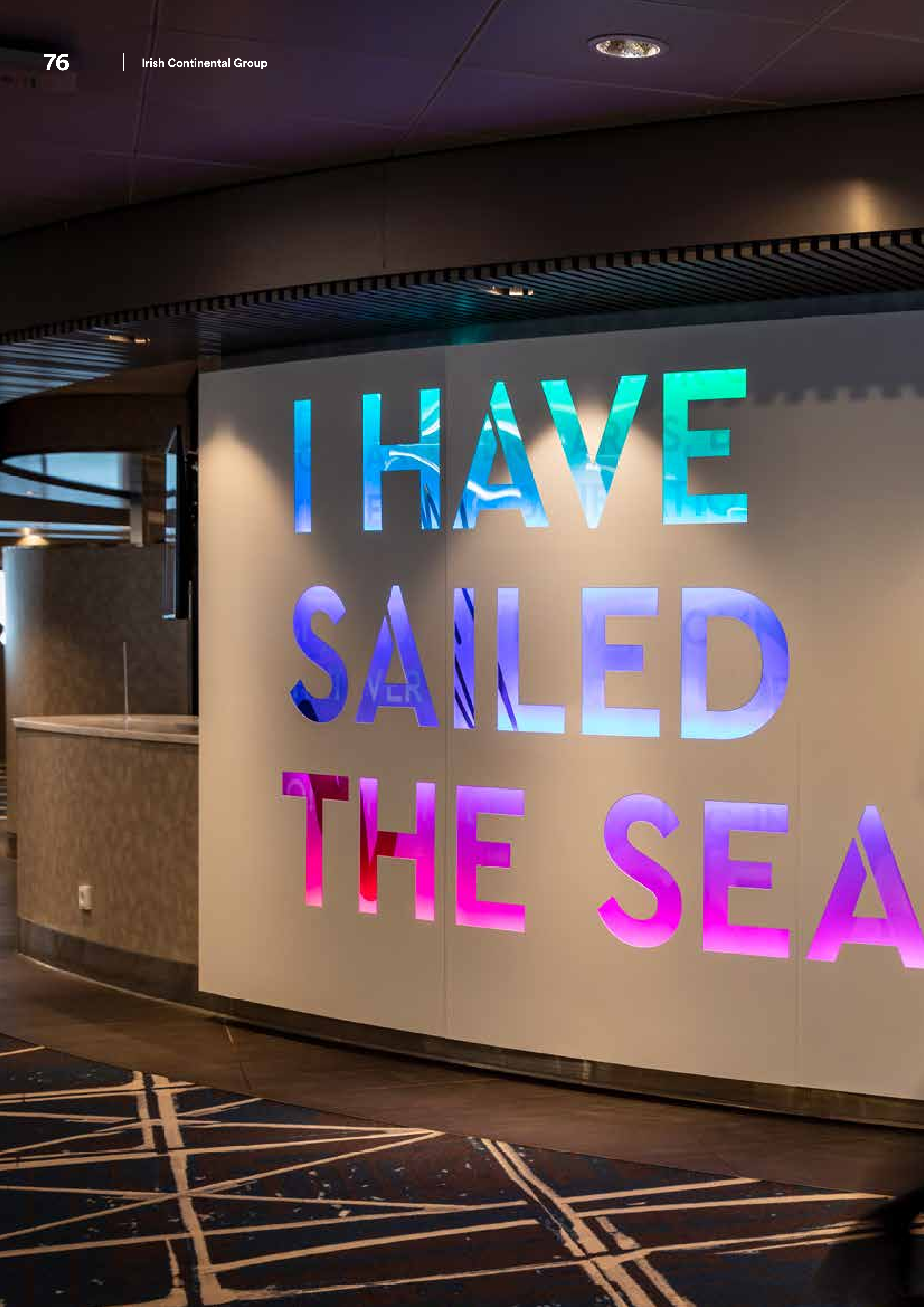
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Corporate Governance

The Board

The Group's non-executive Directors are:

John B. McGuckian BSc (Econ)

Chairman
John B. McGuckian, aged 82, has been a Director for 34 years having been appointed as a non-executive Director in 1988 and Chairman in 2004. He has a wide range of interests, both in Ireland and internationally. He is also a Director of Cooneen Textiles Limited. He is a former Director of a number of listed companies and he has previously acted as the Chairman of; the International Fund for Ireland, the Industrial Development Board for Northern Ireland, UTV Media plc and as Senior Pro-Chancellor and Chairman of the Senate of the Queen's University of Belfast.

Committee Membership: Audit Committee, Remuneration Committee, Nomination Committee (Chairperson)

Daniel Clague

Independent Director
Dan Clague, aged 62 is a Managing Director of Stephens Europe, an independent investment bank for middle market companies where Dan leads the Transport Services and Infrastructure Group. With over 25 years' experience in investment banking, Dan has previously held senior positions with Hawkpoint Partners, SG Hambros, ABN Amro and Baring Brothers. Prior to entering investment banking, Dan spent a number of years working in the maritime sector as a shipping and ports manager. He has global experience of both public and private company mergers and acquisitions across the transport industry including the RoRo, LoLo and port sectors. Dan is based in London.

Committee Membership: Audit Committee, Remuneration Committee, Nomination Committee

John Sheehan FCA

Senior Independent Director
John Sheehan, aged 56, was appointed to the Board in October 2013. John is Chief Financial Officer with Ardagh Group, a leading operator in the global glass and metal packaging sector with operations principally in Europe and North America. John has over 20 years of experience at management level with exposure to international acquisition and development projects. He was formerly Head of Equity Sales at NCB Stockbrokers, now part of Tilman Brewin Dolphin, where he spent thirteen years in a range of roles and directly covered various industry sectors including transport and aviation. John qualified as a Chartered Accountant with PwC.

Committee Membership: Audit Committee (Chairperson), Remuneration Committee (Chairperson), Nomination Committee

Lesley Williams

Independent Director
Lesley Williams, aged 56, was appointed to the Board in January 2021. Lesley has over 25 years' experience in capital markets having held senior positions with Investec Bank plc as Head of Irish Equities, Euronext Dublin (formerly the Irish Stock Exchange) as Head of Irish Market and Goodbody Stockbrokers as Head of Institutional Equity Sales. Lesley holds a number of independent non-executive directorships in the asset management and International fund sectors. She is also a past director of Dublin Port Company where she held the position of Chairperson of the Audit and Risk Committee. Lesley is an Associate member of the Chartered Financial Analyst Institute (CFA) from which she also holds a certificate in ESG investing and is a Fellow of the Chartered Institute for Securities and Investment.

Committee Membership: Audit Committee, Remuneration Committee, Nomination Committee

The Group's executive Directors are:

Eamonn Rothwell BComm, MBS, FCCA, CFA UK

Chief Executive Officer
Eamonn Rothwell, aged 66, has been a Director for 35 years having been appointed as a non-executive Director in 1987 and subsequently to the position of Chief Executive Officer in 1992. He is also a Director of Interferry European Office A.I.S.B.L. He is a former Director of The United Kingdom Mutual War Risks Association Limited, Interferry Inc and The United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Limited. He is a past executive Director of former stockbrokers NCB Group, now part of Tilman Brewin Dolphin. Prior to that, he worked with Allied Irish Banks plc and Fáilte Ireland (The Irish Tourist Board).

Committee Membership: Nomination Committee

David Ledwidge FCA, BSc (Mgmt)

Chief Financial Officer
David Ledwidge, aged 42, was appointed to the Board in 2016. David joined the Group in 2006 from professional services firm Deloitte where he qualified as a Chartered Accountant. He has held various financial positions within the Group, including Group Risk Accountant, and most recently as Finance Director of Irish Ferries. He was appointed to his current role as Group Chief Financial Officer in May 2015.

The company secretary is:

Thomas Corcoran BComm, FCA

Company Secretary
Thomas Corcoran, aged 57, joined the Company in 1989 from the international professional services firm PwC, where he qualified as a Chartered Accountant. He has held a number of financial positions within the Group and is currently Group Financial Controller and Company Secretary. He was appointed Company Secretary in 2001.

Corporate Governance Report

Dear Shareholder,

As the coronavirus pandemic has continued to impact on society, the Board has overseen the consideration of stakeholder needs and experiences, and the integration of these throughout work and discussions in the Boardroom. This approach reflects the Board's focus on embedding high standards of corporate governance, with the objective of providing a transparent and engaging account of our approach throughout our Annual Report.

A Focus on Purpose

Our purpose – to achieve continued success in our chosen markets, delivering a safe, reliable, timely, good value and high-quality experience to our customers in a way that minimises our impact on the environment – has guided actions at every level of the organisation throughout the year. In the immediate term, this meant a relentless focus on the health and safety of our employees, customers and wider stakeholders. With a longer-term view, it has resulted in significant efforts to review our impact on the environment and, where possible, go above and beyond the significant changes to the regulatory environment for shipping. The pandemic has not distracted from the challenges presented by climate change and ICG will continue to do its utmost to reduce the impact it has on the environment. As part of those efforts, we have for the first time set out a plan for net zero in our land-based operations, with further details set out on page 45.

Enhancing Board effectiveness

Social distancing guidelines have resulted in significant changes to the way we work and engage. One of our priorities during FY2021 was to ensure the Board continues to operate at a highly effective standard. With the inability to meet physically, a comprehensive engagement programme has drawn on technology to create new platforms for conversations. While not a direct substitute for in-person discussion, these have been successful in ensuring the connectivity and collaboration necessary to ensure the effective functioning of the Board and senior leadership.

While we had deferred the external Board evaluation during 2020 due to the challenges facing society and the business, it took place during 2021. The evaluation showed that the Board and each of its Committees continue to operate effectively. The value of external evaluations lies in ensuring the Board consistently tests itself and always strives to improve. Further details of the evaluation are set out on pages 88 to 89.

Board Changes

There were two additions to the Board in the year. On 4 January 2021, Lesley Williams joined the Board, followed by Dan Clague on 26 August 2021. We are fortunate to have been able to add such impressive individuals to our Board. While each possess many talents, Lesley's capital markets and ESG expertise will be relevant, with Dan's knowledge at the intersection of investment banking, transport and infrastructure already adding significant depth of expertise to the Board. For the first time, we have also provided a skills matrix for our Directors, which will inform succession and Board refreshment plans, as well as the requirements for Board development and learning.

