures to fluctuations in future cash flow derived from a particular risk associated with recognised assets or liabilities or forecast transactions.
iii. *Net investment hedge:* Hedges the exchange rate fluctuations of a net investment in a foreign operation.

At inception of the transaction, the Group documents the relationship between the hedging instruments and hedged items, including the risk management objectives and strategy in undertaking the hedge transactions. The Group also documents its assessment, both at inception and on an ongoing basis, as to whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

Fair value hedge

Any gain or loss resulting from the re-measurement of the hedging instrument to fair value is reported in the Consolidated Income Statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gains or losses of a hedging instrument that are in hedge relationships with borrowings are included within Finance Income or Finance Expense in the Consolidated Income Statement. In the case of the related hedged borrowings, any gain or loss on the hedged item which is attributable to the hedged risk is adjusted against the carrying amount of the hedged item and is also included within Finance Income or Finance Expense in the Consolidated Income Statement.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item is amortised on an effective interest basis to the Consolidated Income Statement with the objective of achieving full amortisation by maturity of the hedged item.

Cash flow hedge

The effective part of any gain or loss on the derivative financial instrument is recognised in other comprehensive income and presented in the Cash Flow Hedge Reserve in equity with the ineffective portion being recognised within Finance Income or Finance Expense in the Consolidated Income Statement. If a hedge of a forecasted transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains and losses that were recognised directly in other comprehensive income are reclassified into profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss. For cash flow hedges, other than those covered by the preceding statements, the associated cumulative gain or loss is removed from other comprehensive income and recognised in the Consolidated Income Statement in the same period or periods during which the hedged forecast transaction affects profit or loss. The ineffective part of any gain or loss is recognised immediately in the Consolidated Income Statement.

1 Statement of Accounting Policies (continued)

Hedge accounting is discontinued when a hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. The cumulative gain or loss at that point remains in other comprehensive income and is recognised when the transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in other comprehensive income is transferred to the Consolidated Income Statement in the period.

Net investment hedge
Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and presented in the Translation Reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in either Finance Income or Finance Expense in the Consolidated Income Statement. Cumulative gains or losses remain in equity until disposal of the net investment in the foreign operation at which point the related differences are reclassified to the Consolidated Income Statement as part of the overall gain or loss on sale.

Financial Assets
On initial recognition, a financial asset is classified as measured at amortised cost and subsequently measured using the effective interest rate (EIR) method and subject to impairment. Financial assets may also be initially measured at fair value with any movement being reflected through other comprehensive income or the Consolidated Income Statement.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

The Group applies the simplified approach for expected credit losses (ECL) under IFRS 9 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of receivables. Under IFRS 9 *Financial Instruments*, the Group uses an allowance matrix to measure Expected Credit Loss (ECL) of trade receivables from customers. Loss rates are calculated using a "roll rate" method based on the probability of a receivable progressing through successive chains of non-payment to write-off. The rates are calculated at a business unit level which reflects the risks associated with geographic region, age, mix of customer relationship and type of product purchased.

Financial Liabilities
Financial liabilities held for trading are measured at fair value through the profit and loss, and all other financial liabilities are measured at amortised cost unless the fair value option is applied.

Finance Income
Finance income primarily comprises interest income on funds invested and any gains on hedging instruments that are recognised in the Consolidated Income Statement. Interest income is recognised as it accrues using the effective interest rate method.

Finance Expense
Finance expense comprises interest charged on cash balances held in certain currencies, interest payable on borrowings calculated using the effective interest rate method, fair value gains and losses on hedging instruments that are recognised in the Consolidated Income Statement, the net finance cost of the Group's defined benefit pension scheme, lease interest and the discount component of the deferred contingent consideration which is unwound as an interest charge in the Consolidated Income Statement over the life of the obligation.

Share-Based Payment Transactions
The Group grants equity settled share based payments to employees through the Performance Share Plan and the Deferred Bonus Plan.

The fair value of these equity settled transactions is determined at grant date and is recognised as an employee expense in the Consolidated Income Statement, with the corresponding increase in equity, on a straight line basis over the vesting period. The fair value at the grant date is determined using a combination of the Monte Carlo simulation technique and the Black Scholes model, excluding the impact of any non-market conditions. Non-market vesting conditions are included in the assumptions about the number of options that are expected to vest. At each reporting date, the Group revises its estimates of the number of options that are likely to vest as a result of non-market conditions. Any adjustment from this revision is recognised in the Consolidated Income Statement with a corresponding adjustment to equity.

Where the share based payments give rise to the issue of new share capital, the proceeds received by the Company are credited to share capital (nominal value) and share premium (where applicable) when the share entitlements are exercised. Where the share-based payments give rise to the re-issue of shares from treasury shares, the proceeds of issue are credited to share premium.

The Group does not operate any cash-settled share-based payment schemes or share-based payment transactions with cash alternatives as defined in IFRS 2 *Share Based Payments*.

Treasury Shares
Where the Company purchases its own equity share capital, the consideration paid is deducted from total shareholders' equity and classified as treasury shares until such shares are cancelled or reissued. Where such shares are subsequently sold or reissued, any consideration received is included in share premium account. No gains or losses are recognised on the purchase, sale, cancellation or issue of treasury shares.

1 Statement of Accounting Policies (continued)

Non-controlling interest
Non-controlling interests represent the portion of the equity of a subsidiary not attributable either directly or indirectly to the parent company and are presented separately in the Consolidated Income Statement and within equity in the Consolidated Statement of Financial Position, distinguished from shareholders' equity attributable to owners of the parent company.

Accounting Estimates and Judgements
In the process of applying the Group's accounting policies, as set out on pages 151 to 160, management are required to make estimates and judgements that could materially affect the Group's reported results or net asset position.

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in future periods. The Group has considered the impact of climate change on the consolidated financial statements, including the carrying value of assets, the useful economic life of assets, and provisions.

The areas where key estimates and judgements were made by management and are material to the Group's reported results or net asset position, are as follows:

Impairment (Note 10)
The Group is required to review assets for objective evidence of impairment.

It does this on the basis of a review of the budget and rolling 5 year forecasts (4 year strategic plan, as approved by the Board, plus year 5 forecasted by management), which by their nature are based on a series of assumptions and estimates. The forecasts used for the Roofing + Waterproofing CGU are based on a 4 year financial plan approved by the Board of Directors, plus years 5-10 as forecasted by management.

The Group has performed impairment tests on those cash generating units which contain goodwill, and on any assets where there are indicators of impairment. The key assumptions associated with these reviews are detailed in Note 10. The Group also considered the potential impact of climate change. This is an area of estimation and judgement.

Guarantees & warranties (Note 21)
Certain products carry formal guarantees of satisfactory functional and aesthetic performance of varying periods following their purchase. Local management evaluate the constructive or legal obligation arising from customer feedback and assess the requirement to provide for any probable outflow of economic benefit arising from a settlement. This is an area of estimation and judgement.

Recoverability of trade receivables (Note 15)
The Group provides credit to customers and as a result there is an associated risk that the customer may not be able to pay outstanding balances.

Under IFRS 9 the Group uses an allowance matrix to measure Expected Credit Loss (ECL) of trade receivables from customers. Loss rates are calculated using a "roll rate" method based on the probability of a receivable progressing through successive chains of non-payment to write-off. The rates are calculated at a business unit level which reflects the risks associated with geographic region, age, mix of customer relationship and type of product purchased. This is an area of estimation and judgement.

Valuation of inventory (Note 14)
Inventories are measured at the lower of cost and net realisable value. The Group's policy is to hold inventories at original cost and create an inventory provision where evidence exists that indicates net realisable value is below cost for a particular item of inventory. Damaged, slow-moving or obsolete inventory are typical examples of such evidence. This is an area of estimation and judgement.

Leases (Note 17)
The Group has applied judgement to determine the lease term of contracts that include termination and extension options. If the Group is reasonably certain to exercise such options, the relevant amount of right of use assets and lease liabilities are recognised.

The Group has also applied judgement in determining the incremental borrowing rates (IBR). The incremental borrowing rate is the rate of interest that a lessee would expect to incur on funds borrowed over a similar term and security to obtain a comparable value to the right of use asset in the relevant economic environment. The Group estimates the IBR using observable inputs (such as market interest rates) when available and makes certain entity-specific estimates (such as country risk and entity specific credit rating) as required.

Business Combinations (Note 23)
Business combinations are accounted for using the acquisition method which requires that the assets and liabilities assumed are recorded at their respective fair values at the date of acquisition. The application of this method requires certain estimates and assumptions relating, in particular, to the determination of the fair values of the acquired assets and liabilities assumed at the date of acquisition.

For intangible assets acquired, the Group bases valuations on expected future cash flows. This method employs a discounted cash flow analysis using the present value of the estimated cash flows expected to be generated from these intangible assets using appropriate discount rates and revenue forecasts. The period of expected cash flows is based on the expected useful life of the intangible asset acquired.

Measurement of deferred contingent consideration and put option liabilities related to business combinations require assumptions to be made regarding profit forecasts and discount rates used to arrive at the net present value of the potential obligations. The Group has considered all available information in arriving at the estimate of liabilities associated with deferred contingent consideration obligations. This is an area of estimation and judgement.

Notes to the Financial Statements (continued)
For The Year Ended 31 December 2023

1 Statement of Accounting Policies (continued)

Income taxes (Note 8)
The Group is subject to income tax in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions for which the ultimate tax determination is uncertain. The Group recognises liabilities based on estimates of whether additional taxes will be due. Once it has been concluded that a liability needs to be recognised, the liability is measured based on the tax laws that have been enacted or substantially enacted at the end of the reporting period. The amount shown for current taxation includes an estimate for uncertain tax treatments where the Group considers it probable that uncertain tax treatments will not be accepted by tax authorities and the estimate is measured using either the most likely amount method or the expected value method, as appropriate, prescribed by IFRIC 23. Where the final tax outcome of these matters is different from the amounts that were initially estimated, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. The Group estimates the most probable amount of future taxable profits, using assumptions consistent with those employed in impairment calculations, and taking into consideration applicable tax legislation in the relevant jurisdiction. These calculations also require the use of estimates and judgement.

Deferred Contingent Consideration (Note 19)
Measurement of put option liabilities require assumptions to be made regarding profit forecasts and discount rates used to arrive at the net present value of the potential obligations. The Group has considered all available information in arriving at the estimate of liabilities associated with put option obligations. This is an area of estimation.

2 Segment Reporting

In identifying the Group's operating segments, management based its decision on the product supplied by each segment and the fact that each segment is managed and reported separately to the Chief Operating Decision Maker. These operating segments are monitored and strategic decisions are made on the basis of segment operating results.

The Group established a new operating segment, Light, Air + Water effective 1 January 2023. This encompasses the Group's previously reported operating segments 'Light + Air' and 'Water + Energy'. The prior year comparatives have been restated to reflect this.

Operating segments

The Group has the following five operating segments:

Insulated Panels	Manufacture of insulated panels, structural framing and metal facades.
Insulation	Manufacture of rigid insulation boards, technical insulation and engineered timber systems.
Roofing + Waterproofing	Manufacture of roofing and waterproofing solutions for renovation and new construction of buildings.
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.

Notes to the Financial Statements (continued)
For The Year Ended 31 December 2023

2 Segment Reporting (continued)

Analysis by class of business

	Insulated Panels €m	Insulation €m	Roofing + Waterproofing €m	Light, Air + Water €m	Data + Flooring €m	Total €m
Total revenue – 2023	4,722.1	1,528.0	493.4	967.4	379.7	**8,090.6**
Total revenue – 2022	5,181.5	1,658.3	153.2	987.8	360.1	8,340.9
Disaggregation of revenue 2023						
Point of Time	4,719.8	1,502.9	493.4	671.8	333.3	**7,721.2**
Over Time & Contract	2.3	25.1	-	295.6	46.4	**369.4**
	4,722.1	1,528.0	493.4	967.4	379.7	**8,090.6**
Disaggregation of revenue 2022						
Point of Time	5,147.7	1,633.1	153.2	696.1	325.4	7,955.5
Over Time & Contract	33.8	25.2	-	291.7	34.7	385.4
	5,181.5	1,658.3	153.2	987.8	360.1	8,340.9

The disaggregation of revenue by geography is set out in more detail on page 163.

The segments specified above capture the major product lines relevant to the Group.

The combination of the disaggregation of revenue by product group, geography and the timing of revenue recognition capture the key categories of disclosure with respect to revenue. Typically, individual performance obligations are specifically called out in the contract which allow for accurate recognition of revenue as and when performances are fulfilled. Given the nature of the Group's product set, customer returns are not a significant feature of our business model. No further disclosures are required with respect to disaggregation of revenue other than what has been presented in this note.

Inter-segment transfers are carried out at arm's length prices and using an appropriate transfer pricing methodology. As inter-segment revenue is not material, it is not subject to separate disclosure in the above analysis. For the purposes of the segmental analysis, corporate overheads have been allocated to each division based on their respective revenue for the year.

	Insulated Panels €m	Insulation €m	Roofing + Waterproofing €m	Light, Air + Water €m	Data + Flooring €m	Total 2023 €m	Total 2022 €m
Trading profit – 2023	573.8	145.1	28.1	78.7	51.2	**876.9**	
Intangible amortisation	(10.2)	(10.1)	(17.2)	(3.5)	(0.7)	**(41.7)**	
Operating profit – 2023	563.6	135.0	10.9	75.2	50.5	**835.2**	
Trading profit – 2022	548.7	165.2	8.5	67.7	43.1		833.2
Intangible amortisation	(13.0)	(9.4)	(4.8)	(5.1)	(0.1)		(32.4)
Non trading item	(16.5)	-	-	-	-		(16.5)
Operating profit - 2022	519.2	155.8	3.7	62.6	43.0		784.3
Net finance expense						**(41.0)**	(37.7)
Profit for the year before tax						**794.2**	746.6
Income tax expense						**(140.3)**	(130.6)
Net profit for the year						**653.9**	616.0

2 Segment Reporting (continued)

	Insulated Panels €m	Insulation €m	Roofing + Waterproofing €m	Light, Air + Water €m	Data + Flooring €m	Total 2023 €m	Total 2022 €m
Assets – 2023	3,352.8	1,568.9	854.4	915.3	291.9	**6,983.3**	
Assets – 2022	3,350.6	1,683.4	783.1	934.1	240.4		6,991.6
Derivative financial instruments						**-**	0.4
Cash and cash equivalents						**938.7**	649.3
Deferred tax assets						**79.6**	40.1
Total assets as reported in the Consolidated Statement of Financial Position						**8,001.6**	7,681.4

	Insulated Panels €m	Insulation €m	Roofing + Waterproofing €m	Light, Air + Water €m	Data + Flooring €m	Total 2023 €m	Total 2022 €m
Liabilities – 2023	(1,114.4)	(278.7)	(180.8)	(320.7)	(122.3)	**(2,016.9)**	
Liabilities – 2022	(1,080.7)	(320.8)	(163.7)	(343.8)	(77.9)		(1,986.9)
Interest bearing loans and borrowings (current and non-current)						**(1,918.2)**	(2,188.9)
Derivative financial instruments (current and non-current)						**(0.2)**	-
Income tax liabilities (current and deferred)						**(118.5)**	(110.1)
Total liabilities as reported in the Consolidated Statement of Financial Position						**(4,053.8)**	(4,285.9)

	Insulated Panels €m	Insulation €m	Roofing + Waterproofing €m	Light, Air + Water €m	Data + Flooring €m	Total €m
Capital investment – 2023*	173.5	55.4	51.5	20.2	13.1	**313.7**
Capital investment – 2022 *	178.8	136.8	208.7	20.9	6.2	551.4
Depreciation included in segment result – 2023	(95.1)	(45.7)	(14.5)	(27.9)	(7.7)	**(190.9)**
Depreciation included in segment result – 2022	(85.1)	(41.7)	(4.7)	(27.0)	(6.6)	(165.1)
Non-cash items included in segment result – 2023	(12.7)	(4.4)	(0.6)	(3.3)	(1.7)	**(22.7)**
Non-cash items included in segment result – 2022	(10.0)	(4.1)	(0.1)	(2.7)	(1.5)	(18.4)

* Capital investment also includes fair value of property, plant and equipment and intangible assets acquired in business combinations.

2 Segment Reporting (continued)

Analysis of segmental data by geography

	Western & Southern Europe €m	Central & Northern Europe €m	Americas €m	Rest of World €m	Total €m
Income Statement Items					
Revenue – 2023	3,650.6	2,021.1	1,877.9	541.0	**8,090.6**
Revenue – 2022	3,850.2	2,133.3	1,823.7	533.7	8,340.9
Statement of Financial Position Items					
Non-current assets – 2023 *	2,409.3	1,269.0	805.4	281.1	**4,764.8**
Non-current assets – 2022 *	2,248.0	1,121.9	784.4	273.1	4,427.4
Other segmental information					
Capital investment – 2023	112.7	119.2	47.3	34.5	**313.7**
Capital investment – 2022	318.3	167.9	45.2	20.0	551.4

* Total non-current assets excluding deferred tax assets.

The Group is trading in over 80 countries worldwide. Foreign regions of operation are as set out above and specific countries of operation are highlighted separately below on the basis of materiality where revenue exceeds 15% of total Group revenues.

Revenues, non-current assets and capital investment (as defined in IFRS 8 *Operating Segments*) attributable to France were €1,259.5m (2022: €1,238.1m), €757.7m (2022: €734.1m) and €20.4m (2022: €161.1m) respectively.

Revenues, non-current assets and capital investment (as defined in IFRS 8 *Operating Segments*) attributable to the country of domicile (Ireland) were €234.3m (2022: €256.5m), €230.5m (2022: €168.0m) and €16.1m (2022: €15.5m) respectively.

The country of domicile (Ireland) is included in Western & Southern Europe. Western & Southern Europe also includes France, Benelux, Spain, and Britain while Central & Northern Europe includes Germany, the Nordics, Poland, Hungary, Romania, Czech Republic, the Baltics and other South Central European countries. Americas comprises the US, Canada, Central Americas and South America. Rest of World is predominantly Australasia and the Middle East.

There are no material dependencies or concentrations on individual customers which would warrant disclosure under IFRS 8 *Operating Segments*. The individual entities within the Group each have a large number of customers spread across various activities, end-uses and geographies.

3 Non Trading Item

	2023 €m	2022 €m
Loss on disposal of subsidiary	**-**	16.5

During the prior year the Group's Russian operations were divested in full which resulted in a loss on disposal of €16.5m.

4 Employees

a) Employee numbers

The average number of persons employed by the Group in the financial year was:

	2023 Number	2022 Number
Production	**13,437**	12,491
Sales and distribution	**5,032**	4,598
Management and administration	**3,915**	3,501
	22,384	20,590

b) Employee costs, including executive directors

	2023 €m	2022 €m
Wages and salaries	**1,126.1**	1,025.2
Social welfare costs	**144.2**	128.3
Pension costs - defined contribution (Note 32)	**37.8**	32.3
Share based payments and awards	**22.7**	18.4
	1,330.8	1,204.2
Actuarial losses recognised in other comprehensive income	**5.0**	20.3
	1,335.8	1,224.5

c) Employee share based compensation

The Group currently operates a number of equity settled share based payment schemes; two Performance Share Plans (PSP) and a Deferred Bonus Plan, which was introduced in 2015. The details of these schemes are provided in the Report of the Remuneration Committee.

Performance Share Plan (PSP)

	Number of PSP Options 2023	2022
Outstanding at 1 January	**1,714,879**	1,713,261
Granted	**505,989**	347,121
Forfeited	**(269,903)**	(60,747)
Lapsed	**-**	-
Exercised	**(315,872)**	(284,756)
Outstanding at 31 December	**1,635,093**	1,714,879
Of which, exercisable	**468,760**	554,517

The Group recognised a PSP expense of €22.7m (2022: €18.4m) in the Consolidated Income Statement during the year. All PSP options are exercisable at €0.13 per share. For PSP options that were exercised during the year the average share price at the date of exercise was €66.66 (2022: €71.33). The weighted average contractual life of share options outstanding at 31 December 2023 is 4.4 years (2022: 4.2 years). The weighted average exercise price during the period was €0.13 (2022: €0.13).

4 Employees (continued)

The fair values of options granted under the PSP scheme during the current and prior year were determined using the Black Scholes Model or the Monte Carlo Pricing Model as appropriate. The key assumptions used in the model were as follows:

	2023 Awards	2022 Awards
	20 February 2023	22 February 2022
Share price at grant date	**€63.58**	€88.60
Exercise price per share	**€0.13**	€0.13
Expected volatility	**43.8%**	36.7%
Expected dividend yield	**1.25%**	1.25%
Risk-free rate	**2.6%**	(0.2%)
Expected life	**3 years**	3 years

The resulting weighted average fair value of options granted in the year was €47.95 (2022: €61.55).

As set out in the Report of the Remuneration Committee, the number of options that will ultimately vest is contingent on market conditions such as Total Shareholder Return and non-market conditions such as the Earnings Per Share of the Group and achievement of its Planet Passionate targets. Market conditions were taken into account in determining the above fair value, and non-market conditions were considered when estimating the number of shares that will eventually vest. Expected volatility was determined by calculating the historical volatility of the Group and peer company share prices over the previous 3 years. The Report of the Remuneration Committee sets out the current companies within the peer group.

Deferred Bonus Plan

As set out in the Report of the Remuneration Committee, the Deferred Bonus Plan (DBP) is intended to reward incremental performance over and above the growth targeted by the annual performance related bonus. Any DBP bonus earned for such incremental performance is satisfied by the payment of deferred share awards. These shares are held for the benefit of the individual participants for two years without any additional performance conditions. These shares vest after two years but are forfeited if the participant leaves the Group within that period.

During the year, 13,547 (2022: 21,438) awards were granted under the DBP and nil (2022: 2,272) awards were exercised. 34,985 awards remain outstanding at 31 December 2023 (2022: 21,438). A charge of €1.6m was recognised in the Consolidated Income Statement for 2023 (2022: €0.9m).

5 Finance Expense and Finance Income

	2023 €m	2022 €m
Finance expense		
Lease interest	**6.0**	4.7
Bank loan interest	**24.9**	10.1
Private placement loan note interest	**31.6**	24.5
Other interest	**1.2**	0.1
	63.7	39.4
Finance income		
Interest earned	**(19.2)**	(1.7)
Equity investments at FVOCI – dividend income	**(3.5)**	-
	(22.7)	(1.7)
Net finance expense	**41.0**	37.7

€0.8m of borrowing costs were capitalised during the period (2022: €0.7m). No costs were reclassified from other comprehensive income to profit during the year (2022: €nil).

6 Profit For The Year Before Income Tax

	2023 €m	2022 €m
The profit before tax for the year is stated after charging/(crediting):		
Distribution expenses	**327.2**	339.5
Product development costs (total, including payroll)	**63.5**	60.3
Depreciation	**190.9**	165.1
Amortisation of intangible assets	**41.7**	32.4
Impairment of property, plant and equipment	**2.9**	-
Foreign exchange net (gains)/losses	**(1.6)**	13.0
Profit on sale of property, plant and equipment	**(1.3)**	(0.4)

Analysis of total auditor's remuneration

	EY Ireland 2023 €m	Other EY Offices 2023 €m	Total 2023 €m	EY Ireland 2022 €m	Other EY Offices 2022 €m	Total 2022 €m
Audit of Group	**1.5**	**-**	**1.5**	1.4	-	1.4
Audit of other subsidiaries	**-**	**3.3**	**3.3**	-	2.7	2.7
Tax compliance and advisory services	**0.3**	**-**	**0.3**	-	0.1	0.1
	1.8	**3.3**	**5.1**	1.4	2.8	4.2

Included in Audit of Group are total fees of €0.4m which are due to EY in respect of the audit of the Parent Company (2022: €0.4m).

7 Directors' Remuneration

	2023 €m	2022 €m
Fees	**0.9**	0.9
Other emoluments	**6.8**	6.3
Pension costs	**0.4**	0.5
	8.1	7.7
Performance Share Plan accounting charge	**4.1**	3.5
	12.2	11.2

In accordance with the Statement of Accounting Policies (Share-Based Payment Transactions) and Note 4, the Performance Share Plan accounting charge of €4.1m (2022: €3.5m) is the fair value expense, accounted for in accordance with IFRS 2 *Share Based Payments*, of equity settled share-based payments attributable to directors for the period. The fair value of each equity settled share-based payment is determined at grant date and is recognised as an employee expense in the Consolidated Income Statement on a straight-line basis over the vesting period.

Pursuant to the Companies Act 2014 and related guidance, the Report of the Remuneration Committee only reports share-based payments which vested in the period, and they are measured at market value rather than fair value. This explains differences between the total Directors' Remuneration expense of €12.2m (2022: €11.2m) in this Note and the total Directors' Remuneration expense of €12.5m (2022: €9.7m) in the Report of the Remuneration Committee.

Aggregate gains of €3.8m (2022: €4.9m) were realised with respect to share options exercised by directors during the financial year. Details of the number of share options exercised by each director, the market value of the shares on the date of exercise, and the exercise price are included in the Performance Share Plan section of the Report of the Remuneration Committee.

A detailed analysis of Directors' Remuneration is contained in the Report of the Remuneration Committee.

8 Income Tax Expense

	2023 €m	2022 €m
Tax recognised in the Consolidated Income Statement		
Current taxation:		
Current tax expense	**160.2**	148.9
Adjustment in respect of prior years	**(6.9)**	1.0
	153.3	149.9
Deferred taxation:		
Origination and reversal of temporary differences	**(12.1)**	(18.7)
Effect of rate change	**(0.9)**	(0.6)
	(13.0)	(19.3)
Income tax expense	**140.3**	130.6

The following table is the numerical reconciliation between tax expenses and the product of accounting profit multiplied by the applicable tax rate:

	2023 €m	2022 €m
Profit for the year	**794.2**	746.6
Applicable notional tax charge (12.5%)	**99.3**	93.3
Expenses not deductible for tax purposes	**16.2**	21.5
Net effect of differing tax rates	**45.6**	33.7
Utilisation of unprovided deferred tax assets	**(3.6)**	(1.6)
Other items	**(17.2)**	(16.3)
Total income tax expense	**140.3**	130.6

The total tax charge in future periods will be affected by any changes to the corporation tax rates in force in the countries in which the Group operates. Changes in the geographical mix of future earnings will also impact the total tax charge.

The Group will be subject to the Global Anti-Base Erosion Model Rules, also referred to as the Pillar Two model rules, with effect from 1 January 2024 in most of the countries in which it operates. The objective of these complex rules is to achieve minimum effective tax rates of 15% globally. The Group is currently assessing the impact of these new rules, but as the Group already has a Pillar Two effective tax rate of greater than 15% in most of the countries in which it operates, the Group does not expect these rules to have a material impact on the Group's total tax charge in future periods.

The methodology used to determine the recognition and measurement of uncertain tax positions is set out in Note 1 'Statement of Accounting Policies'.

The total value of deductible temporary differences which have not been recognised is €33.4m (2022: €31.8m) consisting mainly of tax losses forward. €0.1m (2022: €0.1m) of the losses expire within 5 years while all other losses may be carried forward indefinitely.

No provision has been made for tax in respect of temporary differences arising from unremitted earnings of foreign operations as there is no commitment to remit such earnings and no current plans to do so. Deferred tax liabilities of €25.0m (2022: €19.6m) have not been recognised for withholding tax that would be payable on unremitted earnings of €500.1m (2022: €391.3m) in certain subsidiaries.

9 Earnings Per Share

	2023 €m	2022 €m
The calculations of earnings per share are based on the following:		
Profit attributable to ordinary shareholders	**640.3**	598.0
	Number of shares ('000) 2023	Number of shares ('000) 2022
Weighted average number of ordinary shares for the calculation of basic earnings per share	**181,773**	181,487
Dilutive effect of share options	**1,371**	1,451
Weighted average number of ordinary shares for the calculation of diluted earnings per share	**183,144**	182,938
	2023 € cent	2022 € cent
Basic earnings per share	**352.3**	329.5
Diluted earnings per share	**349.6**	326.9

Dilution is attributable to the weighted average number of share options outstanding at the end of the reporting period.

The number of options which are anti-dilutive and have therefore not been included in the above calculations is nil (2022: nil).

10 Goodwill

	2023 €m	2022 €m
At 1 January	**2,495.5**	1,908.6
Additions relating to acquisitions (Note 23)	**168.2**	578.7
Net exchange movement	**(3.1)**	8.2
Carrying amount 31 December	**2,660.6**	2,495.5
At 31 December		
Cost	**2,728.3**	2,563.2
Accumulated impairment losses	**(67.7)**	(67.7)
Carrying amount	**2,660.6**	2,495.5

Cash generating units

Goodwill acquired through business combinations is allocated, at acquisition, to CGUs that are expected to benefit from synergies in that combination. The CGUs are the lowest level within the Group at which the associated goodwill is monitored for internal management reporting purposes and are not larger than the operating segments determined in accordance with IFRS 8 *Operating Segments*.

A total of 12 (2022: 12) CGUs have been identified and these are analysed between the five business segments in the Group as set out below. Assets and liabilities have been assigned to the CGUs on a reasonable and consistent basis.

10 Goodwill (continued)

	Cash-generating units		Goodwill (€m)	
	2023	2022	2023	2022
Insulated Panels	**6**	6	**1,041.9**	996.6
Insulation	**1**	1	**633.3**	620.5
Light, Air + Water	**2**	2	**399.8**	404.2
Data + Flooring	**2**	2	**119.2**	92.3
Roofing + Waterproofing	**1**	1	**466.4**	381.9
Total	**12**	12	**2,660.6**	2,495.5

Significant goodwill amounts

Management has assessed that, in line with IAS 36 *Impairment of Assets*, there are five CGUs that are individually significant (greater than 10% of total goodwill) that require additional disclosure and are as follows:

	Panels Western Europe		Panels Joris Ide		Insulation		Light + Air		Roofing + Waterproofing	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Goodwill (€m)	**322.1**	340.2	**364.3**	342.0	**633.3**	620.5	**293.2**	296.9	**466.4**	381.9
Discount rate (%)	**10.1**	9.6	**10.1**	9.9	**10.2**	9.9	**9.7**	9.2	**10.1**	10.2
Excess of value-in-use over carrying amount (€m)	**1,773.4**	2,057.9	**1,120.0**	1,322.2	**1,419.5**	1,127.3	**530.1**	697.2	**327.5**	192.4

The goodwill allocated to these 5 CGUs (2022: 5 CGUs) accounts for 78% (2022: 79%) of the total carrying amount of €2,660.6m (2022: €2,495.5m). The remaining goodwill balance of €581.3m (2022: €514.0m) is allocated across the other 7 CGUs (2022: 7 CGUs), none of which are individually significant. Similar assumptions and techniques are applied on the impairment testing of these CGUs.