Catherine Duffy and Brian O'Kelly stepped down during 2021 and we are grateful for their contribution throughout their tenure. Following these changes, the Board is fully aware that the composition of the Board does not align with the ambitions set by the Hampton-Alexander Review and, closer to home, targets from the Balance for Better Business. As a Board, we recognise the benefits of diversity and through the Nomination Committee, we place a particular focus on ensuring any candidate pool for Board or senior management positions provides the Board an opportunity to promote diversity within the Board and senior team.

Monitoring culture

As a Board, we have welcomed the growing focus on the idea of culture within businesses from investors and regulators. One of the key tests of the past 12 months has been the resilience of employees and business' culture. While there has been significant upheaval in our sector, given the focus on safety throughout the business, we were probably positioned better than most to respond to the evolving requirements of a pandemic and associated regulation. The impact of coronavirus on the metrics that depict our culture will be monitored closely as we progress through 2022, alongside actions to reiterate broader cultural expectations. One of the most meaningful means of understanding culture, and subsequently taking steps to drive enhancements, is direct feedback from employees at all levels of the organisation. With this in mind we will be undertaking a new program to engage our employees with talent development.

Creating value for stakeholders

While the requirements of the UK Code apply to Irish businesses, certain aspects of its framework are based on UK legislation. Once such aspect is provision 5 of the 2018 Code, which sets out the expectation that the Board details how stakeholder interests have been taken into account. Nonetheless, while section 172 of the UK Companies Act does not directly apply to ICG, stakeholder interests have never been in sharper focus, and the importance of Environmental, Social and Governance (ESG) matters to investors continues to grow at pace. To ensure the Board remains in touch with material issues and concerns, it has increased the resources dedicated to sustainability practices, and has put in place a more robust reporting framework that takes into account stakeholder interests. The Board's annual review of sustainability priorities reflects our wider social contract, which in 2021 saw the adoption of an environmental policy, a complete revision of many existing policies and, our inaugural reporting against SASB standards for our industry and the commencement of our disclosure against the TCFD. Work is also continuing as part of the review of all governance documentation, to ensure the most material risks and opportunities are elevated to the highest parts of the organisation, with material non-financial data being integrated into the same risk management and KPI framework as its financial counterparts.

UK Corporate Governance Code

I am pleased to report that we applied the provisions of the 2018 UK Corporate Governance Code (the '2018 Code') during the year. In those limited instances where compliance was not achieved in the specific circumstances of the Group, we have provided explanation. Details of our compliance, the composition of our Board, its corporate governance arrangements, processes and activities during the year, and reports from each of the Board's Committees, are set out on the following pages.

Finally, I would like to thank all of our shareholders for their continued support, and I look forward to welcoming you to our AGM on 11 May 2022. The Board will be available to answer any questions you may have about the business of the meeting.

John McGuckian

Chairman

9 March 2022

Corporate Governance Report
Continued

Corporate Governance Code

The Group is committed to the principles of corporate governance contained in the UK Corporate Governance Code (the Code) issued in July 2018 by the Financial Reporting Council, as adopted by Euronext Dublin, for which the Board is accountable to shareholders. The Irish Corporate Governance Annex (the Irish Annex) issued by Euronext Dublin also applies to the Group.

This Corporate Governance Report presented in the context of the full Annual Report and Financial Statements for the year ended 31 December 2021 sets out how the Board has applied the Principles of the Code. This is supported through reporting on compliance with the Provisions of the Code. The Board considers that, other than for the deviations noted below which have been explained in this Corporate Governance Report, throughout the period under review the Group has been in compliance with the provisions of the Code and the requirements set out in the Irish Annex.

Provision 5 of the Code requires the Board to describe in its Annual Report how the interests of key stakeholders and the matters set out in Section 172 of the United Kingdom Companies Act of 2006. While that Act does not apply to Irish companies, the Board is satisfied that these matters have been addressed in discussions and disclosures throughout this Annual Report including discussion on strategy and business model, business review, risk processes, environmental matters and stakeholder engagement. Provision 5 also requires that employee engagement be facilitated by one of three prescribed methods. As the Board has not chosen one or more of these methods, it explains at page 84 the alternative arrangements which are in place and why it considers that they are effective. Under Provision 19 of the Code, the Chair should not remain in post beyond nine years from the date of their first appointment. This report at page 87 provides details to the continuing tenure of Mr. John B. McGuckian as Chairman beyond nine years.

Provision 36 requires that the Remuneration Committee should develop a formal policy for post-employment shareholding requirements encompassing both unvested and vested shares. The Report of the Remuneration Committee at page 113 sets out the reasoning for not establishing a formal policy given that the existing arrangements under the Remuneration Policy result in contractual restrictions on share disposals of up to five years post-employment.

Provision 39 requires that notice or contract periods should be one year or less. The Report of the Remuneration Committee at page 112 sets out why in relation to one Director a notice period of two years will apply in certain circumstances.

Corporate Governance Framework

Board Leadership and Company Purpose

The Board is collectively responsible for the long-term sustainable success of the Group through provision of leadership within a framework of prudent and effective controls which enables risk to be assessed and managed. Pursuant to the Constitution, the Directors of the Company are empowered to exercise all such powers as are necessary to manage and run the Company, subject to the provisions of the Companies Act 2014.

In discharging this responsibility, the Board has adopted a formal schedule of matters specifically reserved to it for decision, which covers key areas of the Group's business including approval of financial statements, budgets (including capital expenditure), acquisitions or disposals of significant assets, dividends and share redemptions, board appointments and setting the risk appetite. Certain additional matters are delegated to Board Committees.

In discharging their duties, the Board has arrangements in place for Directors to disclose any direct or indirect interests which may possibly conflict with the interests of the Company.

Group Strategy and Corporate Governance

On page 18 we describe the Group's strategy. This strategy is supported by our five strategic pillars, consideration of which is interwoven throughout the Board agenda for each meeting and throughout this report.

Strategic pillar	Key activities during the period
Quality service	
Investment in quality assets is essential to ensure a reliable, timely and high-quality service to our customers which is essential to retaining the Group's pivotal position in international logistics chain and to driving growth in the Group's business.	• The oversight and monitoring of performance of the fleet • Evaluation and approval of ongoing expansion including: - Commencement of new ferry services between Dover and Calais. - Increase in the operational ferry fleet from 5 to 8 vessels, 2 of which were purchased and 1 chartered. - Increase in the container vessel fleet from 6 to 7 vessels. - Approval of the acquisition of 5 new electrically powered RTGs at Dublin Ferryport Terminals as part of a replacement and expansion program. - Vessel upgrade works involving customer facing and background technical improvements. - Commencement of operations at the Dublin Inland Port.
People and culture	
Our customers' experience is directly affected through their interaction with our employees and third-party contractors.	• Overview of service quality reports. • Monitoring of feedback from staff briefing sessions. • Monitoring of Covid-19 initiatives to ensure safety of customers and the workforce. • Review of whistleblowing procedures.
Financial management	
Pursuit of investment opportunities within stringent risk and reward hurdles, avoidance of speculative financial positions and Capital management.	• Reviewed the regular reports from the CEO and CFO regarding the Group's operations. • Monitored the financial liquidity and adequacy of borrowing facilities. • Challenge of investment proposals presented by the executive team in terms of resilience and risk appetite. • Consideration of commodity and currency exposures. • Assessed the Group's capital allocation, dividend and buyback transactions. • Approved the post Brexit migration of Company share trade settlement from CREST to Euroclear Bank.
Safety	
The operational safety of our vessels and terminal facilities is paramount to maintaining the reputation of our brands which is vital to future success and a strong safety culture is promoted across all activities.	• Oversight of Group operational safety reviews. • Review of arrangements introduced to protect customers, staff and crew aboard our vessels against Covid-19. • Attended briefings from the Risk Management Committee. • Review of risk appetite statements. • Reviewed effectiveness of the Group's internal control and risk management systems.
Sustainability	
The Group seeks to minimise the impact of its activities on the environment through constant innovation, efficiency and awareness.	• Oversight of Group compliance with existing regulations and potential effects of new regulations. • Approval of additional resources to formalise the development of integrated Group sustainability policy and framework. • Approval of projects to improve the group's environmental footprint.

Corporate Governance Report
Continued

Stakeholder Engagement

At Irish Continental Group, we believe success in our business will deliver sustained and profitable growth for the benefit of all our stakeholders. To nurture this success regular dialogue takes place at relevant levels within the Group and feedback is delivered to the Board through the CEO and presentations from the senior executive team.

Shareholders

The Board acknowledges its responsibility to engage with shareholders to ensure that their interests are being met and to listen to any areas of concern which they may raise.

The Board encourages communications with shareholders and welcomes their participation at all general meetings of the Company. While it was not possible to accommodate physical attendance at the 2021 AGM due to government restrictions on gatherings imposed due to Covid-19, the Company provided a live audio feed and a facility to submit questions in advance of the meeting.

Regular formal updates are provided to shareholders and are available on the Group's website. During 2021, these included Trading Updates, the Half-Yearly Financial Report, and the Annual Report and Financial Statements together with investor presentations. Irish Continental Group's website, www.icg.ie, also provides access to other corporate and financial information, including all regulatory announcements and a link to the current ICG Unit price.

Other than during close periods and subject to the requirements of the Takeover Code, when applicable, the Chief Executive and the Chief Financial Officer have a regular dialogue with its major shareholders throughout the year and report on these meetings to the Board. The Senior Independent Director is also available on request to meet with major shareholders.

The 2022 Annual General Meeting is scheduled for 11 May 2022. Arrangements will be made for the 2021 Annual Report and 2022 Annual General Meeting Notice to be available to shareholders at least 20 working days before the meeting and for the level of proxy votes cast for and against each resolution and the number of abstentions, to be announced at the meeting. Further details on the procedures applicable to general meetings are set out on pages 91 to 92.

Further investor relations information is available on pages 208 to 209 of this Annual Report.