None of the individually significant CGUs are included in the "Sensitivity analysis" section as it is not considered reasonably possible that there would be a change in the key assumptions such that the carrying amount would exceed value-in-use. Consequently, no further disclosures have been provided for these CGUs.

Impairment testing

Goodwill acquired through business combinations has been allocated to the above CGUs for the purpose of impairment testing. Impairment of goodwill occurs when the carrying value of the CGU is greater than the present value of the cash that it is expected to generate (i.e. the recoverable amount). The Group reviews the carrying value of each CGU at least annually or more frequently if there is an indication that a CGU may be impaired.

The recoverable amount of each CGU is determined from value-in-use calculations. The forecasts used in these calculations are based on a 4 year financial plan approved by the Board of Directors, plus year 5 as forecasted by management, and specifically excludes any future acquisition activity. The forecasts used for the Roofing + Waterproofing CGU are based on a 4 year financial plan approved by the Board of Directors, plus years 5-10 as forecasted by management, and specifically excludes any future acquisition activity. This is a new CGU which was formed in late 2022, therefore a longer forecast period is required in order to reach a year for which a long-term growth rate can be applied which is more akin to the existing CGUs in order to calculate the terminal value. The forecasts for the others include assumptions regarding future organic growth with cash flows after year 5 assuming to continue in perpetuity at a general growth rate of 2% to 5% (Panels LATAM 5%), reflecting the relevant CGU market growth. The use of cash flows in perpetuity is considered appropriate in light of the Group's established history of earnings growth and cash flow generation, its strong financial position and the nature of the industry in which the Group operates.

The value in use calculation represents the present value of the future cash flows, including the terminal value, discounted at a rate appropriate to each CGU. The real pre-tax discount rates used range from 9.7% to 16.7% (2022: 9.2% to 18.4%). These rates are based on the Group's estimated weighted average cost of capital, adjusted for risk, and are consistent with external sources of information.

10 Goodwill (continued)

The cash flows and the key assumptions used in the value in use calculations are determined based on the historical performance of the Group, its strong current financial position as well as management's knowledge and expectation of future trends in the industry. Expected future cash flows are, however, inherently uncertain and are therefore liable to material change over time. The key assumptions used in the value in use calculations are subjective and include projected EBITDA margins, net cash flows, discount rates used and the duration of the discounted cash flow model. Net cashflows incorporate the estimated capital expenditure required to meet the Group's Planet Passionate targets.

Sensitivity analysis

Sensitivity analysis was performed by reducing cash flows by 25%, increasing the discount rate by 20%, reducing the average operating margin of each division by 20% and by reducing the long-term growth rate to 0%. Each test resulted in a positive recoverable amount for each CGU under each approach. Management believes, therefore, that any reasonable change in any of the key assumptions would not cause the carrying value of goodwill to exceed the recoverable amount, thereby giving rise to an impairment.

11 Other Intangible Assets

2023	Customer Relationships €m	Patents & Brands €m	Other Intangibles €m	Total €m
Cost				
At 1 January	126.8	199.2	74.7	400.7
Acquisitions (Note 23)	11.8	8.4	12.4	32.6
Additions	2.4	3.6	-	6.0
Net exchange difference	(0.5)	(0.2)	(0.5)	(1.2)
At 31 December	**140.5**	**211.0**	**86.6**	**438.1**
Accumulated amortisation				
At 1 January	50.7	109.1	49.1	208.9
Charge for the year	17.7	15.2	8.8	41.7
Net exchange difference	(0.5)	-	(0.4)	(0.9)
At 31 December	**67.9**	**124.3**	**57.5**	**249.7**
Net Book Value as at 31 December 2023	**72.6**	**86.7**	**29.1**	**188.4**

2022	Customer Relationships €m	Patents & Brands €m	Other Intangibles €m	Total €m
Cost				
At 1 January	50.4	157.7	60.1	268.2
Acquisitions (Note 23)	75.9	40.7	13.6	130.2
Net exchange difference	0.5	0.8	1.0	2.3
At 31 December	126.8	199.2	74.7	400.7
Accumulated amortisation				
At 1 January	40.8	92.7	41.5	175.0
Charge for the year	9.5	15.9	7.0	32.4
Net exchange difference	0.4	0.5	0.6	1.5
At 31 December	50.7	109.1	49.1	208.9
Net Book Value as at 31 December 2022	76.1	90.1	25.6	191.8

Other intangibles relate primarily to technological know how and order backlogs.

12 Property, Plant and Equipment

	Land and buildings €m	Plant, machinery and other equipment €m	Motor vehicles €m	Total €m
As at 31 December 2023				
Cost	1,024.6	2,113.2	71.0	3,208.8
Accumulated depreciation and impairment charges	(334.4)	(1,264.8)	(42.4)	(1,641.6)
Net carrying amount	**690.2**	**848.4**	**28.6**	**1,567.2**
At 1 January 2023, net carrying amount	657.2	757.8	22.9	1,437.9
Acquisitions through business combinations (Note 23)	5.0	36.2	0.2	41.4
Divestment	-	-	-	-
Additions	51.2	169.5	13.0	233.7
Disposals	(0.3)	(2.0)	(0.6)	(2.9)
Reclassification	5.3	(6.5)	1.2	-
Depreciation charge for year	(22.5)	(103.9)	(8.0)	(134.4)
Impairment charge for year	(0.3)	(2.6)	-	(2.9)
Effect of movement in exchange rates	(5.4)	(0.1)	(0.1)	(5.6)
At 31 December 2023, net carrying amount	**690.2**	**848.4**	**28.6**	**1,567.2**

	Land and buildings €m	Plant, machinery and other equipment €m	Motor vehicles €m	Total €m
As at 31 December 2022				
Cost	959.7	1,920.6	62.3	2,942.6
Accumulated depreciation and impairment charges	(302.5)	(1,162.8)	(39.4)	(1,504.7)
Net carrying amount	657.2	757.8	22.9	1,437.9
At 1 January 2022, net carrying amount	551.6	585.6	18.6	1,155.8
Acquisitions through business combinations (Note 23)	85.2	58.4	1.3	144.9
Divestment	(3.0)	(2.1)	(0.2)	(5.3)
Additions	56.8	209.6	9.9	276.3
Disposals	(11.1)	(6.5)	(0.6)	(18.2)
Reclassification	(0.2)	(0.8)	1.0	-
Depreciation charge for year	(21.8)	(88.9)	(7.2)	(117.9)
Impairment charge for year	-	-	-	-
Effect of movement in exchange rates	(0.3)	2.5	0.1	2.3
At 31 December 2022, net carrying amount	657.2	757.8	22.9	1,437.9

Included in land and buildings and plant, machinery and other equipment were amounts of €15.8m and €117.1m respectively (2022: of €14.7m and €121.4m) relating to expenditure for assets in the course of construction. These assets have not yet been depreciated.

The Group has no material investment properties and hence no property assets are held at fair value.

No property, plant or equipment have been pledged as security for liabilities entered into by the Group.

13 Financial Assets

	2023 €m	2022 €m
Equity investments designated as FVOCI		
At 1 January	**93.6**	13.2
Additions	**22.2**	113.3
Fair value remeasurement	**12.5**	(32.6)
Effect of movement in exchange rates	**0.1**	(0.3)
At 31 December	**128.4**	93.6

In August 2022, the Group acquired a strategic minority interest of 24.1% in Nordic Waterproofing Holding AB. Nordic Waterproofing Holding AB is a publicly listed company on the Nasdaq Stockholm and is a market leader in waterproofing products and services for the protection of buildings and infrastructure. An additional 6.8% was acquired in September 2023. The Group does not have significant influence in this entity and therefore it is accounted for as an equity investment.

Investments in Subsidiaries

	2023 €m	2022 €m
Company		
At 1 January	**1,238.5**	1,226.7
Additions	**865.7**	-
Share options and awards	**14.2**	11.8
At 31 December	**2,118.4**	1,238.5

The share options and awards addition reflect the cost of share based payments attributable to employees of subsidiary undertakings, which are treated as capital contributions by the Company. The carrying value of investments is reviewed at each reporting date and there were no indicators of impairment.

The Company increased its investment in Kingspan Holdings Limited during the year.

14 Inventories

	2023 €m	2022 €m
Raw materials and consumables	**732.4**	920.4
Work in progress	**40.1**	49.2
Finished goods	**359.5**	400.2
Inventory impairment allowance	**(167.7)**	(134.0)
At 31 December	**964.3**	1,235.8

A total of €4.7bn (2022: €5.1bn) of inventories was included in the Consolidated Income Statement as an expense. This includes a net income statement charge of €18.6m (2022: €26.3m) arising on the inventory impairment allowance. Inventory impairment allowance levels are continuously reviewed by management and revised where appropriate, taking account of the latest available information on the recoverability of carrying amounts.

No inventories have been pledged as security for liabilities entered into by the Group.

15 Trade And Other Receivables

	2023 €m	2022 €m
Amounts falling due within one year:		
Trade receivables, gross	**1,163.2**	1,262.3
Expected credit loss allowance	**(111.4)**	(125.5)
Trade receivables, net	**1,051.8**	1,136.8
Other receivables	**133.6**	129.9
Prepayments	**68.8**	61.7
	1,254.2	1,328.4

The maximum exposure to credit risk for trade and other receivables at the reporting date is their carrying amount.

The Group uses an allowance matrix to measure Expected Credit Loss (ECL) of trade receivables from customers. The simplified approach has been adopted and this gives rise to an ECL of €111.4m in 2023 (2022: €125.5m). This is presented in more detail in Note 20.

Company

	2023 €m	2022 €m
Amounts falling due within one year:		
Amounts owed by group undertakings	**165.9**	300.1
	165.9	300.1

The amounts due from group undertakings are unsecured, interest free and are repayable on demand.

16 Trade And Other Payables

	2023 €m	2022 €m
Current		
Trade payables	**610.9**	661.7
Accruals	**524.7**	526.1
Deferred income and customer prepayments	**140.1**	117.2
Income tax & social welfare	**51.1**	48.4
Value added tax	**19.3**	15.3
	1,346.1	1,368.7

Deferred income primarily relates to service and maintenance and projected related revenue and is primarily short-term.

The directors consider that the carrying amount of trade and other payables approximates to their fair value.

16 Trade And Other Payables (continued)

Company

	2023 €m	2022 €m
Current		
Amounts owed to group undertakings	**0.1**	195.5
Payables	**0.2**	0.2
	0.3	195.7

The amounts due to group undertakings are unsecured, interest free and are repayable on demand.

17 Leases

Right of use asset

	Land and buildings €m	Plant, machinery and other equipment €m	Motor vehicles €m	Total 2023 €m
At 1 January 2023	**154.3**	**21.7**	**29.3**	**205.3**
Additions	**17.9**	**7.3**	**26.4**	**51.6**
Arising on acquisitions (Note 23)	**(6.8)**	**1.5**	**0.2**	**(5.1)**
Remeasurement	**33.3**	**0.5**	**0.3**	**34.1**
Terminations	**(7.5)**	**(0.1)**	**(0.5)**	**(8.1)**
Depreciation charge for the year	**(30.6)**	**(7.6)**	**(18.3)**	**(56.5)**
Reclassification	**(0.1)**	**-**	**0.1**	**-**
Effect of movement in exchange rates	**(1.9)**	**(0.4)**	**0.2**	**(2.1)**
At 31 December 2023	**158.6**	**22.9**	**37.7**	**219.2**

	Land and buildings €m	Plant, machinery and other equipment €m	Motor vehicles €m	Total 2022 €m
At 1 January 2022	119.0	14.7	21.8	155.5
Additions	21.6	3.8	15.9	41.3
Arising on acquisitions (Note 23)	22.2	8.0	6.0	36.2
Remeasurement	18.9	(0.1)	0.8	19.6
Terminations	(1.1)	(0.1)	(0.5)	(1.7)
Depreciation charge for the year	(28.1)	(4.6)	(14.5)	(47.2)
Reclassification	-	-	-	-
Effect of movement in exchange rates	1.8	-	(0.2)	1.6
At 31 December 2022	154.3	21.7	29.3	205.3

17 Leases (continued)

Lease liability

	2023 €m	2022 €m
At 1 January	**196.8**	158.0
Additions	**47.9**	39.7
Arising on acquisitions (Note 23)	**5.5**	25.3
Remeasurement	**34.4**	19.6
Terminations	**(8.2)**	(1.7)
Payments	**(60.5)**	(50.6)
Interest	**6.0**	4.7
Effect of movement in exchange rates	**(2.1)**	1.8
At 31 December	**219.8**	196.8
Split as follows:		
Current liability	**48.0**	43.2
Non-current liability	**171.8**	153.6
At 31 December	**219.8**	196.8

Expenses of €13.3m (2022: €9.6m) relating to short-term leases, leases of low-value assets and variable lease payments were recognised in the Consolidated Income Statement.

18 Interest Bearing Loans And Borrowings

	2023 €m	2022 €m
Current financial liabilities		
Private placements	**193.0**	42.5
Bank loans (unsecured)	**5.3**	40.2
Lease obligations per banking covenants	**2.3**	2.3
	200.6	85.0

	2023 €m	2022 €m
Non-current financial liabilities		
Private placements	**1,398.9**	1,279.5
Bank loans (unsecured)	**310.2**	814.6
Lease obligations per banking covenants	**8.5**	9.8
	1,717.6	2,103.9

Analysis of Net debt

	2023 €m	2022 €m
Cash and cash equivalents	**938.7**	649.3
Current borrowings	**(200.6)**	(85.0)
Non-current borrowings	**(1,717.6)**	(2,103.9)
Total Net debt	**(979.5)**	(1,539.6)

18 Interest Bearing Loans And Borrowings (continued)

The Group's core funding is provided by seven (2022: six) private placement loan notes; one (2022: one) USD private placement totalling $200m (2022: $200m) maturing in December 2028 and six (2022: five) EUR private placements totalling €1.4bn (2022: €1.1bn) which mature in tranches between January 2024 and December 2032. The notes have a weighted average maturity of 5.0 years (2022: 5.7 years).

In June 2023, the Group issued a new private placement note of €319m with a 6 year maturity.

The primary bank debt facility is a €800m revolving credit facility, which was undrawn at year end, and which matures in May 2026.

During the year, the Group repaid part (€500m) of a 2022 acquisition related financing facility, with the remainder of the facility fully drawn.

Included in cash at bank and in hand are overdrawn positions of €1,789.1m (31 December 2022: €1,456.8m). These balances form part of a notional cash pool arrangement and are netted against cash balances of €1,805.9m (31 December 2022: €1,480.2m). The net cash pool balance of €16.8m (31 December 2022: €23.4m) is included in the cash and cash equivalents balance above. There is a legal right of offset between these balances and the balances are physically settled on a regular basis.

More details of the Group's loans and borrowings are set out in Note 20.

Net debt, which is an Alternative Performance Measure, is stated net of interest rate and currency hedges which relate to hedges of debt. Foreign currency derivative assets of €nil (2022: €0.4m) and foreign currency derivative liabilities of €0.2m (2022: €nil) which are used for transactional hedging are not included in the definition of net debt. Lease liabilities recognised due to the implementation of IFRS 16 and deferred contingent consideration have also been excluded from the calculation of net debt which is consistent with the terms and conditions of the covenants as set out in the Group's external borrowing arrangements.