Workforce

We rely on our workforce to promote our values. Our customers' experience and consequentially our success is directly affected through their interaction with our workforce comprising our own employees and third-party contractors. In return we recognise our obligation to promote employee development in an environment which promotes diversity and inclusion and provides a safe working environment.

The Board notes the Code provision relating to workforce engagement and the methods which might be used to effect same. The Board has considered these against the nature of the manner in which the Group's activities are performed. As is common practice in the maritime sector, our vessels are crewed through third-party managers. The Group has no legal rights to engage with the individual crew members who are directed and controlled by the third-party manager. The contracts between the Group and the crewing managers include detailed service level arrangements and requirements that the third-party adhere to international IMO regulations regarding employment terms for seafarers. The Group monitors the crewing manager certification on an ongoing basis. The Group has also entered into third-party labour contracts with respect to its terminal operations.

At peak season, the Group engages in excess of 1,000 persons, of which approximately 300 are direct employees. The Board has considered that the most appropriate manner in which it can ensure that the interests of persons employed directly or indirectly can be considered is through challenging the CEO and divisional managing directors on their regular reports to the Board.

Both formal and informal processes underlie engagement with the direct workforce. Formal processes include general briefing sessions to all employees through the management chain. There are also annual staff reviews which promote the exchange of views. The Group has also formulated grievance and whistleblowing procedures whereby employees can report any concern in confidence. The Group also has arrangements in place for the provision of confidential counselling services. Informally, given the small direct workforce, there is an open access policy whereby any employee has access to any manager up to the CEO. Senior management also regularly visit all Group locations. Within these processes, executive management report on workforce matters to the Board.

Site visits are also arranged for Board members. However, during the Covid-19 pandemic these were curtailed in line with Group safety protocols to limit unnecessary contacts.

Customers

Our strategy centres around meeting our customers maritime transport requirements whether that is being a key partner in their organisation's international logistics chain or personal travel arrangements. We engage with our customers on a daily basis through the provision of our services but also proactively work in partnership with our customers so that they can achieve their objectives. Through listening to our customer feedback and requirements we adapt our offering in the provision of safe, reliable, timely, good value and high quality maritime transport, while continuing initiatives to minimise the impact of our operations on the environment. The Board receives regular updates from the CEO and senior managers on customer performance and market developments.

Suppliers

The Group's partnerships with its suppliers are essential to the Group's success in delivering its services. We work closely with our suppliers to ensure the quality of supplies and services meet our exacting requirements. We support our suppliers with their innovation projects which benefit the way we can deliver our services. Increasingly this involves initiatives with an environmental benefit whether it be a new or improved product or a new way of doing things. We have in place a Supplier Code of Conduct which purpose is to ensure our procurement processes are aligned with our values and policies across the areas of environment, ethics, human rights and health and safety. The Board receives regular updates from the CEO and senior managers on the performance of key suppliers and innovations.

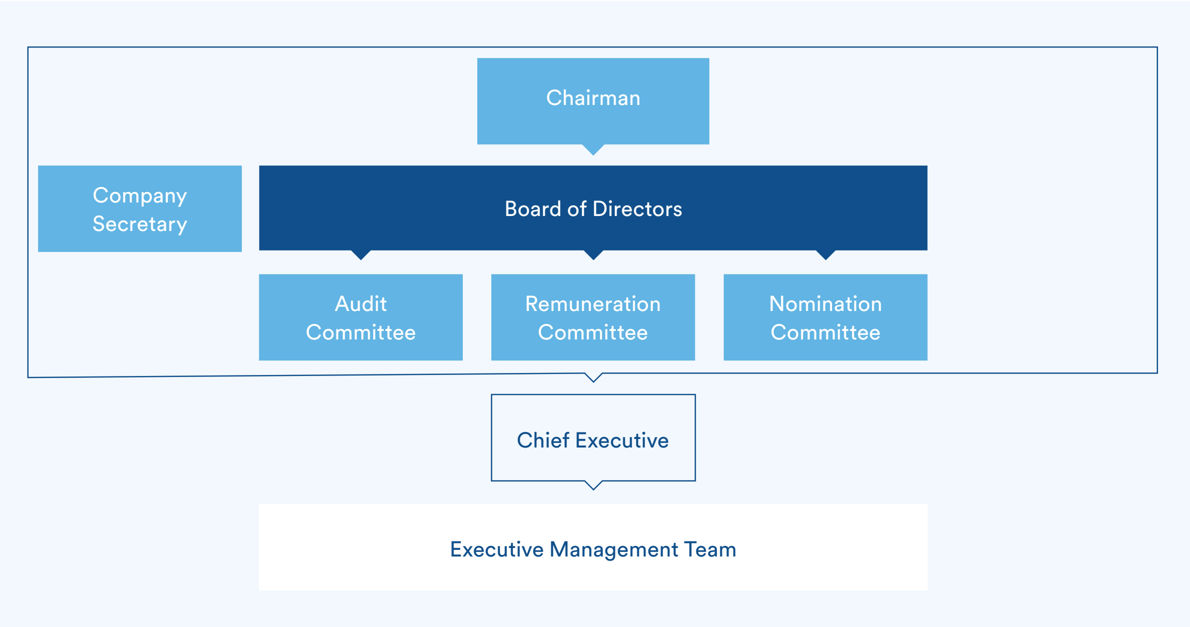
Environment and Society

The Group acknowledges its societal responsibility to conduct business in a manner that protects our shared environment. We operate in a highly regulated industry which requires adherence to high standards of waste and resource management, pollution prevention and increasingly rigorous compliance measures to reduce greenhouse gas emissions across the maritime sector. This involves continuous engagement with port and flag state authorities, industry representative bodies, and local and international regulatory agencies. A key step in the Group's climate change risk framework outlined on pages 64 to 66 is to engage in a research program to incorporate stakeholder views on the environment and climate change expectations into the Group's risk appetite setting and strategic planning processes.

ICG is recognised as a critical infrastructure operator in providing essential transport services under the Irish Ferries and Eucon brands. This requires collaboration with the Irish government on areas of business continuity and network and information security. Irish Ferries is also a significant contributor to the tourism industries of Ireland, the UK and France and engages in co-operative campaign programs with regional tourism bodies to promote local tourism.

We also support various community initiatives and charities that align with our strategic pillars of safety and sustainability.

Corporate Governance Report
Continued



Division of Responsibilities

The Board comprises of two executive and four non-executive Directors. The roles of Chairman and Chief Executive are separate, set out in writing and approved by the Board.

The Board has adopted the corporate governance structure set out below which it believes provides for segregation of the oversight functions from those of executive management.

Chairman: The Board is led by the Chairman who is responsible for its overall effectiveness in directing the Group.

John B. McGuckian has served as Chairman of the Board since 2004 and is responsible for leading the Board, ensuring its effectiveness through;

- Setting the Board's agenda and ensuring that adequate time is available for discussion.
- Promoting a culture of openness and debate by facilitating the effective contribution of non-executive Directors in particular and ensuring constructive relations between executive and non-executive Directors.
- Ensuring that the Directors receive accurate, timely and clear information.
- Ensuring effective communication with shareholders.

Chief Executive: The Board has delegated the management of the Group to the Executive Management Team, through the direction of Eamonn Rothwell who has served as Chief Executive since 1992. The Chief Executive is responsible for implementing Board strategy and policies and closely liaises with the Chairman and manages the Group's relationship with its shareholders.

Senior Independent Director: The Board, having considered his experience, appointed John Sheehan as the Senior Independent Director effective from 26 January 2022. The Senior Independent Director acts as a sounding board for the Chairman and serves as an intermediary for the other Directors if necessary. The Senior Independent Director is also available to shareholders if they have concerns which have not been resolved through the normal channels of Chairman, Chief Executive or for which such contact is inappropriate. Brian O'Kelly served as the Senior Independent Director up to his retirement as Director on 17 December 2021.

Non-executive Directors: Non-executive Directors through their knowledge and experience gained outside the Group constructively challenge and contribute to the development of Group strategy. Non-executive Directors scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance. They satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible. Through their membership of Committees, they are responsible for determining appropriate levels of remuneration of executive Directors and have a prime role in appointing and, where necessary, removing executive Directors, and in succession planning.

Company Secretary: The Company Secretary provides a support role to the Chairman and the Board ensuring good information flows within the Board and its committees and between senior management and non-executive Directors, as well as facilitating induction and assisting with professional development as required and advising the Board through the Chairman on governance matters. Thomas Corcoran has served as Company Secretary since 2001.

Committees: During the year ended 31 December 2021, there were three standing Board Committees with formal terms of reference; the Audit Committee, the Nomination Committee and the Remuneration Committee. In addition, the Board will establish ad-hoc sub-committees to deal with other matters as necessary. All Board committees have written terms of reference setting out their authorities and duties delegated by the Board. The terms of reference are available, on request, from the Company Secretary and are available on the Group's website. The reports of the committees are set out at pages 94 to 114.

Independence: All of the non-executive Directors are considered by the Board to be independent of management and free of any relationships which could interfere with the exercise of their independent judgement. In considering their independence, the Board has taken into account a number of factors including their length of service on the Board, other directorships held and material business interests.

Mr. McGuckian has served on the Board for more than nine years since his first appointment. Notwithstanding this tenure the Board, as advised by the Nomination Committee, considers Mr. McGuckian to be independent having regard to the independent mindset with which he carries out his role. The Board has considered the knowledge, skills and experience that he contributes and assesses him to be both independent in character and judgement and to be of continued significant benefit to the Board. Mr McGuckian was also assessed to be independent at the date of appointment as Chairman in 2004. While conscious of the recommendations of the UK Code, the Board – through the Nomination Committee – considered it in the best interests of the Company and its stakeholders for the Chair to continue for 2022. Mr. McGuckian extensive knowledge of the business ensures appropriate challenge and leadership of the Board during this time of strategic development and continuing risk of the Covid-19 pandemic.

Meetings: The Board agrees a schedule of regular meetings each calendar year and also meets on other occasions if necessary with contact between meetings as required in order to progress the Group's business. Where a Director is unable to attend a meeting, they may communicate their views to the Chairman. The Directors receive regular and timely information in a form and quality appropriate to enable the Board to discharge its duties. Non-executive Directors are expected to utilise their expertise and experience to constructively challenge proposals tabled at the meetings. The Board has direct access to the Executive Management Team who regularly brief the Board in relation to operational, financial and strategic matters concerning the Group.

Director attendances at scheduled meetings are set out below. In addition, there was regular contact and updates between these scheduled meetings. The Chairman also held meetings with the non-executive Directors without the executive Directors present and the non-executive Directors also meet once a year, without the Chairman present.

Attendance at scheduled Board meetings during the year ended 31 December 2021 was as follows:

Member	A	B	Tenure
J. B. McGuckian (Chair)	7	7	34 years
E. Rothwell	7	7	35 years
C. Duffy (resigned: 12 May 2021)	3	3	9 years
D. Ledwidge	7	7	6 years
B. O'Kelly (resigned: 17 December 2021)	7	7	9 years
J. Sheehan	7	7	8 years
Lesley Williams (appt: 4 January 2021)	7	7	1 year
Dan Clague (appt: 26 August 2021)	2	2	0.5 years

Column A: the number of scheduled meetings held during the year where the Director was a member of the Board.

Column B: the number of scheduled meetings attended during the year where the Director was a member of the Board.

Corporate Governance Report
Continued

Access to Advice: There is a procedure for Directors in the furtherance of their duties to take independent professional advice, at the expense of the Group, if they consider this necessary. The Group carries director liability insurance which indemnifies Directors in respect of legal actions that may be taken against them in the course of discharging their duties as Directors.

All Directors have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

Composition, Succession and Evaluation

Composition: The Board comprises two executive and four non-executive Directors. Excluding the Chairman, a majority of the Board comprises independent non-executive Directors in line with the recommendation of the Code.

Details of the professional and educational backgrounds of each Director encompassing the experience and expertise that they bring to the Board are set out on pages 78 to 79. The Board believes that it is of a size and structure and that, the Directors bring an appropriate balance of skills, experience, independence and knowledge to enable the Board to discharge its respective duties and responsibilities effectively, with no individual or group of individuals dominating the Board's decision making. Each of the non-executive Directors has a broad range of business experience independent of the Group both domestically and internationally. The appointments that took place during 2021 further underpinned that diversity of background and experience.

The Board has established a Nomination Committee to lead the appointments process and plan for orderly succession at Board and senior management level. The Nomination Committee report is set out on pages 100 to 101.

Appointments: All Directors are appointed by the Board, following a recommendation by the Nomination Committee, for an initial term not exceeding three years, subject to annual re-election at the Annual General Meeting. Prior to their nomination as a non-executive Director, an assessment is carried out to determine that they are independent. Non-executive Directors' independence is thereafter reviewed annually, prior to recommending the resolution for re-election at the AGM. Under the Articles each Director is subject to re-election at least every three years but in accordance with the Code, the Board has agreed that each Director will be subject to annual re-election at the AGM.

The terms and conditions of appointment of non-executive Directors appointed after 2002 are set out in their letters of appointment, which are available for inspection at the Company's registered office during normal office hours and at the AGM of the Company.

During 2021, there were two new non-executive appointments to the Board, Lesley Williams on 4 January 2021 and Dan Clague on 26 August 2021. Both were deemed independent on appointment. Catherine Duffy and Brian O'Kelly resigned as Directors during 2021, both having served nine years as a Director of the Company.

Development and Induction: On appointment, Directors are given the opportunity to familiarise themselves with the operations of the Group, to meet with executive management, and to access any information they may require. Each Director brings independent judgement to bear on issues of strategy, risk and performance. The Directors also have access to the Executive Management Team in relation to any issues concerning the operation of the Group.

The Board recognises the need for Directors to be aware of their legal responsibilities as Directors and it ensures that Directors are kept up to date on the latest corporate governance guidance, company law developments and best practice.

Performance Evaluation: The Board conducts an annual self-evaluation of the Board as a whole, the Board processes, its committees and individual Directors. The purpose of the evaluation process includes identification of improvements in Board procedures and to assess each Director's suitability for re-election. The process, which is led by the Chairman, is forward looking in nature. On a triennial cycle an independent external facilitator is engaged to further assist the process, though this engagement was deferred from 2020 to 2021 due to Covid-19 considerations.

The 2021 evaluation was facilitated by Carol Bolger CDir. who has no connection to the Group. The process involved completion of in-depth questionnaires and engagement. The focus areas included ensuring effective oversight in a virtual environment, Board composition, quality of information, time allocation and decision making processes. The responses were collated and the external facilitator presented a report of the questionnaire findings to the Chairman together with observations thereon. The Chairman used this report to lead a discussion with the Board on overall effectiveness. Within this process, the non-executive Directors, led by the Senior Independent Director, evaluated the Chairman's performance. The performance of individual directors was also assessed by the Chairman following discussions, held by the Chairman, with directors on an individual basis.

Following the conclusion of the process, the Chairman reported to the Board on the outcome of the evaluation process which indicated that the Board as a whole was operating effectively for the long-term success of the Group and that each Director was contributing effectively and demonstrating commitment to the role. While no areas of concern were highlighted, a number of Board process matters are to be followed up with a view to improving overall reporting to the Board. Separately, the Senior Independent Director reported that the Chairman was providing effective leadership of the Board.

Audit Risk and Internal Control

The Board has described its business model on page 18 setting out how the Company generates value over the longer term and the strategy for delivering the objectives of the Company.

The Board has overall responsibility for determining the Group's risk appetite but has delegated responsibility for the review, design implementation and monitoring of the Group's internal control system to the Audit Committee. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

In accordance with Guidance on Risk Management, Internal Control and Related Financial and Business Reporting (September 2014) issued by the FRC, the Board confirms that there is a continuous process for identifying, evaluating and managing the significant risks faced by the Group, that it has been in place for the period under review and up to the date of approval of the Financial Statements, and that this process is regularly monitored by the Board. The report of the Audit Committee is set out on pages 94 to 99. The risk management framework and processes including the principal risks and uncertainties identified are set out on pages 62 to 71.

No material weaknesses in internal controls were reported to the Board during the year.

Taking account of the Group's current position and principal risks, the Directors have set out their assessment of the prospects for the Group in the Viability Statement on pages 116 to 117.

Reporting

The Board is committed to providing a fair, balanced and understandable assessment of the Group's position and prospects to shareholders through the Annual Report, the Interim Statement and any other public statement issued by the Group. The Directors have considered the Annual Report based on a review performed by the Audit Committee and have concluded that it represents a fair, balanced and understandable assessment of the Group's position and prospects.

Remuneration

The Board has delegated the approval of remuneration structures and levels of the executive Directors and senior management to the Remuneration Committee whose report is set out at pages 102 to 114.

Diversity

The Board has adopted a Board Diversity Policy in compliance with the European Union (Disclosure of non-financial and diversity information by certain large undertakings and Groups) Regulation 2017. The promotion of a diverse Board makes prudent business sense, promotes effective decision-making and ensures stronger corporate governance.

The Group seeks to maintain a Board comprised of talented and dedicated Directors with a diverse mix of expertise, experience, skills and backgrounds reflecting the diverse nature of the business environment in which the Group operates. For purposes of Board composition, diversity includes, but is not limited to, age, gender or educational and professional backgrounds.

When assessing Board composition or identifying suitable candidates for appointment or re-election to the Board, the Group, through the Nomination Committee, considers candidates on merit against objective criteria having due regard to the benefits of diversity and the needs of the Board.

The Nomination Committee will give due regard to diversity when reviewing Board composition and considering Board candidates. The Committee will report annually, in the corporate governance section of the Annual Report, on the process it has used in relation to any Board appointments.

Corporate Governance Report
Continued

Beyond the Board, of 62 individuals holding a managerial position, 21% are female. While the Board acknowledges the imbalance of this ratio compared to society at large, it is reflective in part of the sector in which the Group operates. Against this background, the Board has not set any gender ratio target but is committed to improving this ratio over time. In that regard the Nomination Committee and Executive Management Team, as appropriate, will actively seek out a greater pool of female candidates when undertaking any future recruitment process.

Matters Pertaining to Share Capital

The information set out below is required to be contained in the Report of the Directors under Regulation 21 of the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 (S.I. 255/2006). The information represents the position at 31 December 2020.

For the purposes of Regulations 21(2)(c), (e), (j) and (k) of the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 (S.I. 255/2006), the information given under the following headings: (i) Substantial Shareholdings page 118; (ii) Share Option Plans page 112; (iii) Long Term Incentive Plan pages 108 to 109; (iv) Service Contracts page 112; and (v) Share-based Payments pages 179 to 181; (vi) Borrowings pages 167 to 169; are deemed to be incorporated into this statement.

Share Capital

The authorised share capital of the Company is €29,295,000 divided into 450,000,000 ordinary shares of €0.065 each (ordinary shares) and 4,500,000,000 redeemable shares of €0.00001 each (redeemable shares). The ordinary shares represent approximately 99.85% and the redeemable shares represent approximately 0.15% of the authorised share capital. The issued share capital of the Company as at the date of this report is 182,794,567 ordinary shares. There are no redeemable shares currently in issue.

Ordinary shares and redeemable shares (to the extent redeemable shares are in issue) are inextricably linked as an ICG Unit. An ICG Unit is defined in the Constitution of the Company as one Ordinary Share in the Company and ten Redeemable Shares (or such lesser number thereof, if any, resulting from the redemption of one or more thereof) held by the same holder(s).

The rights and obligations attaching to the ordinary shares and redeemable shares are contained in the Constitution of the Company.

The Directors may exercise their power to redeem redeemable shares from time to time pursuant to the Company's Constitution where there are redeemable shares in issue.

The structure of the Group's and Company's capital and movements during the year are set out in notes 20 and 21 to the Financial Statements.

Restrictions on the Transfer of Shares

There is no requirement to obtain the approval of the Company, or of other holders of ICG Units, for a transfer of ICG Units. Certain restrictions may from time to time be imposed by laws or regulations such as those relating to insider dealing.