19 Deferred Contingent Consideration

	2023 €m	2022 €m
At 1 January	**187.1**	202.3
Deferred contingent consideration arising on acquisitions (Note 23)	**7.3**	-
Movement in deferred contingent consideration arising from fair value adjustment	**0.3**	-
Put liability arising on acquisitions	**22.9**	-
Movement in put liability arising from fair value adjustment	**10.2**	16.0
Amounts paid	**(6.6)**	(45.4)
Effect of movement in exchange rates	**7.9**	14.2
At 31 December	**229.1**	187.1
Split as follows:		
Current liabilities	**190.2**	174.9
Non-current liabilities	**38.9**	12.2
	229.1	187.1
Analysed as follows:		
Deferred contingent consideration	**16.2**	15.7
Put liability	**212.9**	171.4
	229.1	187.1

The deferred contingent consideration arising on acquisitions relates to the acquisition of MontFrio. The put liability arising on acquisitions relates principally to the acquisition of Q-nis and HempFlax Building Solutions.

19 Deferred Contingent Consideration (continued)

For each acquisition for which deferred contingent consideration has been provided, an annual review takes place to evaluate if the payment conditions are likely to be met. For the purposes of the fair value assessments all of the put option liabilities are valued using the option price formula in the shareholders agreement and the most recent financial projections. These are classified as unobservable inputs. The significant unobservable inputs used in the fair value measurements and the quantitative sensitivity analysis are shown in the table below:

Type	Valuation technique	Significant unobservable inputs	Sensitivity of the input to the fair value
Deferred contingent consideration	*Discounted cashflow method* The net present value of the expected payment is calculated by using a risk adjusted discount rate where material. Discounting has not been applied in the current period as it is not deemed to be material. The expected payments are valued using the earn out formula in the shareholders agreement and the most recent financial projections.	• EBITDA multiples of between 2.7 and 5.75.	• A 5% increase in the assumed profitability of the acquired entities would result in an increase in the fair value of the deferred contingent consideration of €0.4m.
Put option liabilities	*Discounted cashflow method* The net present value of the expected payment is calculated by using a risk adjusted discount rate. The expected payments are valued using the option price formula in the shareholders agreement and the most recent financial projections.	• Risk adjusted discount rates of between 4.7% and 12.9%. • EBITDA multiples of between 6.5 and 8.57.	• A 10% decrease in the risk adjusted discount rate would result in an increase in the fair value of the put option liabilities of €1.4m. • A 5% increase in the assumed profitability of the acquirees would result in an increase in the fair value of the put option liabilities of €10.0m.

The amount of the deferred contingent consideration and put liability that have been recognised are arrived at by the application of a range of outcomes and associated probabilities in order to determine the carrying amounts.

Liabilities in the range of €nil (2022: €nil) to €16.2m (2022: €15.7m) could arise with respect to potential deferred contingent consideration obligations and €nil (2022: €nil) to €212.9m (2022: €171.4m) with respect to potential put option obligations.

The put option in the shareholders' agreement with non-controlling shareholders of Isoeste has been exercisable since 2023. The undiscounted expected cash outflow is estimated to be €167.8m (2022: €157.2m).

The put option in the shareholders' agreement with non-controlling shareholders of PanelMET has been exercisable since 2022. The undiscounted expected cash outflow is estimated to be €14.8m (2022: €6.4m).

The put option in the shareholders' agreement with non-controlling shareholders of Kingspan Jindal has been exercisable since 2022. The undiscounted expected cash outflow is estimated to be €16.6m (2022: €10.1m).

The put option in the shareholders' agreement with non-controlling shareholders of Q-nis can be exercised in 2029. The undiscounted expected cash outflow is estimated to be €24.2m (2022: N/A).

In relation to the put options listed above, call options also rest over the remaining shareholding held by non-controlling interests, which are exercisable by the Group in a very limited range of circumstances. No value has been attributed to these call options.

20 Financial Risk Management And Financial Instruments

Financial Risk Management

In the normal course of business, the Group and Company have exposure to a variety of financial risks, including foreign currency risk, interest rate risk, liquidity risk and credit risk. The Group's and Company's focus is to understand these risks and to put in place policies that minimise the economic impact of an adverse event on the Group's performance. Meetings are held on a regular basis to review the result of the risk assessment, approve recommended risk management strategies and monitor the effectiveness of such policies.

The Group's and Company's risk management strategies include the usage of derivatives (other than for speculative transactions), principally forward exchange contracts, interest rate swaps, and cross currency interest rate swaps.

Liquidity risk

In addition to the high level of free cash flow, the Group operates a prudent approach to liquidity management using a mixture of long-term debt together with short-term debt, cash and cash equivalents, to enable it to meet its liabilities when due.

The Group's core funding is provided by a number of private placement loan notes totalling €1,591.9m (2022: €1,322.0m). The notes have a weighted average maturity of 5 years (2022: 5.7 years).

In June 2023, the Group issued a new private placement note of €319m with a 6 year maturity.

The primary bank debt facility is a €800m revolving credit facility, which was undrawn at year end, and which matures in May 2026.

During the period, the Group repaid part (€500m) of a 2022 acquisition related financing facility, with the remainder of the facility fully drawn.

Both the private placements and the banking facilities (revolving credit facility and one additional banking facility) have an interest cover test (EBITDA: Net interest must not be less than 4 times) and a net debt test (Net debt: EBITDA must not exceed 3.5 times). These covenant tests have been met for the covenant test period to 31 December 2023.

The Group also has in place a number of uncommitted bilateral facilities including working capital facilities totalling €212.8m (2022: €64.0m) and are supported by a Group guarantee. Core funding arrangements arise from a wide and varied number of institutions and, as such, there is no significant concentration of liquidity risk.

20 Financial Risk Management And Financial Instruments (continued)

The following are the carrying amounts and contractual maturities of financial liabilities (including estimated interest payments):

As at 31 December 2023	Carrying amount 2023 €m	Contractual cash flow €m	Within 1 year €m	Between 1 and 2 years €m	Between 2 and 5 years €m	Greater than 5 years €m
Non derivative financial instruments						
Bank loans	315.5	333.6	19.4	308.5	4.6	1.1
Private placement loan notes	1,591.9	1,784.6	230.0	76.3	666.6	811.7
Lease obligations per banking covenants	10.8	10.8	2.3	1.9	5.8	0.8
Lease liabilities	219.8	244.0	54.7	45.9	79.2	64.2
Trade and other payables	1,206.0	1,206.0	1,206.0	-	-	-
Deferred contingent consideration	229.1	244.1	202.1	15.1	2.7	24.2
Derivative financial liabilities/(assets)						
Foreign exchange forwards used for hedging:						
Carrying value assets	-	-	-	-	-	-
Carrying value liabilities	0.2	-	-	-	-	-
- outflow	-	4.4	4.4	-	-	-
- inflow	-	(4.2)	(4.2)	-	-	-

As at 31 December 2022	Carrying amount 2022 €m	Contractual cash flow €m	Within 1 year €m	Between 1 and 2 years €m	Between 2 and 5 years €m	Greater than 5 years €m
Non derivative financial instruments						
Bank loans	854.8	892.3	61.9	517.9	310.7	1.8
Private placement loan notes	1,322.0	1,455.7	65.3	215.2	286.2	889.0
Lease obligations per banking covenants	12.1	12.1	2.3	2.1	6.2	1.5
Lease liabilities	196.8	226.6	50.8	39.8	70.7	65.3
Trade and other payables	1,251.5	1,251.5	1,251.5	-	-	-
Deferred contingent consideration	187.1	189.3	177.1	4.2	8.0	-
Derivative financial liabilities/(assets)						
Foreign exchange forwards used for hedging:						
Carrying value assets	(0.4)	-	(0.4)	-	-	-
Carrying value liabilities	-	-	-	-	-	-
- outflow	-	12.4	12.4	-	-	-
- inflow	-	(12.8)	(12.8)	-	-	-

For provisions, the carrying amount represents the Group's best estimate of the expected future outflows. As it does not represent a contractual liability at the year end, no amount has been included as a contractual cash flow.

20 Financial Risk Management And Financial Instruments (continued)

Deferred contingent consideration, which includes any put option liabilities, is valued using the relevant agreed multiple of the expected future EBITDA in each acquired business which is appropriately discounted using a risk-adjusted discount rate. The estimated fair value of deferred contingent consideration would decrease if EBITDA was lower or if the risk adjusted discount rate was higher. The range of outcomes are set out in Note 19.

The actual future cash flows could be different from the amounts included in the tables above, if the associated obligations were to become repayable on demand as a result of non-compliance with covenants or other contractual terms. No such non-compliance is envisaged.

Market Risks

Foreign exchange risk

There are two types of foreign currency risk to which the Group is exposed, namely transaction risk and translation risk. The objective of the Group's foreign currency risk management strategy is to manage and control market risk exposures within acceptable parameters. As set out below the Group uses derivatives to manage foreign exchange risk. Transactions involving derivatives are carried out in accordance with the Treasury policy. The Group seeks to apply hedge accounting, where practicable, to manage volatility in profit or loss.

Transaction risk

Apart from transaction risk on debt, this arises where operating units have input costs or sales in currencies other than their functional currencies. These exposures are internally hedged as far as possible. Group policy is to hedge up to a maximum of 75% of a forecast exposure. Material exposures are hedged on a rolling 12 months basis. The Group's principal exposure relates to GBP and USD, with less significant exposures to the Canadian dollar.

In addition, where operating entities carry monetary assets and liabilities at year end denominated other than in their functional currency, their translation at the year end rates of exchange into their functional currency will give rise to foreign currency gains and losses. The Group seeks to manage these gains and losses to net to nil.

Based on current cash flow projections for the businesses to 31 December 2024, it is estimated that the Group is long GBP24m (2022: long GBP95m) and long US$35m (2022: short US$9m). At 31 December 2023 these amounts were unhedged.

Translation risk

This exists due to the fact that the Group has operations whose functional currency is not the Euro, the Group's presentational currency. Changes in the exchange rate between the reporting currencies of these operations and the Euro, have an impact on the Group's consolidated reported result. For 2023, the impact of changing currency rates versus Euro compared to the average 2022 rates was negative €19.0m (2022: negative €24.7m). The key drivers of the change year on year are the movements in GBP and USD. In common with many other international groups, the Group does not currently seek to externally hedge its translation exposure.

Sensitivity analysis for primary currency risk

A 10% volatility of the EUR against GBP and USD in respect of transaction risk in the reporting entities functional currencies would impact reported after tax profit by €6m (2022: €10m) and equity by €6m (2022: €9m).

Interest rate risk

The Group has an exposure to movements in interest rates on its debt portfolio, and on its cash and cash equivalent balances and derivatives. The Group policy is to ensure that at least 40% of its debt is fixed rate.

In respect of interest bearing loans and borrowings, the following table indicates the effective average interest rates at the year end and the periods over which they mature. Interest on interest bearing loans and borrowings classified as floating rate is repriced at intervals of less than one year. The table further analyses interest bearing loans and borrowings by currency and fixed/floating mix.

Notes to the Financial Statements (continued)
For The Year Ended 31 December 2023

20 Financial Risk Management And Financial Instruments (continued)

As at 31 December 2023	Weighted average effective interest rate	Total €m	At fixed interest rate €m	At floating interest rate €m	Under 5 years €m	Over 5 years €m
Bank loans	4.68%	315.5	15.5	300.0	314.3	1.2
Loan notes	2.34%	1,591.9	1,591.9	-	809.4	782.5
		1,907.4	**1,607.4**	**300.0**	**1,123.7**	**783.7**

	Total €m	At fixed interest rate €m	At floating interest rate €m
Euro	1,726.5	1,426.5	300.0
USD	180.9	180.9	-
Other	-	-	-
	1,907.4	**1,607.4**	**300.0**

The weighted average maturity of debt is 4.4 years as at 31 December 2023 (2022: 4.1 years).

As at 31 December 2022	Weighted average effective interest rate	Total €m	At fixed interest rate €m	At floating interest rate €m	Under 5 years €m	Over 5 years €m
Bank loans	2.60%	854.8	54.8	800.0	853.0	1.8
Loan notes	1.76%	1,322.0	1,322.0	-	469.0	853.0
		2,176.8	**1,376.8**	**800.0**	**1,322.0**	**854.8**

	Total €m	At fixed interest rate €m	At floating interest rate €m
Euro	1,989.3	1,189.3	800.0
USD	187.5	187.5	-
Other	-	-	-
	2,176.8	**1,376.8**	**800.0**

An increase or decrease of 100 basis points in each of the applicable rates and interest rate curves would impact reported after tax profit by €2.7m (2022: €7m) and equity by €2.7m (2022: €7m) as there are floating rate borrowings in place through the banking facilities established in 2022.

Credit risk

Credit risk encompasses the risk of financial loss to the Group of counterparty default in relation to any of its financial assets. The Group's maximum exposure to credit risk is represented by the carrying value of each financial asset:

	2023 €m	2022 €m
Cash & cash equivalents	**938.7**	649.3
Trade receivables	**1,163.2**	1,262.3
Derivative financial assets	**-**	0.4

20 Financial Risk Management And Financial Instruments (continued)

Trade receivables arise from a wide and varied customer base spread across various activities, end users and geographies, and as such there is no significant concentration of credit risk. The Group's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilisation of credit limits is regularly monitored and a significant element of credit risk is covered by credit insurance or other forms of collateral such as letters of credit or bank guarantees.

At the year end, the Group was carrying a receivables book of €1,051.8m (2022: €1,136.8m) expressed net of provision for default in payment. This represents a net risk of 13% (2022: 14%) of sales. Of these net receivables, approximately 60% (2022: 60%) were covered by credit insurance or other forms of collateral such as letter of credit and bank guarantees.

At 31 December, the exposure to credit risk for trade receivables by geographic region was as follows:

	2023 €m	2022 €m
Western & Southern Europe	**608.8**	690.0
Central & Northern Europe	**204.5**	219.7
Americas	**248.7**	248.2
Rest of World	**101.2**	104.4
	1,163.2	1,262.3

At 31 December, the exposure to credit risk for trade receivables by customer type was as follows:

	2023 €m	2022 €m
Insulated Panels customers	**689.5**	755.5
Insulation customers	**204.3**	237.3
Other customers	**269.4**	269.5
	1,163.2	1,262.3

The Group uses an allowance matrix to measure Expected Credit Loss (ECL) of trade receivables from customers. The ECL simplified approach has been adopted.

Loss rates are calculated using a roll rate method based on the probability of a receivable progressing through successive chains of non-payment to write-off. The rates are calculated at a business unit level which reflects the risks associated with geographic region, age, mix of customer relationship and type of product purchased. The identifiable loss pertaining to cash positions is immaterial.

The following table provides the information about the exposure to credit risk and ECL's for trade receivables as at 31 December 2023.

	Weighted average loss rate %	Gross carrying amount €m	Loss allowance €m
Current (not past due)	1%	800.8	7.3
1-30 days past due	3%	199.0	6.2
31-60 days past due	7%	41.6	3.1
61-90 days past due	18%	21.4	3.9
More than 90 days past due	91%	100.4	90.9
		1,163.2	**111.4**

20 Financial Risk Management And Financial Instruments (continued)

The following table provides the information about the exposure to credit risk and ECL's for trade receivables as at 31 December 2022.