For so long and to the extent that any redeemable shares are in issue, transfers of ordinary shares and redeemable shares can, in those circumstances, only be effected where the transfer of one class of share (e.g. ordinary share) involves a simultaneous transfer of the other linked class of shares (e,g, redeemable share) as an ICG Unit. As noted, there are currently no redeemable shares in issue. An ICG Unit comprised one ordinary share and nil redeemable shares at 31 December 2021 and 31 December 2020.

ICG Units are, in general, freely transferable but, in accordance with the Companies Act 2014 (as amended) and the Constitution, the Directors may decline to register a transfer of ICG Units upon notice to the transferee, within two months after the lodgement of a transfer with the Company, in the following cases:

1. if redeemable shares are in issue, where the transfer of shares does not involve a simultaneous transfer of the other class of shares with which such shares are linked as an ICG Unit (as described immediately above);
2. a lien is held by the Company; or
3. in the case of a purported transfer to or by a minor or a person lawfully adjudged not to possess an adequate decision-making capacity;
4. unless the instrument of transfer is accompanied by the certificate of the shares to which it relates (if any) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; or
5. unless the instrument of transfer is in respect of one class only (unless redeemable shares are in issue and the proposed transfer is in respect of ICG Units).

ICG Units held in certificated form are transferable upon production to the Company's Registrars of the original share certificate and the usual form of stock transfer or instrument duly executed by the holder of the shares.

ICG Units held in uncertificated form are transferable in accordance with the rules or conditions imposed by the operator of the relevant system which enables title to the ICG Units to be evidenced and transferred without a written instrument and in accordance with the Companies Act, 1990 (Uncertificated Securities) Regulations 1996 (S.I. 68/1996) and Section 1085 of the Companies Act 2014 (as amended).

The rights attaching to ordinary shares and redeemable shares comprised in each ICG Unit remain with the transferor until the name of the transferee has been entered on the Register of Members of the Company.

No person holds securities in the Company carrying special rights with regard to control of the Company. The Company is not aware of any agreements between holders of securities that may result in restrictions in the transfer of securities or voting rights.

The Powers of the Directors Including in Relation to the Issuing or Buying Back by the Company of its Shares

Under the Constitution of the Company, the business of the Company is to be managed by the Directors who may exercise all the powers of the Company subject to the provisions of the Companies Acts 2014 (as amended), the Constitution of the Company and to any directions given by members at a General Meeting. The Constitution further provides that the Directors may make such arrangements as may be thought fit for the management of the Company's affairs including the appointment of such attorneys or agents as they consider appropriate and delegate to such persons such powers as the Directors may deem requisite or expedient.

At the Company's AGM held on 12 May 2021, resolutions were passed whereby

1. the Company, or any of its subsidiaries, were authorised to make market purchases of up to 15% of the issued share capital of the Company.
2. the Directors were authorised until the conclusion of the next AGM, to allot shares up to an aggregate nominal value of 66.66% of the then present issued ordinary share capital and the present authorised but unissued redeemable share capital of the Company subject to the provision that any shares allotted in excess of 33.33% of the then present issued ordinary share capital must be allotted pursuant to a rights issue.

In line with market practice, members will be asked to renew these authorities at the 2022 AGM.

General Meetings and Shareholders Voting and other Rights

Under the Constitution, the power to manage the business of the Company is generally delegated to the Directors. However, the members retain the power to pass resolutions at a General Meeting of the Company which may give directions to the Directors as to the management of the Company.

The Company must hold an AGM each year in addition to any other meetings in that year and no more than 15 months may elapse between the date of one AGM and that of the next. The AGM will be held at such time and place as the Directors determine. All General Meetings, other than AGMs, are called Extraordinary General Meetings.

Extraordinary General Meetings shall be convened by the Directors or on the requisition of members holding, at the date of the requisition, not less than five percent of the paid up capital carrying the right to vote at General Meetings and in default of the Directors acting within 21 days to convene such a meeting to be held within two months, the requisitionists (or more than half of them) may, but only within three months, themselves convene a meeting.

No business may be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Two or more members present in person or by proxy and entitled to vote at such meeting constitutes a quorum.

The holders of ICG Units have the right to receive notice of, attend, speak and vote at all General Meetings of the Company.

In the case of an AGM or of a meeting for the passing of a Special Resolution or the appointment of a Director, 21 clear days' notice at the least, and in any other case 14 clear days' notice at the least (assuming that the members have passed a resolution to this effect at the previous year's AGM), needs to be given in writing in the manner provided for in the Constitution to all the members, Directors, Secretary, the Auditor for the time being of the Company and to any other person entitled to receive notice under the Companies Act.

Voting at any General Meeting is by a show of hands unless a poll is properly demanded. On a show of hands, every member who is present in person or by proxy has

Corporate Governance Report
Continued

one vote regardless of the number of shares held by a shareholder. On a poll, every member who is present in person or by proxy has one vote for each share of which he/she is the holder. A poll may be demanded by the Chairman of the meeting or by at least three members having the right to vote at the meeting or by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting or by a member or members holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Deadlines for Exercising Voting Rights

Voting rights at General Meetings of the Company are exercised when the Chairman puts the resolution at issue to the vote of the meeting. A vote decided on a show of hands is taken forthwith. A vote taken on a poll for the election of the Chairman or on a question of adjournment is also taken forthwith and a poll on any other question is taken either immediately, or at such time (not being more than 30 days from the date of the meeting at which the poll was demanded or directed) as the Chairman of the meeting directs. Where a person is appointed to vote for a member as proxy, the instrument of appointment must be received by the Company not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the appointed proxy proposes to vote, or, in the case of a poll, not less than 48 hours before the time appointed for taking the poll.

EU (Shareholders' Rights) Regulations 2020

The holders of ICG Units have the right to attend, speak, ask questions and vote at General Meetings of the Company. The Company, pursuant to Section 1105 of the Companies Act 2014 and Regulation 14 of the Companies Act 1990 (Uncertificated Securities) Regulations 1996, specifies record dates for General Meetings, by which date members must be registered in the Register of Members of the Company to be entitled to attend and vote at the meeting.

Pursuant to Section 1104 of the Companies Act 2014, a member, or a group of members who together hold at least three per cent of the issued share capital of the Company, representing at least three per cent of the total voting rights of all the members who have a right to vote at the meeting to which the request for inclusion of the item relates, have the right to put an item on the agenda, or to modify an agenda which has been already communicated, of a General Meeting.

In order to exercise this right, written details of the item to be included in the General Meeting agenda must be accompanied by stated grounds justifying its inclusion or a draft resolution to be adopted at the General Meeting together with evidence of the member or group of members shareholding must be received, by the Company, 42 days in advance of the meeting to which it relates.

The Company publishes the date of its AGM on its website www.icg.ie on or before 31 December of the previous financial year.

Rights to Dividends and Return of Capital

Subject to the provisions of the Company's Constitution, the holders of the ordinary shares in the capital of the Company shall be entitled to such dividends as may be declared from time to time on such shares. The holders of the redeemable shares (if any) shall not be entitled to any dividends.

On a return of capital on a winding up of the Company or otherwise (other than on a conversion, redemption or purchase of shares), the holders of the ordinary shares shall be entitled, pari passu with the holders of the redeemable shares (if any) to the repayment of a sum equal to the nominal capital paid up or credited as paid up on the shares held by them respectively. Thereafter, the holders of the ordinary shares shall be entitled to the balance of the surplus of assets of the Company to be distributed rateably according to the number of ordinary shares held by a member. The redeemable shares shall not confer upon the holders thereof any rights to participate further in the profits or assets of the Company.

Rules Concerning Amendment of the Company's Constitution

As provided in the Companies Act 2014, the Company may, by special resolution, alter or add to its Constitution. A resolution is a special resolution when it has been passed by not less than 75 per cent of the votes cast by members entitled to vote and voting in person or by proxy, at a General Meeting at which not less than 21 days' notice specifying the intention to propose the resolution as a special resolution, has been duly given.

Rules Concerning the Appointment and Replacement of Directors of the Company

Other than in the case of a casual vacancy, Directors of the Company are appointed on a resolution of the members at a General Meeting, usually the AGM.

No person, other than a Director retiring at a General Meeting is eligible for appointment as a Director without a recommendation by the Directors for that person's appointment unless, not less than six or more than 40 clear days before the date of the General Meeting, written notice by a member, duly qualified to be present and vote at the meeting, of the intention to propose the person for appointment and notice in writing signed by the person to be proposed of willingness to act, if so appointed, shall have been given to the Company.

The Directors have power to fill a casual vacancy or to appoint an additional Director (within the maximum number of Directors fixed by the Constitution of the Company (as may be amended by the Company in a General Meeting)) and any Director so appointed holds office only until the conclusion of the next AGM following their appointment, when the Director concerned shall retire, but shall be eligible for reappointment at that meeting.

Each Director must retire from office no later than the third AGM following their last appointment or reappointment. In addition, one-third of the Directors for the time being (or if their number is not three or a multiple of three, then the number nearest to one-third), are obliged to retire from office at each AGM on the basis of the Directors who have been longest in office since their last appointment.

The Company has adopted the provisions of the UK Corporate Governance Code in respect of the annual election of all Directors. All Directors will retire at the forthcoming AGM and following review are being recommended for re-election.

A person is disqualified from being a Director, and their office as Director ipso facto vacated, in any of the following circumstances:

1. if s/he is adjudicated bankrupt or being bankrupt has not obtained a certificate of discharge in the relevant jurisdiction; or
2. if in the opinion of a majority of his/her co-Directors, the health of the Director is such that he or she can no longer be reasonably regarded as possessing an adequate decision-making capacity so that s/he may discharge his/her duties; or
3. if s/he ceases to be, or is removed as a Director by virtue of any provision of the Acts or the Articles, or s/he becomes prohibited by law from being a Director or is restricted by law in acting as a Director; or
4. if s/he (not being a Director holding for a fixed term an executive office in his/her capacity as a Director) resigns his/her office by notice in writing to the Company; or
5. if s/he is absent for six successive months without permission of the Directors from meetings of the Directors held during that period and the Directors pass a resolution that by reason of such absence s/he has vacated office; or
6. if s/he is removed from office by notice in writing served upon him/her signed by all his/her co-Directors; if s/he holds an appointment to an executive office which thereby automatically determines, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him/her and the Company; or
7. if s/he is convicted of an indictable offence not being an offence under the Road Traffic Act, 1961 or any statutory provision in lieu or modification thereof.

Notwithstanding anything in the Constitution or in any agreement between the Company and a Director, the Company may, by Ordinary Resolution of which the required notice has been given in accordance with Section 146 of the Companies Act 2014, remove any Director before the expiry of their period of office.

Replacement of CREST with Euroclear Bank for Electronic Settlement of Trading in the Company's shares

On 15 March 2021 electronic settlement of trades in the Company's shares migrated from the UK CREST System to Euroclear Bank SA/NV, an international central securities depository based in Belgium and part of the Euroclear Group. This migration was necessary as a result of the exit of the United Kingdom from the EU and the legislative requirement that electronic settlement occur through an authorised central securities depository that is established in a member state of the EU or under an approved third country arrangement. The required shareholder authorisations for the migration were given at an EGM held on 12 February 2021.

Report of the Audit Committee

Dear shareholder,

I am pleased to present the Report of the Audit Committee (the Committee) for the year ended 31 December 2021.

The Committee plays an important role in ensuring the Group's financial integrity for shareholders through oversight of the financial reporting process, including the risk and control systems which underlie that process. This report sets out how the Committee fulfilled its duties under its Terms of Reference, the UK Corporate Governance Code, the Irish Annex and relevant legislation.

Composition

There were some changes to the Committee composition during the year. As Chairman, I welcome new Committee members Lesley Williams and Dan Clague. I also thank Catherine Duffy and Brian O'Kelly who resigned during the year for their contributions as members of the Committee during their tenure.

The Audit Committee membership during the year is set out in the table below which also details attendance and tenure.

Member	A	B	Tenure
J. Sheehan (Chair)	4	4	8 years
C. Duffy (resigned, 12 May 2021)	2	2	9 years
B. O'Kelly (resigned, 17 December 2021)	4	4	9 years
L Williams (appt'd. 8 April 2021)	4	4	0.7 years
D. Clague (appt'd. 26 August 2021)	1	1	0.5 years

Column A: the number of scheduled meetings held during the year where the Director was a member of the Committee.

Column B: the number of scheduled meetings attended during the year where the Director was a member of the Committee.

At 31 December 2021, the Committee comprised of three Non-Executive Directors, all of whom have been determined by the Board to be independent. The members bring significant professional expertise to their roles gained from a broad level of experience gained outside of the Group. This, together with their experience as Directors of the Company, assures that the Committee as a whole has competence relevant to the sector in which the Group operates. The member's biographies are set out on pages 78 to 79. The Board has determined that John Sheehan has recent and relevant financial experience and that all members have wide experience of corporate financial and risk matters. Overall, the Committee is independent and possesses the skills and knowledge to effectively discharge its duties under the Committee's Terms of Reference. The Company Secretary acts as secretary to the Committee.

There were four scheduled meetings during the year at which all then current members attended. In addition, where requested, the Chief Executive Officer, the Chief Financial Officer and Chair and other members of the Risk Management Committee also attended. The scheduled meetings normally take place on the same day as Board meetings. The Chairman provides updates to the Board on key matters discussed and minutes are circulated to the Board.

Role and Responsibilities

The role, responsibilities and duties of the Audit Committee are set out in written terms of reference which are reviewed annually. The Terms of Reference are available on the Group's website www.icg.ie.

The principal responsibilities of the Committee cover the following areas;

- Supporting the Board in fulfilling its responsibilities in relation to the integrity of the financial reporting process including assessment of key estimates, critical accounting judgements, going concern and viability statements.
- Advise whether the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provides the information necessary for shareholders to assess the Group and Company's position and performance, business model and strategy.

- Overseeing the functioning of the internal audit function.
- Monitor the effectiveness of the Group's internal controls and risk management systems, including structures and arrangements supporting the Directors' Compliance Statement.
- Managing the relationship with the external auditor, including consideration of the appointment of the external auditor, the level of audit fees, and any questions of independence, provision of non-audit services, resignation or dismissal.

Work Performed

The principal work undertaken by the Committee during the period under review was focused on the following areas;

Financial Reporting

The Committee reviewed the Group's Half Yearly Financial Report for the six months ended 30 June 2021, the Preliminary Statement of Results and Annual Report and Financial Statements, for the financial year ended 31 December 2021 and the two Trading Statements issued during the year. These reviews considered;

- Assessment of the effects of new standards effective for reporting in financial year 2021;
- Other than for any new standards, the consistency, appropriateness and application of the Group's accounting policies;
- The clarity and completeness of disclosures and compliance with financial reporting standards, legislative and regulatory requirements;
- Whether these reports, taken as a whole, were fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- A comparison of these results with management accounts; and
- The critical accounting judgements and key sources of estimation applied in the preparation of the Financial Statements.

In assessing if the Financial Statements have dealt appropriately with each area of judgement, the Committee challenged the key assumptions and methodologies used by management in formulating estimates. The key sources of estimation uncertainty and critical accounting judgements applied in the preparation of the Financial Statements for the financial year ended 31 December 2021 are set out below and also discussed on pages 149 to 152.

Key Estimates

- **Post-employment benefits**
  The Group operates a number of Group sponsored pension schemes and is also a participating employer in the Merchant Navy Officers Pension Fund, a multi-employer scheme. Details of these schemes are set out in note 32 to the Financial Statements. The size of the pension obligations at €140.5 million (2020: €140.8 million) is material to the Group and sensitive to actuarial assumptions. The Committee has reviewed actuarial advice received from the Group's external actuary on the assumptions used by the scheme actuary in estimating the outstanding pension obligations at the year end. The Committee was satisfied that the assumptions used were reasonable and that the obligations set out in the Financial Statements are consistent with the assumptions and fairly presented.
- **Useful lives for property, plant and equipment and intangible assets**
  Long-lived assets comprising primarily of property, plant and equipment and intangible assets represent a significant portion of total assets. Changes in the useful lives may have a significant impact on the annual depreciation and amortisation charge. The Committee reviewed the useful life estimates of significant assets including technological developments, regulatory developments, operating performance and industry scrapping cycles and were satisfied that the estimates used were reasonable.

Critical Accounting Judgements

- **Impairment**
  The Group does not have assets which are required to be tested annually for impairment. In relation to other significant assets, the Committee made inquiries of management to determine whether there were any indications of impairment. The Committee acknowledged the continuing effects of Covid-19 measures on the Group's trading position in its ferry operations and the sector in general and considered whether this amounted to an indication of impairment and, if so, whether asset valuations were materially negatively affected.

Report of the Audit Committee
Continued

Based on the evidence provided by management the Committee were satisfied that there were no indicators of general declines in the market value of the types of vessels included in the Group's fleet. Nonetheless, in referencing accounting standard IAS 36: Impairment of Assets, management, having considered each of the events described at paragraph 12 of the standard, assessed that the decline in profitability from its passenger operations amounted to an indicator of impairment for its ferry fleet at 31 December 2021 and on reassessment also at 31 December 2020. The Group's position as previously reported in the 31 December 2020 financial statements, was that the remaining useful lives of the vessels were sufficiently long to allow the downturn in performance and cash generated by the vessels noted in 2020 to be temporary and therefore not regarded as an impairment indicator.

The Committee reviewed and challenged management on their approach and conclusion that the continuing effect of Covid-19 travel restrictions on passenger revenues amounted to an indicator of impairment. The Committee cognisant of the requirement for consistency between years were satisfied as to the appropriateness of the assessment and the conclusion that an indicator of impairment existed at 31 December 2021 and also, following reassessment, at 31 December 2020 requiring a recoverable value estimate of the ferry fleet to be prepared at both reporting dates.

The Committee reviewed management's calculations of the recoverable value estimates which were prepared based on the conditions and information available at each reporting date. The Committee examined the methodology, key assumptions and key judgements used including the limitations of the independent vessel valuations, the rationale for treating the ferry fleet as a single cash generating unit, growth rates and the discount rate used in the value in use calculations.

The Committee was satisfied that the recoverability assessment performed at each reporting date was robust, comprehensive and supported the carrying value of the ferry fleet as at 31 December 2021 and 2020. The Committee agreed that no provision for impairment against the carrying value of the Group's ferry fleet was required at 31 December 2021 or at 31 December 2020.

- **Going concern**
  The Committee reviewed the appropriateness of using a going concern assumption for the preparation of the Group Financial Statements.

  The Committee noted that the introduction of measures in response to Covid-19 by governments in the jurisdictions in which we operate services in March 2020 and which have continued in various forms throughout the period to 31 December 2021 have had a material effect on the Group's financial results. Notwithstanding the downturn in profitability due to the reduced passenger revenues, the Group's RoRo, LoLo, chartering and port stevedoring services operated largely in line with expectations and the Group has continued to generate cash from operations.

  The Committee also noted that government imposed Covid-19 travel restrictions have been largely removed from the beginning of 2022 for passengers who are fully vaccinated and passenger volumes have increased over the prior year levels. However, there remains a risk of a resurgence of Covid infections and the possibility of re-imposition of restrictions in the future. All other revenue streams were performing satisfactorily up to the date of the approval of the financial statements.

  The Committee met with management and reviewed and challenged their going concern modelling including assumptions and sensitivities in a number of trading scenarios including a possible re-imposition of travel restrictions and the effects of emerging geopolitical issues on fuel prices. The Committee also considered existing and future financial resources which could reasonably be expected to be available to the Group on normal market terms. The going concern modelling covered a period of 12 months from the date of approval of the Financial Statements.

  Following completion of the above, the Committee were satisfied that the Group will have adequate financial resources to continue in operational existence for the foreseeable future and the use of the going concern basis remained appropriate in the preparation of the financial statements. The Going Concern Statement is set out on page 116.

Viability Statement

The Committee reviewed and challenged management's assumptions and scenarios together with the calculations supporting the Viability Statement set out on pages 116 to 117. The Committee also considered the appropriateness of the five year assessment time frame and that the Group's principal and emerging risks had been appropriately considered. The Committee was satisfied that a robust assessment had been completed and reported this to the Board.