	Weighted average loss rate %	Gross carrying amount €m	Loss allowance €m
Current (not past due)	1%	887.3	10.1
1-30 days past due	3%	207.4	6.1
31-60 days past due	12%	50.1	5.8
61-90 days past due	30%	19.3	5.7
More than 90 days past due	100%	98.2	97.8
		1,262.3	125.5

Loss rates are based on actual credit loss experience over an appropriate diverse sample of trading periods. Trade receivables are written off when there is no reasonable expectation of recovery.

Movements in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2023 €m	2022 €m
Balance at 1 January	**125.5**	87.4
Arising on acquisition	**3.2**	5.1
Written off during the year	**(13.5)**	(7.4)
Net remeasurement of loss allowance	**(3.4)**	40.3
Effect of movement in exchange rates	**(0.4)**	0.1
At 31 December	**111.4**	125.5

There are no material trade receivables written off during 2023 (2022: €nil) which are still subject to enforcement activity.

The decrease in the expected credit loss allowance during 2023 reflects the reduction in the gross carrying amount of trade receivables.

Cash & cash equivalents

On the Group's cash and cash equivalents and derivatives, counterparty risk is managed by dealing with banks that have a minimum credit rating and by spreading business across a portfolio of 10 relationship banks (2022: 10).

20 Financial Risk Management And Financial Instruments (continued)

Financial instruments by category

The carrying amount of financial assets presented in the Consolidated Statement of Financial Position relate to the following measurement categories as defined in IFRS 9:

	Financial asset at fair value through OCI €m	Assets at amortised cost €m	Derivatives designated as hedging instrument €m	Total €m
2023				
Current:				
Trade receivables, net	-	1,051.8	-	1,051.8
Other receivables	-	133.6	-	133.6
Cash and cash equivalents	-	938.7	-	938.7
Derivative financial instruments	-	-	-	-
	-	**2,124.1**	**-**	**2,124.1**
Non-current:				
Financial asset	128.4	-	-	128.4
	128.4	**-**	**-**	**128.4**
2022				
Current:				
Trade receivables, net	-	1,136.8	-	1,136.8
Other receivables	-	129.9	-	129.9
Cash and cash equivalents	-	649.3	-	649.3
Derivative financial instruments	-	-	0.4	0.4
	-	1,916.0	0.4	1,916.4
Non-current:				
Financial asset	93.6	-	-	93.6
	93.6	-	-	93.6

It is considered that the carrying amounts of the above financial assets approximate their fair values.

20 Financial Risk Management And Financial Instruments (continued)

The carrying amounts of financial liabilities presented in the Consolidated Statement of Financial Position relate to the following measurement categories as defined in IFRS 9:

	Financial liabilities at fair value through profit or loss €m	Financial liabilities measured at amortised cost €m	Financial liabilities at fair value though OCI €m	Derivatives designated as hedging instrument €m	Total €m
2023					
Current:					
Borrowings	-	200.6	-	-	200.6
Lease liabilities	-	48.0	-	-	48.0
Trade payables	-	610.9	-	-	610.9
Derivative financial instruments	-	-	-	0.2	0.2
Accruals	-	524.7	-	-	524.7
Deferred contingent consideration	-	-	190.2	-	190.2
	-	**1,384.2**	**190.2**	**0.2**	**1,574.6**
Non-current:					
Borrowings	-	1,717.6	-	-	1,717.6
Lease liabilities	-	171.8	-	-	171.8
Deferred contingent consideration	16.2	-	22.7	-	38.9
	16.2	**1,889.4**	**22.7**	**-**	**1,928.3**
2022					
Current:					
Borrowings	-	85.0	-	-	85.0
Lease liabilities	-	43.2	-	-	43.2
Trade payables	-	661.7	-	-	661.7
Accruals	-	526.1	-	-	526.1
Deferred contingent consideration	3.5	-	171.4	-	174.9
	3.5	1,316.0	171.4	-	1,490.9
Non-current:					
Borrowings	-	2,103.9	-	-	2,103.9
Lease liabilities	-	153.6	-	-	153.6
Deferred contingent consideration	12.2	-	-	-	12.2
	12.2	2,257.5	-	-	2,269.7

Fair value hierarchy

Financial assets and liabilities recognised at fair value are analysed between those based on quoted prices in active markets for identical assets or liabilities (Level 1), those involving inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly (Level 2); and those involving inputs for the assets or liabilities that are not based on observable market data (Level 3) as set out in Note 19.

Normally, the derivatives entered into by the Group are not traded in active markets. The fair values of these contracts are estimated using a valuation technique that maximises the use of observable market inputs, e.g. market exchange and interest rates (Level 2). All derivatives entered into by the Group are included in Level 2 and consist of foreign currency forward contracts, interest rate swaps and cross currency interest rate swaps.

20 Financial Risk Management And Financial Instruments (continued)

	As at 31 December 2023			As at 31 December 2022		
	Level 1 €m	Level 2 €m	Level 3 €m	Level 1 €m	Level 2 €m	Level 3 €m
Financial Assets						
Equity investments	**110.8**	**17.6**	**-**	76.0	17.6	-
Foreign exchange contracts for hedging	**-**	**-**	**-**	-	0.4	-
Financial Liabilities						
Deferred contingent consideration	**-**	**-**	**16.2**	-	-	15.7
Put option liabilities	**-**	**-**	**212.9**	-	-	171.4
Foreign exchange contracts for hedging	**-**	**0.2**	**-**	-	-	-

The principal movements in Level 3 liabilities in 2023 are set out in the table below:

	Balance 1 January 2023 €m	Settlement €m	Fair value movement €m	Arising on acquisition €m	Translation adjustment €m	Balance 31 December 2023 €m
Deferred contingent consideration	15.7	(6.6)	0.3	7.3	(0.5)	**16.2**
Put option liabilities	171.4	-	10.2	22.9	8.4	**212.9**
	187.1	**(6.6)**	**10.5**	**30.2**	**7.9**	**229.1**

The principal movements in Level 3 liabilities in 2022 are set out in the table below:

	Balance 1 January 2022 €m	Settlement €m	Fair value movement €m	Arising on acquisition €m	Translation adjustment €m	Balance 31 December 2022 €m
Deferred contingent consideration	24.1	(8.8)	-	-	0.4	15.7
Put option liabilities	178.2	(36.6)	16.0	-	13.8	171.4
	202.3	(45.4)	16.0	-	14.2	187.1

During the year ended 31 December 2023, the put liabilities were reassessed based on the most recent available financial information. There were no other significant changes in the business or economic circumstances that affect the fair value of the remaining financial assets and liabilities, no reclassifications and no transfers between levels of the fair value hierarchy used in measuring the fair value of the financial instruments.

Except as detailed below, it is considered that the carrying amounts of financial assets and financial liabilities recognised at amortised cost approximate their fair values. The fair value of the Level 2 financial liabilities below has been determined through the use of external market data available publicly.

	As at 31 December 2023			As at 31 December 2022		
	Carrying amount €m	Fair Value €m	Level	Carrying amount €m	Fair Value €m	Level
Private placement loan notes	**1,591.9**	**1,594.8**	**2**	1,322.0	1,251.2	2

20 Financial Risk Management And Financial Instruments (continued)

Capital Management Policies and Procedures

The Group employs a combination of debt and equity to fund its operations. As at 31 December the total capital employed in the Group was as follows:

	2023 €m	2022 €m
Net debt	**979.5**	1,539.6
Equity	**3,947.8**	3,395.5
Total Capital Employed	**4,927.3**	4,935.1

The Board's objective when managing capital is to maintain a strong capital base so as to maintain the confidence of investors, creditors and the market. The Board monitors the return on capital (defined as total shareholders' equity plus net debt), and targets a return in excess of 20% together with a dividend level that is compatible with industry norms, but which also reflects any exceptional market conditions.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Group actively manages foreign currency and interest rate exposure, as well as actively managing the net asset position, in order to create bottom line value. This necessitates the development of a methodology to optimise the allocation of financial resources on the one hand and the return on capital on the other.

The Board closely monitors externally imposed capital restrictions which are present due to covenants within the Group's core banking facilities.

There were no material changes to the Group's approach to capital management during the year.

21 Provisions For Liabilities

	2023 €m	2022 €m
Guarantees and warranties		
At 1 January	**181.5**	142.7
Arising on acquisitions (Note 23)	**6.3**	31.7
Provided during year	**71.4**	84.6
Claims paid	**(47.8)**	(48.1)
Provisions released	**(26.3)**	(28.6)
Effect of movement in exchange rates	**(1.2)**	(0.8)
At 31 December	**183.9**	181.5
Current liability	**70.2**	74.0
Non-current liability	**113.7**	107.5
	183.9	181.5

The Group manufactures a wide range of insulation and related products for use primarily in the construction sector. Some products carry formal guarantees of satisfactory performance of varying periods following their purchase by customers and a provision is carried in respect of the expected costs of settling warranty and guarantee claims which arise. The Group in the course of its operations can be party to claims, litigation or enforcement actions. Both the number of claims and the cost of settling the claim are sensitive to change. In most cases, a reasonably reliable estimate can be made based on a range of possible outcomes. If the extent and cost of settling a claim or potential claim or enforcement action is not yet reasonably determinable, no provision is made until such a reliable estimate can be made. Provisions are reviewed by management on a regular basis, and adjusted to reflect the current best estimate of the economic outflow. If it is no longer probable that an outflow of economic benefits will be required, the related provision is reversed.

For the non-current element of the provision, the Group anticipates that these will be utilised within three years of the reporting date. Discounting of the non-current element has not been applied because the discount would be immaterial.

22 Deferred Tax Assets And Liabilities

Deferred tax assets and liabilities arising from temporary differences and unused tax losses after offset are as follows:

	2023 €m	2022 €m
Deferred tax assets	**79.6**	40.1
Deferred tax liabilities	**(60.9)**	(55.2)
Net position	**18.7**	(15.1)

Deferred tax arises from differences in the carrying value of items such as property, plant and equipment, intangibles, pension obligations, and other temporary differences in the financial statements and the tax base established by the tax authorities.

The movement in the net deferred tax position for 2023 is as follows:

	Balance 1 Jan 2023 €m	Recognised in profit or loss €m	Recognised in equity €m	Recognised in other comprehensive income €m	Translation adjustment €m	Arising on acquisitions €m	Balance 31 Dec 2023 €m
Property, plant and equipment	(53.4)	(7.7)	-	-	0.5	(0.2)	**(60.8)**
Intangibles	(60.9)	5.5	-	-	(1.0)	11.5	**(44.9)**
Other temporary differences	77.5	8.5	3.2	-	(1.3)	7.7	**95.6**
Pension obligations	6.4	(1.2)	-	0.4	(0.1)	-	**5.5**
Unused tax losses	15.3	7.9	-	-	-	0.1	**23.3**
	(15.1)	**13.0**	**3.2**	**0.4**	**(1.9)**	**19.1**	**18.7**

The movement in the net deferred tax position for 2022 is as follows:

	Balance 1 Jan 2022 €m	Recognised in profit or loss €m	Recognised in equity €m	Recognised in other comprehensive income €m	Translation adjustment €m	Arising on acquisitions €m	Balance 31 Dec 2022 €m
Property, plant and equipment	(51.7)	(3.4)	-	-	(0.4)	2.1	(53.4)
Intangibles	(29.8)	6.4	-	-	(0.4)	(37.1)	(60.9)
Other temporary differences	73.3	7.8	(11.4)	-	0.3	7.5	77.5
Pension obligations	0.7	0.1	-	4.9	0.2	0.5	6.4
Unused tax losses	7.5	8.4	-	-	(0.3)	(0.3)	15.3
	-	19.3	(11.4)	4.9	(0.6)	(27.3)	(15.1)

23 Business Combinations

A key strategy of the Group is to create and sustain market leading positions through acquisitions in markets it currently operates in, together with extending the Group's footprint in new geographic markets. In line with this strategy, the principal acquisitions completed during the year were as follows:

In April 2023, the Group acquired 100% of the share capital of CaPlast, enhancing our Roofing + Waterproofing underlayment and vapour control offerings in the DACH region. The total consideration, including net debt acquired amounted to €86.9m.

23 Business Combinations (continued)

The Group also made a number of smaller acquisitions during the year for a combined consideration of €140.0m:

- The Insulated Panels division acquired 100% of the share capital of Alaço in Portugal in January 2023, 100% of the share capital of LRM in France in May 2023, 51% of the share capital of MontFrio in Uruguay in June 2023 and 100% of the share capital of Toode Group in the Baltics in September 2023.
- In June 2023, the Insulation division acquired 80% of the share capital of HempFlax Building Solutions in Germany and 100% of the share capital of Thor Building Products in Australia.
- The Data + Flooring division acquired 70% of Q-nis in Ireland during September 2023 and 100% of the share capital of Provan Group in Belgium in November 2023.

The table below reflects the provisional fair value of the identifiable net assets acquired in respect of the acquisitions completed during the year. Any amendments to fair values will be made within the twelve month period from the date of acquisition, as permitted by IFRS 3 *Business Combinations*.

	CaPlast €m	Other* €m	Total €m
Non-current assets			
Intangible assets	22.7	9.9	**32.6**
Property, plant and equipment	16.5	24.9	**41.4**
Right of use assets	1.8	(6.9)	**(5.1)**
Deferred tax assets	-	29.1	**29.1**
Current assets			
Inventories	10.4	23.5	**33.9**
Trade and other receivables	6.5	9.5	**16.0**
Current liabilities			
Trade and other payables	(7.9)	(51.7)	**(59.6)**
Provisions for liabilities	(2.0)	(4.3)	**(6.3)**
Lease liabilities	(0.6)	(0.8)	**(1.4)**
Non-current liabilities			
Retirement benefit obligations	-	(0.1)	**(0.1)**
Lease liabilities	(1.2)	(2.9)	**(4.1)**
Deferred tax liabilities	(7.0)	(3.0)	**(10.0)**
Total identifiable assets	39.2	27.2	**66.4**
Non-controlling interest arising on acquisition	(0.2)	(7.5)	**(7.7)**
Goodwill	47.9	120.3	**168.2**
Total consideration	86.9	140.0	**226.9**
Satisfied by:			
Cash (net of cash acquired)	86.9	132.7	**219.6**
Deferred contingent consideration	-	7.3	**7.3**
	86.9	140.0	**226.9**

*Included in Other are certain immaterial remeasurements of prior year accounting estimates as a result of the finalisation of the assignment of fair values to identifiable net assets.

The acquired goodwill is attributable principally to the profit generating potential of the businesses, together with cross-selling opportunities and other synergies expected to be achieved from integrating the acquired businesses into the Group's existing business.

In the post-acquisition period to 31 December 2023, the businesses acquired during the current year contributed revenue of €110.6m and trading profit of €12.8m to the Group's results.

The full year revenue and trading profit had the acquisitions taken place at the start of the year, would have been €8,198.5m and €889.6m respectively.

23 Business Combinations (continued)

The gross contractual value of trade and other receivables as at the respective dates of acquisition amounted to €19.2m. The fair value of these receivables is €16.0m, all of which is recoverable, and is inclusive of an aggregate impairment provision of €3.2m.

There is €nil of goodwill (2022: €nil) which is expected to be deductible for tax purposes.

The Group incurred acquisition related costs of €6.8m (2022: €8.3m) relating to external legal fees and due diligence costs. These costs have been included in operating costs in the Consolidated Income Statement.

The initial assignment of fair values to identifiable net assets acquired has been performed on a provisional basis due to the relative size of the acquisitions and the timing of the transactions. Any amendments to these fair values within the twelve-month timeframe from the date of acquisition will be disclosed in the 2024 Annual Report, as stipulated by IFRS 3 *Business Combinations*.

Prior year acquisitions

The following principal acquisitions completed during the prior year were as follows:

In April 2022, the Group acquired 100% of the share capital of Troldtekt, a Danish natural acoustic insulation producer. The total consideration, including net debt acquired amounted to €220.4m.

In September 2022, the Group acquired 100% of the share capital of Ondura Group, a French headquartered global provider of roofing membranes and associated roofing solutions, for a total consideration, including net debt acquired of €515.6m.

The Group also made a number of smaller acquisitions during the year for a combined cash consideration of €151.0m:

- The Roofing + Waterproofing division acquired 100% of the share capital of Derbigum, a Belgian producer of waterproofing membranes for a total consideration, including net debt acquired of €95.0m;
- The Insulated Panels division acquired 100% of the share capital of THU Perfil in February 2022 and 100% of the share capital of Invespanel in Spain in September 2022;
- The Insulation division acquired the assets of Calostat in the UK in September 2022.

The table below reflects the provisional fair value of the identifiable net assets acquired in respect of the acquisitions completed during the year. Any amendments to fair values are made within the twelve month period from the date of acquisition, as permitted by IFRS 3 *Business Combinations*.

23 Business Combinations (continued)

	Ondura €m	Troldtekt €m	Other* €m	Total €m
Non-current assets				
Intangible assets	77.9	30.1	22.2	**130.2**
Property, plant and equipment	86.3	31.6	27.0	**144.9**
Right of use assets	27.0	1.8	7.4	**36.2**
Deferred tax assets	0.5	-	1.2	**1.7**
Current assets				
Inventories	86.0	13.2	21.5	**120.7**
Trade and other receivables	75.1	16.6	35.6	**127.3**
Current liabilities				
Trade and other payables	(96.2)	(14.7)	(52.9)	**(163.8)**
Provisions for liabilities	(21.9)	(0.3)	(9.5)	**(31.7)**
Lease liabilities	(4.2)	(0.8)	(1.5)	**(6.5)**
Non-current liabilities				
Retirement benefit obligations	(2.8)	-	(0.1)	**(2.9)**
Lease liabilities	(12.1)	(1.0)	(5.7)	**(18.8)**
Deferred tax liabilities	(21.7)	(5.2)	(2.1)	**(29.0)**
Total identifiable assets	193.9	71.3	43.1	**308.3**
Goodwill	321.7	149.1	107.9	**578.7**
Total consideration	515.6	220.4	151.0	**887.0**
Satisfied by:				
Cash (net of cash acquired)	515.6	220.4	151.0	**887.0**
	515.6	220.4	151.0	**887.0**

*Included in Other are certain immaterial remeasurements of prior year accounting estimates as a result of the finalisation of the assignment of fair values to identifiable net assets.

The acquired goodwill is attributable principally to the profit generating potential of the businesses, together with cross-selling opportunities and other synergies expected to be achieved from integrating the acquired businesses into the Group's existing business.

In the post-acquisition period to 31 December 2022, the businesses acquired during the year contributed revenue of €252.0m and trading profit of €21.6m to the Group's results.

The full year revenue and trading profit in 2022 had the acquisitions taken place at the start of the year, would have been €8,762.6m and €875.7m respectively.

The gross contractual value of trade and other receivables as at the respective dates of acquisition amounted to €132.4m. The fair value of these receivables is €127.3m, all of which is recoverable, and is inclusive of an aggregate impairment provision of €5.1m.

The initial assignment of fair values to identifiable net assets acquired was performed on a provisional basis due to the relative size of the acquisitions and the timing of the transactions.

24 Share Capital

	2023 €m	2022 €m
Authorised		
250,000,000 Ordinary shares of €0.13 each (2022: 250,000,000 Ordinary shares of €0.13 each)	**32.5**	32.5
Issued and fully paid		
Ordinary shares of €0.13 each		
Opening balance – 183,591,682 (2022: 183,591,682) shares	**23.9**	23.9
Shares allotted– nil (2022: nil) shares	**-**	-
Closing balance – 183,591,682 (2022: 183,591,682) shares	**23.9**	23.9

There were no adjustments to the authorised share capital during the year (2022: nil).

Details of share options exercised are set out in Note 4 to the financial statements.

25 Share Premium

	2023 €m	2022 €m
At 1 January	**112.4**	94.4
Re-issued treasury shares	**16.9**	18.0
At 31 December	**129.3**	112.4

During the year, the Company issued treasury shares in satisfaction of obligations falling under share schemes. The treasury shares were issued for consideration exceeding their carrying value and the difference has been accounted for as share premium.

In the prior year, treasury shares were re-issued for consideration exceeding their carrying value and the difference was accounted for as share premium.

26 Treasury Shares

Consideration paid

	2023			2022		
	No. of shares	Consideration paid €	Total €m	No. of shares	Consideration paid €	Total €m
At 1 January	**1,982,473**	**28.74**	**56.9**	2,254,140	25.42	57.3
Repurchase of shares	**13,547**	**57.68**	**0.7**	15,361	94.38	1.4
Shares issued	**(327,872)**	**5.67**	**(1.8)**	(287,028)	6.64	(1.8)
At 31 December	**1,668,148**	**33.48**	**55.8**	1,982,473	28.74	56.9

26 Treasury Shares (continued)

Nominal value

	2023			2022		
	No. of shares	Nominal value €	Total €	No. of shares	Nominal value €	Total €
At 1 January	**1,982,473**	**0.13**	**257,721**	2,254,140	0.13	293,037
Repurchase of shares	**13,547**	**0.13**	**1,761**	15,361	0.13	1,997
Shares issued	**(327,872)**	**0.13**	**(42,623)**	(287,028)	0.13	(37,313)
At 31 December	**1,668,148**	**0.13**	**216,859**	1,982,473	0.13	257,721

During the year, the Company issued 327,872 (2022: 287,028) shares in satisfaction of obligations falling under share schemes.

The Company repurchased 13,547 shares during the year (2022: 15,361).

The Company holds 0.9% (2022: 1.1%) of the issued ordinary share capital as treasury shares.

27 Retained Earnings

In accordance with Section 304 of the Companies Act 2014, the Company is availing of the exemption from presenting its individual Income Statement to the Annual General Meeting and from filing it with the Registrar of Companies. The Company's profit for the financial year was €1,000.1m (2022: loss of €0.5m).

28 Dividends

	2023 €m	2022 €m
Equity dividends on ordinary shares:		
2023 Interim dividend 26.3 cent (2022: 25.6 cent) per share	**47.9**	46.5
2022 Final dividend 23.8 cent (2021: 26.0 cent) per share	**43.3**	47.2
	91.2	93.7
Proposed for approval at AGM		
Final dividend of 26.6 cent (2022: 23.8 cent) per share	**48.4**	43.3

The proposed final dividend for 2023 is subject to approval by the shareholders at the Annual General Meeting and has not been included as a liability in the Consolidated Statement of Financial Position of the Group as at 31 December 2023 in accordance with IAS 10 *Events after the Reporting Period*. The proposed final dividend for the year ended 31 December 2023 will be payable on 20 May 2024 to shareholders on the Register of Members at close of business on 12 April 2024.

29 Non-Controlling Interest

	2023 €m	2022 €m
At 1 January	**75.8**	67.2
Profit for the year attributable to non-controlling interest	**13.6**	18.0
Arising on acquisition (Note 23)	**7.7**	-
Purchase of non-controlling interest	**-**	(9.9)
Increase in non-controlling interest	**1.4**	-
Dividends paid to minorities	**(0.9)**	(3.5)
Share of foreign operations' translation movement	**2.2**	4.0
At 31 December	**99.8**	75.8

30 Reconciliation Of Net Cash Flow To Movement In Net Debt

	2023 €m	2022 €m
Movement in cash and bank overdrafts	**287.6**	19.8
Drawdown of loans	**(319.0)**	(846.0)
Repayment of loans and borrowings	**582.0**	66.0
Change in net debt resulting from cash flows	**550.6**	(760.2)
Translation movement - relating to US dollar loan	**6.5**	(10.9)
Translation movement – other	**3.0**	(12.4)
Net movement	**560.1**	(783.5)
Net debt at start of the year	**(1,539.6)**	(756.1)
Net debt at end of the year	**(979.5)**	(1,539.6)

Lease liabilities of €219.8m (2022: €196.8m) are excluded from net debt.

A reconciliation of liabilities arising from financing activities in 2023 is set out below.

	Balance 1 Jan 2023 €m	Repayments €m	Drawdowns / Receipts €m	Non cash movements €m	Balance 31 Dec 2023 €m
Bank loans and borrowings	866.9	(539.5)	-	(1.1)	**326.3**
Loan notes	1,322.0	(42.5)	319.0	(6.6)	**1,591.9**
	2,188.9	**(582.0)**	**319.0**	**(7.7)**	**1,918.2**

A reconciliation of liabilities arising from financing activities in 2022 is set out below.

	Balance 1 Jan 2022 €m	Repayments €m	Drawdowns / Receipts €m	Non cash movements €m	Balance 31 Dec 2022 €m
Bank loans and borrowings	20.4	-	846.0	0.5	866.9
Loan notes	1,377.1	(66.0)	-	10.9	1,322.0
	1,397.5	(66.0)	846.0	11.4	2,188.9

31 Guarantees And Other Financial Commitments

(i) Guarantees and contingencies

The Group's principal debt facilities are secured by means of cross guarantees provided by Kingspan Group plc. These include drawn private placement notes of US$200m (2022:US$200m) and €1,411.0m (2022: €1,134.5m), an undrawn bank facility of €800m (2022: €800m) and one (2022: two) additional banking finance facilities with an aggregated value of €300m (2022: €800m).

Kingspan Group plc has guaranteed the relevant debts of certain of its Dutch and German subsidiaries in accordance with Article 403, Book 2 of the Dutch Civil Code and Section 264 of the German Commercial Code (HGB) respectively. The respective entities (noted in Principal Subsidiaries and Substantial Undertakings) have therefore availed of the exemption from preparing and filing audited financial statements and management reports in the Netherlands and Germany.

31 Guarantees And Other Financial Commitments (continued)

(ii) Future capital expenditure

Capital expenditure in subsidiary entities, approved by the directors but not provided in the financial statements, is as follows:

	2023 €m	2022 €m
Contracted for	**93.1**	96.9
Not contracted for	**74.1**	97.9
	167.2	194.8

32 Pension Obligations

The Group operates defined contribution schemes in each of its main operating locations. The Group also has a number of defined benefit schemes in the UK and mainland Europe.

Defined contribution schemes

The total cost charged to profit or loss of €37.8m (2022: €32.3m) represents employer contributions payable to these schemes in accordance with the rules of each plan. An amount of €5.7m (2022: €5.3m) was included at year end in accruals in respect of defined contribution pension accruals.

Defined benefit schemes / obligations

The Group has three defined benefit schemes in the UK, all of which are closed to new members and to future accrual. The total pension contributions to these schemes for the year amounted to €0.8m (2022: €1.8m) and the expected contributions for 2024 are €0.3m. On 6 December 2022, the Group executed a €150.8m bulk insurance annuity insurance policy 'buy in' for the Colt Life Assurance and Retirement Scheme ('CLARS'). This buy in ensures that an insurance asset fully matches the remaining pension liability. Therefore for this particular scheme the Group is no longer exposed to the pension risks as outlined below. The Group cash-settled the pension buy in arrangement during the year for €15.9m.

The Group also has pension obligations in mainland Europe which are accounted for as defined benefit obligations. These obligations have been accounted for in line with the Group's existing pension obligations whereby companies are not required to fund independent schemes for post employment benefit obligations. Instead, commencing from the date the employee becomes eligible to receive the income stream, this obligation is satisfied from available cash resources of the relevant employing company. A provision has been made for the unfunded liability. €2.5m of pension entitlements have been paid to retired former employees during the year (2022: €1.7m).

The pension costs relating to all of the above defined benefit obligations are assessed in accordance with the advice of qualified actuaries. In the case of the three UK legacy schemes, the most recent actuarial valuations were performed as of 31 December 2023. In general, actuarial valuations are not available for public inspection; however, the results of valuations are advised to members of the various schemes.

The UK and European defined benefit schemes expose the Group to the following risks:

Interest Rate Risk: The discount rates employed in determining the present value of the Group's defined benefit liabilities are set with reference to corporate bond yields. A decrease in corporate bond yields would increase the schemes' defined benefit obligation. Such movements in bond yields would result in volatility in the Group's Consolidated Financial Statements.

Inflation Risk: A significant proportion of the Group's defined benefit obligation is linked to inflation therefore higher inflation will result in a higher defined benefit obligation (subject to the appropriate caps in place to protect the schemes against extreme inflation). This is however expected to be offset to an extent by an increase in the value of the Group's holdings in liability driven investments (LDI)-type plan assets.

Longevity Risk: The present value of the Group's defined benefit obligation is calculated with reference to the mortality of scheme members, both during and after employment. If scheme members live longer than expected, the scheme's benefits will need to be paid for longer, increasing the scheme's defined benefit obligation.

32 Pension Obligations (continued)

The directors note that the Group's UK defined benefit schemes are also exposed to the following significant risk:

Asset Volatility: The Group's defined benefit obligations are calculated using discount rates set with reference to corporate bond yields. The schemes' assets comprise of equities, bonds, property and LDI, all of which may fluctuate significantly in value. These assets are expected to outperform corporate bonds in the long-term, but provide volatility and risk in the short-term.

The extent of the Group's obligation under these schemes is sensitive to judgemental actuarial assumptions, of which the principal ones are set out below. It is not considered that any reasonable sensitivity analysis on these assumptions would materially alter the scheme obligations.

	2023		2022	
	Funded Schemes	Un-funded Schemes	Funded Schemes	Un-funded Schemes
Life expectancies				
Life expectancy for someone aged 65 - Males	**21.6**	**21.1**	22.0	21.1
Life expectancy for someone aged 65 - Females	**24.1**	**25.4**	24.5	25.4
Life expectancy at age 65 for someone aged 45 - Males	**22.9**	**23.6**	23.4	23.3
Life expectancy at age 65 for someone aged 45 - Females	**25.6**	**28.1**	26.0	28.1
Rate of increase in salaries	**-**	**2.50% - 3.20%**	-	2.50% - 3.50%
Rate of increase of pensions in payment	**0% - 3.05%**	**1.50% - 2.50%**	0% - 3.03%	1.50% - 2.60%
Rate of increase for deferred pensioners	**2.20% - 2.55%**	**-**	2.30%	-
Discount rate	**4.50%**	**3.17% - 4.59%**	4.85%	0.40% - 3.99%
Inflation rate	**3.20%**	**1.75% - 3.20%**	3.10%	1.75% - 3.10%

It is noted that the 'Funded Schemes' relate to the wholly and partly funded UK schemes and 5 partially funded immaterial European schemes. The 'Un-funded Schemes' covers all other European DBOs.

The table below gives an indication of the impact of a change in the principal actuarial assumptions on the funded defined benefit scheme liabilities.