Fair, balanced and understandable

The Committee reviewed this Annual Report and Financial Statements to ensure that in its opinion taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Recommendations to the Board

Based on the work undertaken, the Committee reported to the Board that the Annual Report and Financial Statements for the year ended 31 December 2021 taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group and Company's position and performance, business model and strategy and recommended that the Annual Report and Financial Statements be approved by the Board.

The Committee had also recommended the approval of the Half Yearly Financial Report for the six months ended 30 June 2021 and the Trading Statements issued during 2021.

Engagement with Regulators

The Committee also oversaw management's engagement with the Irish Auditing and Accounting Supervisory Authority (IAASA) regarding their inquiries into certain aspects of the Financial Statements for the year ended 31 December 2020. The Chairman also met with IAASA in relation to their audit quality review of Deloitte, auditor to the Company for year ended 31 December 2020.

Risk Management and Internal Control

The Board is responsible for the Group's risk management and system of internal control. The Board's approach to risk management is set out in the Risk Management Report at page 62. The Committee, on behalf of the Board, reviews the effectiveness of the Group's control environment including internal controls and risk management systems.

The Risk management report describes the principal risks and uncertainties faced by the Group. Risks are grouped under strategic, operational, IT system and cyber and financial risks. The risk management system is dynamic and monitors for signals of new emerging risks. During 2021 two areas were being actively monitored; ongoing changes as a result of Brexit and environmental regulation. Since the year end geopolitical risks in eastern Europe are also being monitored.

The Committee oversees the work of the Risk Management Committee (RMC) which coordinates a unified system of ongoing identification, monitoring and reporting of risks throughout the Group. The activities of the RMC are undertaken alongside the activities of Internal Audit.

During the year, the Committee met with members of the RMC and presentations were made outlining the work undertaken in managing risk monitoring systems, procedures for ensuring the Group Risk Register is being updated for new and emerging risks and the management of exposure to principal risks. The work of the RMC is also central in putting consideration of risk to the fore in business decision making throughout the Group. The Committee reviewed the updated Risk Appetite Statements prepared by the RMC which were then presented to the Board for approval. The Committee also received regular reports throughout the year including internal audit reviews, operational and safety risk reviews including information technology and cyber security. In addition, the Chairman meets regularly with Group Internal Audit and the Committee approved the 2021 Internal Audit Plan.

The Committee undertook a review of the RMC and Internal Audit activities. The Committee was satisfied that risk management and internal control system had been in place throughout the financial year. In conducting the review the Committee acknowledges that the risk management and internal control system is designed to manage and mitigate rather than eliminate risk. The Committee was satisfied that the RMC and Internal Audit were achieving their objectives and that the Group control environment remains appropriate and effective. This assessment has been reported to the Board.

Report of the Audit Committee
Continued

The Committee also reviewed the effectiveness of the arrangements and structures which the Company has designed and put in place to secure material compliance with its Relevant Obligations as defined under Companies Act 2014. Relevant obligations comprise compliance with certain company law and tax obligations. The Committee reported to the Board that the arrangements and structures were sufficient to secure material compliance with its Relevant Obligations

External Audit

The Committee is responsible for managing the relationship with the Group's external auditor and monitoring their performance, objectivity and independence.

Audit Tender

Under Part 27 of the Statutory Audits of Companies Act 2014, given the tenure of the Company's previous auditor Deloitte, the Company was required to conduct a tender process in relation the appointment of a new auditor for the external audit in respect of the financial year commencing 1 January 2021. As Deloitte had served in excess of 20 years, they were not eligible for re-appointment.

The tender process was led by the Audit Committee Chair in conjunction with a tender committee comprising management of the Company and involved a number of steps;

- Research into audit firms with the capability and reputation to provide audit services to the Company and Group
- Request for expressions of interest from a selection of identified audit firms.
- Shortlisting of firms who were then invited to submit audit proposals. As part of this process teams from shortlisted firms met with management at Group and divisional level to gain insights into the Group's operations and control environment.
- The Company maintained scorecards from the above interactions covering areas of team competence, service approach, communication, commitment and proactivity.
- The CEO and Committee chair met separately with the shortlisted firms
- The submitted written proposals were assessed by the Company

Following completion of the process, the Committee made a recommendation to the Board for appointment of auditor. After due consideration of the Audit Committee recommendation, the Board proposed that a resolution be put to shareholders at the 2021 AGM for the appointment of KPMG as the new auditor to the Company. This resolution was passed by shareholders on 12 May 2021.

2021 Audit Process

The Committee met with KPMG prior to the commencement of the audit of the Financial Statements for the financial year ended 31 December 2021. The Committee considered KPMG's internal policies and procedures for maintaining independence and objectivity and their approach to audit quality. The Committee assessed the quality of the external audit plan as presented by KPMG and satisfied itself as to the expertise and resources being made available. The Committee also reviewed the terms of the Letter of Engagement and approved the level of remuneration.

KPMG reported their key audit findings to the Committee in March 2022 prior to the finalisation of the Financial Statements. This report, which included a schedule of unadjusted errors and misstatements, significant judgements and estimations and key areas of risk, was considered by the Committee in forming their recommendation to the Board. The Committee also considered the representations sought by KPMG from the Directors.

KPMG's key audit findings report included control weaknesses noted during their audit, none of which were considered of a serious nature so as to cause KPMG to amend the scope of their original audit plan. The Committee has considered these and, having discussed with management, have directed remedial action be taken where considered appropriate.

The Committee evaluated KPMG's performance which included an assessment of KPMG's communication process with the Committee and senior management, knowledge of the Group and industry sector and resource commitment to the external audit and the Committee is satisfied that in conducting the audit of the 2021 Financial Statements KPMG were effective, objective and independent.

As auditor, KPMG confirmed to the Company that they comply with the Ethical Standards for Auditors (Ireland) 2016 as issued by IAASA and that, in their professional judgement, they and, where applicable, all KPMG network firms are independent and their objectivity is not compromised.

KPMG confirmed to the Company that the lead partner will be rotated every five years to ensure continued objectivity and independence. Mr. Colm O'Sé has acted as lead partner for the audit of the 2021 Financial Statements.

Auditor Independence

The Committee permits the external auditor to provide non-audit services where they are permitted under Part 27 of the Statutory Audits of Companies Act 2014 and are satisfied that they do not conflict with auditor independence. The Committee's policy on the provision of non-audit services requires that each engagement for the provision of non-audit services requires approval of the Committee. The Committee approved the engagement of the external auditor to provide certain tax compliance services and reporting accountant services in respect of the 2021 financial year. This approval was granted on the basis of procedural efficiency.

The Audit Committee has considered all relationships between the Company and the external audit firm, KPMG, including the provision of non-audit services as disclosed in note 9 to the financial statements which are within the thresholds set out in Part 27 of the Statutory Audits of Companies Act 2014. The Committee does not consider that those relationships or the level of non-audit fees impair the auditor's judgement or independence.

John Sheehan

Chair of the Audit Committee

9 March 2022

Report of the Nomination Committee

Dear shareholder,

I am pleased to present the Report of the Nomination Committee (the Committee) for the year ended 31 December 2021.

This Report sets out how the Committee fulfilled its duties under its terms of reference and the UK Corporate Governance Code, the Irish Annex and relevant legislation.

At the heart of every organisation are its people, culture and values, which underpins the important role of the Nomination Committee. The Committee sets the framework for the development of an inclusive and high-performing leadership team and workforce. Reflecting on the Committee's work at Board-level during 2021, a stated focus was Board refreshment, with two appointments made. This was a formal and rigorous process, which was designed to ensure the Board's depth of experience continued to expand. As part of orderly succession and refreshment of the Board, two Directors also stepped down during 2021. At the time of writing, the Board is comprised of four non-executive directors and two executives.

With the Board changes which took place during the year there were consequent changes made to the Committee. I was appointed Chairman on the 12 May, following the resignation of former Chair, Catherine Duffy. Brian O'Kelly also stepped down as a member of the Committee and Board on 17 December. Both Catherine and Brian had served nine years as non-executive directors of the Company and I extend our gratitude to both for their service. The two new non-executive Directors Lesley Williams and Dan Clague joined the Committee during the year.

The Committee had a prominent role in the external board evaluation, ensuring that it delivered its aim of promoting greater effectiveness at Board and Committee level.

Composition

The Committee membership is set out in the table below which also details attendance and tenure. All Directors bring significant professional expertise to their roles on this Committee as set out in their professional biographies on pages 78 to 79.

Member	A	B	Tenure
J.B. McGuckian* (Chair) (appt'd. 12 May 2021)	2	2	0.5 years
C. Duffy* (resigned 12 May 2021)	-	-	9 years
B. O'Kelly* (resigned 17 December 2021)	2	2	9 years
J. Sheehan*	2	2	5 years
L. Williams* (appt'd. 8 April 2021)	1	1	0.7 years
D. Clague* (appt'd 26 August 2021)	1	1	0.5 years
E. Rothwell	2	2	12 years

* Independent director
Column A: the number of scheduled meetings held during the year where the Director was a member of the Committee.
Column B: the number of scheduled meetings attended during the year where the Director was a member of the Committee.

In addition to the scheduled meeting, there was significant engagement between Committee members throughout the period to progress the Committee's business.

Role and Responsibilities

The role, responsibilities and duties of the Committee are set out in written terms of reference and are reviewed annually. The Terms of Reference are available on the Group's website www.icg.ie.

Its duties are to regularly evaluate the balance of skills, knowledge, experience and diversity of the Board and Committees and lead the process for appointments, ensure plans are in place for orderly succession to both the Board and senior management positions, overseeing the development of a diverse pipeline for succession.

Work Performed

The Committee considered the results of the external evaluation of the Board and the changes to Board composition made during 2021. The Committee was satisfied that the Board continues to be of adequate size and composition to suit the current scale of its operations and has an appropriate balance of skills, knowledge, experience and diversity to enable it to effectively discharge its duties.