	Assumption	Change in assumption	Impact on plan liabilities	
			2023	2022
Funded Schemes	Discount rate	Increase/decrease by 0.5%	**Decrease by 6% / increase by 7%**	Decrease by 6% / increase by 7%
Un-Funded Schemes	Discount rate	Increase by 0.25%	**Decrease by 3%**	Decrease by 3%
Funded Schemes	Inflation rate	Increase/decrease by 0.5%	**Increase by 4% / decrease by 4%**	Increase by 4% / decrease by 4%
Un-Funded Schemes	Inflation rate	Increase by 0.25%	**Increase by 2%**	Increase by 3%
Funded Schemes	Mortality assumptions	Increase by 1 year	**Increase by 3%**	Increase by 3%
Un-Funded Schemes	Mortality assumptions	Increase by 1 year	**Increase by 3% - 6%**	Increase by 4% - 6%

The sensitivity analyses above have been determined on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

32 Pension Obligations (continued)

Movements in net liability recognised in the Consolidated Statement of Financial Position

	2023 €m	2022 €m
Net liability in schemes at 1 January	**(49.5)**	(28.0)
Acquired	**(0.1)**	(2.9)
Employer contributions	**3.4**	3.8
Defined benefit pension scheme buy in settlement	**15.9**	-
Recognised in consolidated income statement	**(2.1)**	(1.2)
Recognised in consolidated statement of comprehensive income	**(5.0)**	(20.3)
Foreign exchange movement	**0.4**	(0.9)
Net liability in schemes at 31 December	**(37.0)**	(49.5)

Defined benefit pension income/expense recognised in the Consolidated Income Statement

	2023 €m	2022 €m
Current service cost	**(0.9)**	(1.0)
Other expenses	**(0.5)**	(0.3)
Settlements of scheme obligations	**0.5**	0.2
Total, included in operating costs	**(0.9)**	(1.1)
Movement on scheme obligations	**(8.9)**	(5.0)
Interest on scheme assets	**7.7**	4.9
Net interest expense, included in finance expense (Note 5)	**(1.2)**	(0.1)

Analysis of amount included in other comprehensive income

	2023 €m	2022 €m
Actual return less interest on scheme assets	**6.5**	(119.3)
Experience loss arising on scheme liabilities	**(4.9)**	(4.1)
Actuarial gain/(loss) arising from changes in demographic assumptions	**2.0**	(0.7)
Actuarial (loss)/gain arising from changes in financial assumptions	**(8.6)**	103.8
Loss recognised in other comprehensive income	**(5.0)**	(20.3)

The cumulative actuarial loss recognised in other comprehensive income to date is €42.2m (2022: €37.2m).

In 2023, the actual return on plan assets was a gain of €8.9m (2022: loss of €118.8m).

32 Pension Obligations (continued)

Asset Classes and Expected Rate of Return

The assets in the scheme at each year end were as follows:

	2023	2022
Asset Classes as % of Total Scheme Assets		
Equities	**2.0%**	10.3%
Bonds (Corporates)	**0.4%**	0.2%
Bonds (Gilts)	**6.1%**	-
Cash	**0.4%**	0.6%
Property	**4.3%**	5.8%
Liability Driven Investment	**18.1%**	19.2%
Insurance Policy net of Insurance Premium due	**68.7%**	63.9%
	100%	100%

The net pension liability is analysed as follows:

	2023 €m		2022 €m	
	Funded Schemes	Un-funded Schemes	Funded Schemes	Un-funded Schemes
Equities	**3.5**	**-**	15.0	-
Bonds (Corporates)	**0.7**	**-**	0.7	-
Bonds (Gilts)	**10.4**	**-**	-	-
Cash	**0.6**	**-**	0.9	-
Property	**7.4**	**-**	8.2	-
Liability Driven Investment	**30.8**	**-**	27.8	-
Insurance Policy net of Insurance Premium due	**116.8**	**-**	93.0	-
Fair market value of plan assets	**170.2**	**-**	145.6	-
Present value of obligation	**(169.8)**	**(37.4)**	(159.1)	(36.0)
Surplus/(deficit)	**0.4**	**(37.4)**	(13.5)	(36.0)

	2023 €m	2022 €m
Analysed between:		
Funded schemes' surplus	**1.0**	3.3
Unfunded obligations	**(38.0)**	(52.8)
	(37.0)	(49.5)
Related deferred tax asset	**(5.5)**	(6.4)

32 Pension Obligations (continued)

	2023 €m	2022 €m
Changes in present value of defined benefit obligations		
At 1 January	**195.1**	310.8
Acquired through business combination (Note 23)	**0.1**	2.9
Current service cost	**0.9**	1.0
Other expenses	**-**	(0.2)
Interest cost	**8.9**	5.0
Benefits paid	**(11.6)**	(10.9)
Settlement	**(0.5)**	(0.3)
Actuarial losses/(gains)	**11.5**	(99.0)
Effect of movement in exchange rates	**2.8**	(14.2)
At 31 December	**207.2**	195.1

	2023 €m	2022 €m
Changes in present value of scheme assets during year		
At 1 January	**145.6**	282.8
Interest on scheme assets	**7.7**	4.9
Employer contributions	**0.9**	2.0
Defined benefit pension scheme buy in settlement	**15.9**	-
Benefits paid	**(9.1)**	(9.1)
Other expenses	**(0.5)**	(0.6)
Actual return less interest	**6.5**	(119.3)
Effect of movement in exchange rates	**3.2**	(15.1)
At 31 December	**170.2**	145.6

The weighted average duration of the defined benefit obligation at 31 December 2023 was 13.0 years (2022: 13.8 years).

33 Related Party Transactions

The principal related party relationships requiring disclosure under IAS 24 *Related Party Disclosures* relate to (i) transactions between group companies, (ii) compensation of key management personnel and (iii) goods and services purchased from directors.

(i) Transactions between subsidiaries are carried out on an arm's length basis.

The Company received €1,000m dividends from subsidiaries (2022: €nil), and there was a net increase in the intercompany balance of €61.2m (2022: €76.1m decrease).

Transactions with the Group's non-wholly owned subsidiaries primarily comprise trading sales and capital funding, carried out on an arm's length basis. These transactions are not considered to be material.

(ii) For the purposes of the disclosure requirements of IAS 24 *Related Party Disclosures*, the term "key management personnel" (i.e. those persons having the authority and responsibility for planning, directing and controlling the activities of the Company), comprise the board of directors (executive and non-executive directors) who manage the business and affairs of the Company. As identified in the Report of the Remuneration Committee, the directors, other than the non-executive directors, serve as executive officers of the Group.

Key management personnel compensation is set out in Note 7.

Dividends of €0.9m were paid to other key management personnel (2022: €1.0m). €Nil (2022: €nil) was outstanding at year end.

(iii) During the financial year, there were no disclosable goods and services purchased from directors (2022: €nil).

Notes to the Financial Statements (continued)
For The Year Ended 31 December 2023

34 Events Subsequent To Year End

In January 2024, the Group completed the acquisition of a majority stake (51%) of the shares of Steico SE ("Steico") from Schramek GmbH for an initial consideration of €263.5m (€188.5m cash, €75m equity). Additionally, the Group will be consolidating Steico's net debt of approximately €160m. Steico is the world leader in natural insulation and wood-based building envelope products, based in Germany and listed on the unofficial markets of several German Stock Exchanges. Given the recent timing of the acquisition additional disclosures required as per paragraph B66 of IFRS 3 *Business Combinations* cannot be made at this time.

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 material events subsequent to 31 December 2023 which would require adjustment to, or disclosure in this report.

35 Approval Of Financial Statements

The financial statements were approved by the directors on 20 February 2024.

Alternative Performance Measures

The Group uses a number of metrics, which are non-IFRS measures, to monitor the performance of its operations.

The Group believes that these metrics assist investors in evaluating the performance of the underlying business. Given that these metrics are regularly used by management, they also give the investor an insight into how Group management review and monitor the business on an ongoing basis.

The principal APMs used by the Group are defined as follows:

Trading profit

This comprises the operating profit as reported in the Consolidated Income Statement before intangible asset amortisation and non trading items. This equates to the Earnings Before Interest, Tax and Amortisation ("EBITA") of the Group. Trading profit is used by management as it excludes items which may hinder year on year comparisons.

	Financial Statements Reference	2023 €m	2022 €m
Trading profit	Consolidated Income Statement	**876.9**	833.2

Trading margin

Measures the trading profit as a percentage of revenue.

	Financial Statements Reference	2023 €m	2022 €m
Trading profit	Consolidated Income Statement	**876.9**	833.2
Revenue	Consolidated Income Statement	**8,090.6**	8,340.9
Trading margin		**10.8%**	10.0%

EBITDA

The Group defines EBITDA as earnings before finance expenses, income taxes, depreciation, amortisation and non trading item.

	Financial Statements Reference	2023 €m	2022 €m
Trading profit	Consolidated Income Statement	**876.9**	833.2
Depreciation	Consolidated Statement of Cash Flows	**190.9**	165.1
EBITDA		**1,067.8**	998.3

Free cash flow

Free cash flow is the cash generated from operations after net capital expenditure, interest paid, income taxes paid and lease payments and reflects the amount of internally generated capital available for re-investment in the business or for distribution to shareholders.

	Financial Statements Reference	2023 €m	2022 €m
Net cash flow from operating activities	Consolidated Statement of Cash Flows	**1,162.2**	692.0
Additions to property, plant and equipment	Consolidated Statement of Cash Flows	**(234.2)**	(269.2)
Additions to intangible assets	Consolidated Statement of Cash Flows	**(3.5)**	-
Proceeds from disposals of property, plant and equipment	Consolidated Statement of Cash Flows	**4.2**	18.6
Finance income received	Consolidated Statement of Cash Flows	**22.6**	1.7
Lease payments	Consolidated Statement of Cash Flows	**(60.5)**	(50.6)
Free cash flow		**890.8**	392.5

Alternative Performance Measures (continued)

Return on capital employed (ROCE)

ROCE is the operating profit before interest and tax expressed as a percentage of the net assets employed. The net assets employed reflect the net assets, excluding net debt, at the end of each reporting period.

	Financial Statements Reference	2023 €m	2022 €m
Net assets	Consolidated Statement of Financial Position	**3,947.8**	3,395.5
Net debt	Note 18	**979.5**	1,539.6
		4,927.3	4,935.1
Operating profit before interest and tax	Consolidated Income Statement	**835.2**	784.3
Return on capital employed		**17.0%**	15.9%

Banking Covenants

The Net debt:EBITDA and the EBITDA:Net Interest ratios disclosed in this report are calculated in accordance with the terms and conditions of the covenants as set out in the Group's external borrowing arrangements. Therefore, EBITDA and Net Interest are adjusted to exclude the impact of IFRS 16 *Leases* for these calculations.

Net debt

Net debt represents the net total of current and non-current borrowings, current and non-current derivative financial instruments, (excluding foreign currency derivatives which are used for transactional hedging), and cash and cash equivalents as presented in the Consolidated Statement of Financial Position. Lease liabilities recognised due to the implementation of IFRS 16 and deferred contingent consideration have also been excluded from the calculation of net debt. Consistent with the 2022 APMs, this definition is in accordance with the terms and conditions of the covenants as set out in the Group's external borrowing arrangements.

	Financial Statements Reference	2023 €m	2022 €m
Net debt	Note 18	**979.5**	1,539.6

Net debt:EBITDA

Net debt as a ratio to 12 month EBITDA. For the purpose of this calculation, EBITDA is solely adjusted for the impact of IFRS 16 *Leases*.

	Financial Statements Reference	2023 €m	2022 €m
EBITDA		**1,067.8**	998.3
Lease liability payments	Consolidated Statement of Cash Flows	**(60.5)**	(50.6)
EBITDA (adjusted for the impact of IFRS 16)		**1,007.3**	947.7

	Financial Statements Reference	2023 €m	2022 €m
Net debt	Note 18	**979.5**	1,539.6
EBITDA (adjusted for the impact of IFRS 16)		**1,007.3**	947.7
Net debt:EBITDA times		**0.97**	1.62

Alternative Performance Measures (continued)

Net interest

The Group defines net interest as the Group's interest expense on borrowings net of bank interest receivable. The impact of IFRS 16 is excluded from the calculation which is consistent with the terms and conditions of the covenants as set out in the Group's external borrowing arrangements.

	Financial Statements Reference	2023 €m	2022 €m
Bank loan interest	Note 5	**24.9**	10.1
Private placement loan note interest	Note 5	**31.6**	24.5
Bank interest earned	Note 5	**(19.2)**	(1.7)
Net Interest		**37.3**	32.9

Working capital

Working capital represents the net total of inventories, trade and other receivables and trade and other payables, net of transactional foreign currency derivatives excluded from net debt.

	Financial Statements Reference	2023 €m	2022 €m
Trade and other receivables	Note 15	**1,254.2**	1,328.4
Inventories	Note 14	**964.3**	1,235.8
Trade and other payables	Note 16	**(1,346.1)**	(1,368.7)
Foreign currency derivatives excluded from net debt	Note 20	**(0.2)**	0.4
Working capital		**872.2**	1,195.9

Working capital ratio

Measures working capital as a percentage of October to December turnover annualised. The annualisation of turnover reflects the current profile of the Group rather than a partial reflection of any acquisitions completed during the period.

	Financial Statements Reference	2023 €m	2022 €m
Working capital		**872.2**	1,195.9
October - December turnover annualised		**7,752.8**	8,272.2
Working capital ratio		**11.3%**	14.5%

Total shareholder return (TSR)

Total shareholder return (TSR) is a key performance metric for the Performance Share Plan (PSP).

The methodology for calculating the total shareholder return assumes the following: the open price is set as the closing price of the final trading day prior to the beginning of the performance period; the close price is set as the closing price on the final trading day of the performance period; the calculation assumes all dividends are reinvested on the ex-dividend date, at the closing price on that day.

	Financial Statements Reference	2023 %	2022 %
Total Shareholder Return	Page 47	**56.2**	-51.5

Principal Subsidiaries and Substantial Undertakings

	% Shareholding	Nature of Business
AUSTRALIA		
Kingspan Insulated Panels Pty Limited	100	Manufacturing
Kingspan Insulation Pty Limited	100	Manufacturing
Kingspan Water & Energy Pty Limited	85	Manufacturing
BELGIUM		
Imperbel NV/SA	100	Manufacturing
Joris Ide NV	100	Manufacturing
Kingspan Insulation NV	100	Manufacturing
BRAZIL		
Kingspan Isoeste Trade Importadora E Exportadora Limitada	51	Sales & Marketing
Kingspan-Isoeste Construtivos Isotérmicos S/A	51	Manufacturing
CANADA		
Kingspan Insulated Panels Limited	100	Manufacturing
Vicwest Inc.	100	Manufacturing
CZECH REPUBLIC		
Kingspan AS	100	Manufacturing
DENMARK		
LOGSTOR Denmark Holding ApS	100	Manufacturing
Troldtekt A/S	100	Manufacturing
FINLAND		
Kingspan Oy	100	Sales & Marketing
FRANCE		
Comptoir du Batiment et de L'Industrie SAS	100	Manufacturing
Kingspan Light Air SAS	100	Sales & Marketing
Groupe Bacacier SAS	100	Manufacturing
Isocab France SAS	100	Manufacturing
Joris Ide Auvergne SAS	100	Manufacturing
Joris Ide Sud Ouest SAS	100	Manufacturing
Metal SAS	100	Manufacturing
Onduline France SAS	100	Manufacturing
Profinord Sarl	100	Manufacturing
Skydôme SAS	100	Manufacturing
Societe Bretonne de Profilage SAS	100	Manufacturing

	% Shareholding	Nature of Business
GERMANY		
Alwitra GmbH	100	Manufacturing
Alwitra Holding (Germany) GmbH	100	Holding Company
CaPlast Kunststoffverarbeitungs GmbH	100	Manufacturing
Colt International GmbH	100	Manufacturing
Kingspan Light + Air GmbH	100	Manufacturing
Joris Ide Deutschland GmbH	100	Manufacturing
Kingspan Access Floors GmbH	100	Manufacturing
Kingspan GmbH	100	Sales & Marketing
Kingspan Holding GmbH	100	Holding Company
Kingspan Insulation Gmbh & Co. KG	100	Manufacturing
Kingspan Services GmbH	100	Sales & Marketing
LOGSTOR Deutschland GmbH	100	Sales & Marketing
Kingspan STG GmbH	100	Manufacturing
HUNGARY		
Kingspan Kereskedelmi Kft	100	Manufacturing
INDIA		
Kingspan Jindal Private Limited	51	Manufacturing
INDONESIA		
PT Onduline Indonesia	100	Sales & Marketing
IRELAND		
Kingspan Holdings (Irl) Limited	100	Management & Procurement
Kingspan Holdings (North America) Limited	100	Holding Company
Kingspan Holdings (Overseas) Limited	100	Holding Company
Kingspan Holdings Limited	100	Holding Company
Kingspan Insulation Limited	100	Manufacturing
Kingspan International Finance Unlimited Company	100	Finance Company
Kingspan Light & Air Limited	100	Manufacturing
Kingspan Limited	100	Manufacturing
Kingspan Nominees Limited	100	Holding Company
Kingspan Securities Limited	100	Finance Company

Principal Subsidiaries and Substantial Undertakings (continued)

	% Shareholding	Nature of Business
MALAYSIA		
Onduline Building Materials (M) SDN BHD	100	Manufacturing
MEXICO		
Kingspan Insulated Panels SA DE CV	100	Manufacturing
NETHERLANDS		
Colt International Beheer BV	100	Holding Company
Colt International BV	100	Sales & Marketing
Colt International Productie BV	100	Manufacturing
Joris Ide Netherlands BV	100	Manufacturing
Kingspan BV	100	Sales & Marketing
Kingspan Holding Netherlands BV	100	Holding Company
Kingspan Insulation BV	100	Manufacturing
Kingspan Light + Air NL BV	100	Manufacturing
Kingspan Light + Air Production NL BV	100	Manufacturing
Kingspan Unidek BV	100	Manufacturing
LOGSTOR Nederland BV	100	Sales & Marketing
NEW ZEALAND		
Kingspan Insulation NZ Limited	100	Manufacturing
PHILIPPINES		
OFIC Philippines Inc.	100	Sales & Marketing
POLAND		
Balex Metal Sp. Z.o.o.	100	Manufacturing
COROTOP SA	100	Manufacturing
Kingspan Sp. Z.o.o.	100	Manufacturing
LOGSTOR International sp. Z.o.o	100	Holding Company
ROMANIA		
Terasteel SA	99	Manufacturing
Wetterbest SA	100	Manufacturing
SPAIN		
Huurre Iberica SA	100	Manufacturing
Kingspan Insulation SA	100	Manufacturing
Synthesia Technology Europe SLU	100	Manufacturing
Teczone Española SA	100	Manufacturing
THU Perfil SLU	100	Manufacturing

	% Shareholding	Nature of Business
SWEDEN		
Kingspan AB	100	Sales & Marketing
Kingspan Insulation AB	100	Manufacturing
Nordic Waterproofing Holding AB	31	Holding Company
Powerpipe Systems AB	100	Manufacturing
TURKEY		
Kingspan Yapi Elemanlari A.S.	85	Manufacturing
Onduline Avrasya Insaat Malzemeleri Sanayi Ve Ticaret A.S.	100	Manufacturing
UNITED ARAB EMIRATES		
Kingspan Insulated Panels Manufacturing LLC	85	Manufacturing
Kingspan Insulation LLC	100	Manufacturing
UNITED KINGDOM		
Colt Group Limited	100	Holding Company
Colt International Limited	100	Sales & Marketing
Euroclad Group Limited	100	Manufacturing
Kingspan Limited	100	Manufacturing
Kingspan Group Limited	100	Holding Company
Kingspan Insulation Limited	100	Manufacturing
Kingspan Services (UK) Limited	100	Management & Procurement
Kingspan Water & Energy Limited	100	Manufacturing
UNITED STATES		
Kingspan Insulated Panels Inc.	100	Manufacturing
Kingspan Insulation LLC	100	Manufacturing
Kingspan Light & Air LLC	100	Manufacturing
Morin Corporation	100	Manufacturing
Pre-insulated Metal Technologies Inc.	100	Manufacturing
Tate Access Floors Inc.	100	Manufacturing
URUGUAY		
Bromyros SA	51	Manufacturing

Pursuant to section 316 of the Companies Act 2014, a full list of subsidiaries, joint ventures and substantial undertakings will be annexed to the Company's Annual Return to be filed in the Companies Registration Office in Ireland.

Shareholder Information

Stock exchange listing
The Company's shares are listed on the main market of the Euronext Dublin Stock Exchange.

Share Registrar
Computershare Investor Services (Ireland) Limited ("Computershare") maintains the Company's register of members. Should a shareholder have any queries in respect of their shareholding, they should contact Computershare directly using the contact details provided below:

The Company Registrar:
Computershare Investor Services (Ireland) Limited,
3100 Lake Drive,
Citywest Business Campus,
Dublin 24,
D24 AK82.
Telephone number +353 1 447 5103.

Annual General Meeting
The Annual General Meeting ('AGM') of the Company will be held on Friday 26 April 2024 at 9.00 a.m.

Notice of the 2024 AGM will be made available to view online at http://www.kingspan.com/agm2024

Shareholders' right to table draft resolutions and to put items on the agenda
A shareholder or a group of shareholders holding 3% of the issued share capital, representing at least 3% of the total voting rights of all shareholders who have a right to vote at the meeting, have a right to table a draft resolution for an item on the agenda of the meeting subject to any contrary provisions in company law. In the case of the 2024 Annual General Meeting, the latest date for submission of such requests is 15 March 2024 (being 42 days prior to the date of the meeting).

The request:

- may be in hard copy form or in electronic form;
- must set out in writing details of the draft resolution in full or, if supporting a draft resolution sent by another shareholder, clearly identify the draft resolution which is being supported;
- must be authenticated by the person or persons making it (by identifying the shareholder or shareholders meeting the qualification criteria and, if in hard copy, by being signed by the shareholder or shareholders); and
- must be received by the Company not later than 42 days before the meeting to which the request relates.

In addition to the above, the request must be made in accordance with one of the following ways:

- a hard copy request which is signed by the shareholder(s), states the full name and address of the shareholder(s) and is sent to the Company Secretary, Kingspan Group plc, Head Office, Dublin Road, Kingscourt, Co Cavan, Ireland; or
- a request which states the full name and address of the 'Shareholder Reference Number' (SRN), as printed on the accompanying Form of Proxy of the shareholder(s) and is sent to lorcan.dowd@kingspan.com .

A draft resolution must not be such as would be incapable of being passed or otherwise be ineffective (whether by reason of inconsistency with any enactment, the Company's Memorandum of Association, or for any other reason). Any draft resolution must not be defamatory of any person.

Amalgamation of Shareholding Accounts
Shareholders who receive duplicate sets of Company mailings due to multiple accounts in their name should write to the Company's Registrar to have their accounts amalgamated.

Dematerialisation
Under the EU Central Securities Depositories Regulation (EU) 909/2014 ("CSDR"), there is a requirement for all securities in Irish issuers which are admitted to trading or traded on trading venues in the European Economic Area to be represented in book-entry form by 1 January 2025. Book-entry form means an electronic record of ownership such as an entry in an electronic register, without the need for any further document, such as a share certificate, to be issued to a shareholder to evidence share ownership. In accordance with CSDR, from 1 January 2023, all new issues of shares in the Company must be held in book-entry form, with all remaining shares to be held in book-entry by 1 January 2025. Therefore, share certificates for shareholders who currently hold their shares in certificated form will remain valid until 1 January 2025.

Corporate Information

Company Information

Kingspan Group plc was incorporated on 14 August 1979. It is an Irish domiciled company and the registered office is Kingspan Group plc, Dublin Road, Kingscourt, Co. Cavan, A82 XY31, Ireland. The registered company number of Kingspan Group plc is 70576.

Financial Calendar

Preliminary Results	16 February 2024
Trading Update	26 April 2024
AGM	26 April 2024
Half-Yearly Results	16 August 2024
Trading Update	4 November 2024

Banks

Bank of America Merrill Lynch	HSBC Bank plc
ING Bank NV	BNP Paribas
Commerzbank	Danske Bank AS
KBC Bank NV	NatWest Bank Plc
Bank of Ireland	Unicredit Bank AG

Stockbrokers

Goodbody, 2 Ballsbridge Park, Ballsbridge, Dublin 4, Ireland.	Bank of America Merrill Lynch, 2 King Edward St, Farringdon, London, EC1A 1HQ, England.

Auditor

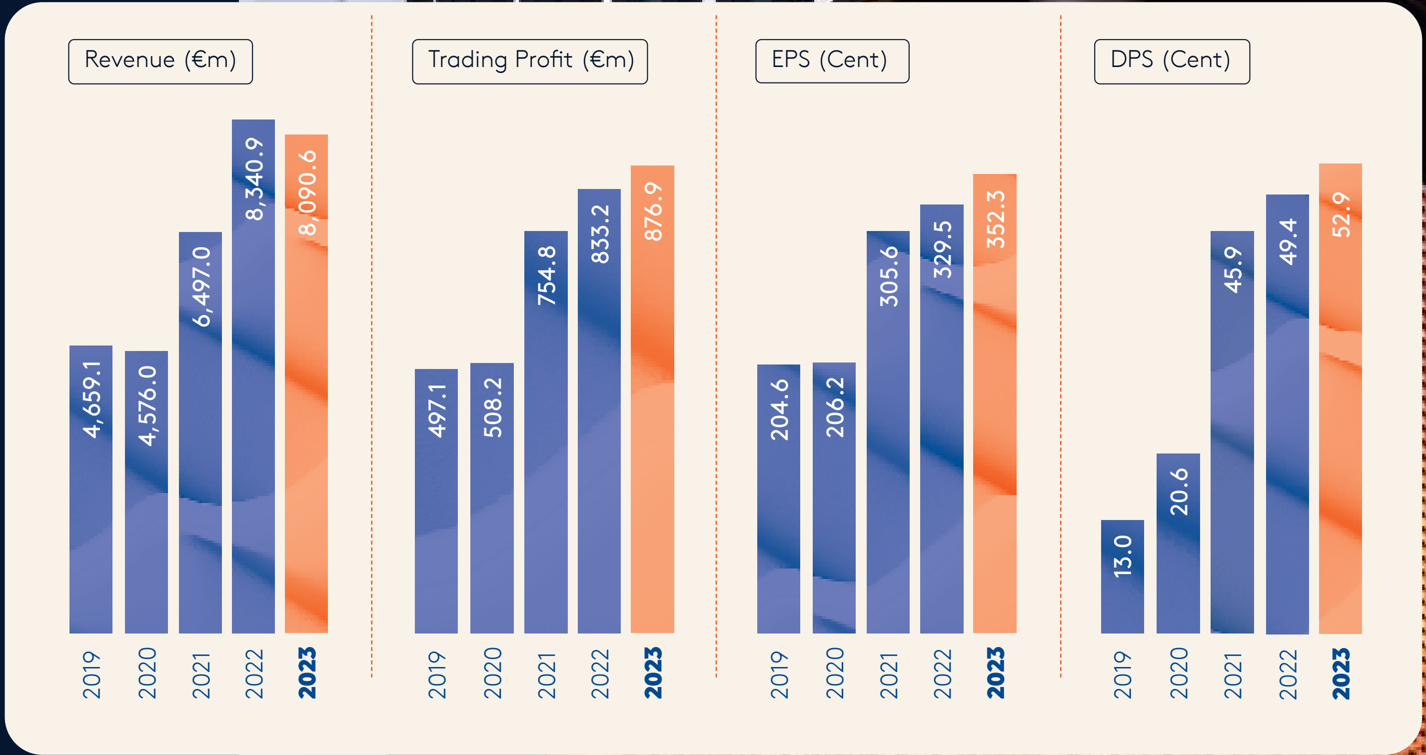
Ernst & Young,
Chartered Accountants,
EY Buildings,
Harcourt Centre,
Harcourt Street,
Dublin 2,
Ireland.

Solicitors

McCann FitzGerald,
Riverside One,
Sir John Rogerson's Quay,
Dublin 2,
Ireland.

GROUP 5 YEAR SUMMARY

Results (amounts in €m)	2023	2022	2021	2020	2019
Revenue	**8,090.6**	8,340.9	6,497.0	4,576.0	4,659.1
Trading profit	**876.9**	833.2	754.8	508.2	497.1
Net profit before tax	**794.2**	746.6	689.0	459.7	454.4
Operating cashflow	**1,368.6**	884.0	490.6	750.8	627.1
Equity (amounts in €m)	**2023**	**2022**	**2021**	**2020**	**2019**
Gross assets	**8,001.6**	7,681.4	6,387.9	5,341.6	4,288.4
Working capital	**872.2**	1,195.9	977.8	450.8	582.8
Total shareholder equity	**3,947.8**	3,395.5	2,959.3	2,397.6	2,120.4
Net debt	**979.5**	1,539.6	756.1	236.2	633.2
Ratios	**2023**	**2022**	**2021**	**2020**	**2019**
Net debt as % of total shareholders' equity	**24.8%**	45.3%	25.5%	9.9%	29.9%
Current assets / current liabilities	**1.65**	1.78	1.80	2.21	1.66
Net debt / EBITDA	**0.97**	1.62	0.88	0.40	1.09
Per Ordinary Share (amounts in €cent)	**2023**	**2022**	**2021**	**2020**	**2019**
Earnings	**352.3**	329.5	305.6	206.2	204.6
Operating cashflows	**752.9**	487.1	270.5	414.3	347.3
Net assets	**2,171.8**	1,870.9	1,631.8	1,323.1	1,174.2
Dividends	**52.9**	49.4	45.9	20.6	13.0
Average number of employees	**22,384**	**20,590**	**17,880**	**15,424**	**14,529**



Aligned with our Planet Passionate strategy, we are committed to producing an environmentally conscious Annual Report. To reduce our environmental impact, this report is printed on sustainably sourced, carbon-balanced paper.

ENVIRONMENTAL CREDENTIALS

Paper

Essential Velvet 100% Recyclable

Paper Credentials

- Sustainably sourced from managed wood fibre
- Manufactured in accordance with ISO certified standards for environmental, quality and energy management
- Carbon balanced
- Recyclable and biodegradable

Print Credentials

- 98% vegetable based inks.
- The bioglaze laminate used on this cover can be recycled along with paper, as it is an acetate polymer made from wood pulp and cotton.

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Our customers inspire us in the innovation of our products and services, leading to breakthroughs such as our lower embodied carbon portfolio.

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KINGSPAN GROUP PLC ANNUAL REPORT & FINANCIAL STATEMENTS 2023