As outlined in a number of areas of this report, the Committee is placing a particular focus on ensuring greater diversity at Board and senior management level. We are confident the changes we make to succession planning will address this imbalance versus best practice in the periods ahead. Outside of gender and ethnic diversity, as a Committee, we are confident the current Board's skillset ensures the ability to oversee management and contribute to the development of strategy.

The Committee notes the Code's comments on non-executive Director tenure and the tenure profile of the existing non-executive Directors. As reported last year, the Committee continued researching future potential candidates to ensure orderly Board refreshment during 2020 and 2021. That process culminated in the appointment of Lesley Williams and Dan Clague, who have both brought fresh insight and discussion to the Board. From the 2022 AGM, the average tenure of the non-executive directors, including the Chairman will be 11 years.

Outside of the newly appointed Directors. the Committee reviewed and recommended to the Board the re-appointment of the remaining Directors. In considering the proposals for the re-election, the Committee had particular regard for the tenure of John B. McGuckian. John has served as Chairman of the Board since 2004 and as a non-executive Director since 1988. This recommendation was proposed following a robust review of the knowledge, skills and experience that he contributes, in the interests of the Company and stakeholders. The Committee assessed him to be both independent in character and judgement and to be of continued significant benefit to the Board. Recognising the guidance of the UK Code, the Committee was also cognisant of the appointment of John well in advance of the revisions to market expectations on Chair tenure. The Committee expects to align with the provisions of the UK Code on this issue in the future; however, at this time, and particularly in light of the ongoing challenges in the Company's industry, the Committee determined it appropriate for John to continue as Chair and leader of the Board. The Committee was also satisfied that the role of the senior independent director further ensures clear division between management and oversight.

The Committee did not identify any issues that were likely to impair, or could appear to impair the independence of the non-executive Directors, John Sheehan, Lesley Williams and Dan Clague.

No Committee member voted on a matter concerning their position as a Director.

The Committee reviewed the processes agreed in respect of workforce engagement described at pages 84 to 85 and was satisfied that these arrangements remain appropriate to the Group's circumstances.

The Group values diversity and the benefits it can provide in promoting the success of the business. The Board's Diversity Policy is set out on pages 89 to 90. In considering any appointment to the Board the Committee identifies the set of skills and experience required. Individuals are selected based on the required competencies of the role with due regard for the benefits of diversity. Currently, the female composition of the Board and senior management reports was 14% and 21%, respectively. In relation to future Board and senior manager appointments the Committee will actively seek out a greater pool of female candidates for consideration. External search agencies independent of the Group are engaged to assist where appropriate and their mandates include considerations of gender diversity and, in the periods ahead, ethnic diversity.

No recruitment for senior management positions requiring the input of the Committee took place during the period.

John B. McGuckian

Chairman

9 March 2022

Report of the Remuneration Committee

Dear Shareholder,

I am pleased to introduce the Directors' Remuneration Report for the first time for year ended 31 December 2021, which includes the Annual Report on Remuneration and an abridged version of our Directors' Remuneration Policy which was approved by shareholders at our 2021 AGM. On behalf of the Committee and the Board, I would like to thank my predecessor, Brian O'Kelly, for his service as Chair of the Remuneration Committee over the past number of years.

The socio-economic challenges presented by the Covid-19 pandemic continued during FY2021, requiring agility to protect our people and maintain the performance of the business. Throughout the Covid-19 pandemic, the Company has put the safety and well-being of its workforce front and centre, alongside delivering services to customers and safeguarding stakeholder interests. As a prudent step, a general salary freeze was applied for FY2021 across the workforce, including Executive Directors and other Senior Management Team members. As is outlined elsewhere in this Annual Report, our focus throughout the past year has been on protecting colleagues, supporting customers, and promoting a return to travel in a safe manner. Thanks to the extraordinary hard work and dedication of our employees, we have continued to deliver high quality services to our customers and support the interests of our other stakeholders.

Overview of Performance

During 2021, the twin challenges of Brexit and the continuing Covid-19 situation represented a significant headwind on operations and financial performance, with the safety of staff and customers remaining our number one priority. Despite these challenges, the Committee was satisfied that the business and executives again performed strongly in terms of what they could control. This included flexibility in terms of freight, as well positive performance for periods during the year when the pandemic and associated restrictions had subsided.

The overall trading performance resulted in an operating loss (before non-trading items) of €0.2 million compared to an operating profit (before non-trading items) of €0.8 million in 2020. The Committee acknowledges that this performance was negatively affected by the ongoing depressed passenger revenues as a result of the pandemic together with the start-up losses associated with the commencement of operations on our new strategically significant Dover - Calais service. The reported result belies a strong financial performance in our RoRo freight, container and terminal and chartering operations each of which reported growth compared with the prior year. The Committee further notes the Group's operations were cash generative and that a number of strategic investments and expansion of operations occurred during the year which positions the Group for future growth.

The Committee acknowledges the strong contribution of the Executive Directors during financial year 2021 and the actions taken in response to ongoing disruptions from factors outside of their control, including domestic and international restrictions on travel, a general level of caution among large portions of our passenger base and post-Brexit effects on freight shipping patterns. The level of performance achieved, which was cash generative at an operating level, has demonstrated the resiliency of the business and provides a platform for strong performance as the impact of the pandemic subsides.

Our approach to remuneration and variable pay seeks to consistently link variable remuneration to performance: when performance is strong, executives will be awarded higher levels of variable pay and when performance is behind where we would want it to be, variable remuneration will be low or nil. The Committee considers the most important aspect of variable remuneration to be the alignment between it and the interests of shareholders, stakeholders and management.

Noting the robust performance in FY2021 against the challenging background, the Committee concluded that modest bonus payouts were appropriate for 2021 for certain directors and senior managers. The CFO received a total pay-out at 22% of maximum while in the case of the legacy arrangement applying to the CEO, as in 2020, no bonus was awarded, given its sole link to EPS performance

We are satisfied the Committee's actions are aligned with the philosophy of our shareholder approved remuneration policy, which favours long-term equity ownership over short-term remuneration. We were pleased that, at the 2021 AGM, a significant majority of shareholders agreed.

Implementation of Policy

At the 2021 AGM, 87% of voting shareholders supported our proposed remuneration policy, a level at which the Committee is satisfied endorses our arrangements to incentivising Executive Directors. In determining whether or not to continue with the legacy arrangement in respect of the CEO, the Committee conducted an in-depth review of market practice and alternative methods of driving superior alignment between the CEO and our shareholders. While there were certain other structures that had positive elements, there was no structure that the Committee felt matched the current arrangement in terms of ensuring alignment with shareholder remuneration. As part of that review the Committee looked at a number of particular elements of the current arrangement and benchmarked them against investor expectations and peer practice. Specifically, the framework requires:

- A minimum of 50% of annual bonus (after tax liabilities) to be invested in equity, with the Committee exercising discretion to apply a higher percentage in recent years.
- A five-year deferral, continuing to apply post-employment, for the entire portion of the awards reinvested in equity under the annual bonus.
- A five-year holding period, continuing to be applied post-employment, following a three-year performance period for awards vesting under the Performance Share Plan, for a total of an eight-year time horizon from grant to release, which is market leading; and,
- Shareholding guidelines for all executive directors and members of the Executive Committee of a minimum three times base salary to be achieved within five years of appointment.

These requirements create some of the most stringent deferral and holding mechanisms in the Irish and UK markets, locking in significant holdings with alignment periods of between five and eight years. By way of illustration, in the event of a pay-out of 200% of salary under the bonus and a grant of 200% under the PSP (the maximum permitted), the following restrictions would apply to the CEO's variable remuneration. Of the total quantum of 400% of salary:

- A maximum of 100% of salary would be eligible to be released in cash immediately.
- A minimum of 100% of salary would be deferred into equity and restricted for a minimum of five years from award.
- Subject to the achievement of stretching performance criteria, a maximum of 200% of salary would be restricted for release for a minimum of eight years.
- While there are no planned changes to the implementation of the policy in 2022, as with every year, the Committee will review the effectiveness of the incentive arrangements to ensure they continue to drive the next stage of the Company's journey and will consult with shareholders in the event that any material deviations are proposed. One area of particular focus for the Committee in 2022 will be aligning the company's latest efforts on sustainability with the remuneration framework, through the incorporation of certain measures in the incentive schemes.

Workforce Remuneration

As a Remuneration Committee we are always mindful of the extent to which the remuneration of the executives aligns with the experience of our stakeholder groups. We have taken a close interest in the actions that have been taken to protect our employees and support their wellbeing during the past year. The Committee has received regular updates on relevant matters affecting the workforce and have overseen the implementation of a range of measures to help and support its direct employees. The team has performed extremely well in these challenging circumstances, with high levels of customer satisfaction and the maintenance of continuous services for essential supply chains, including medical, food and beverage, in times of significant disruption. As the impact of the pandemic hopefully subsides in periods ahead, the Committee hopes to oversee further staff development, including reward frameworks that are increasingly aligned with sustainable practices and the development of succession planning.

Salary Increases

As detailed later on in this report, the Committee conducted a review of salary and fixed pay arrangements at the end of 2021, which focused on the importance of remuneration arrangements remaining competitive as the business enters a crucial juncture, in terms of the exiting of the pandemic and executing on the evolution of our strategy. While these were the primary considerations of the Committee, it was also cognisant of using benchmarking data as a reference point in determining the appropriate salary levels for high performing executives. Following the in-depth review, the Committee determined that it would increase the salaries of the CEO and CFO by 20% and 26%, respectively.

Report of the Remuneration Committee
Continued

Consideration of Discretion

The Committee reviewed the outcomes of both the annual bonus and long-term incentive plan and considered the results both against the relevant performance targets and the wider internal and external context. As set out at the start of this report, it was noted that the business had remained resilient during the pandemic. However, in the case of the CEO, the formulaic calculations based on Group performance indicated that no bonus would be payable under the legacy arrangement. This was also the case in 2020.

Notwithstanding the robust earnings and cash flow performance against the challenging business backdrop, as well as the significant strategic achievement of launching the Group's first services on the Dover-Calais cross-channel route during the year, the world's busiest route for ro-ro freight traffic, in the case of the CFO, the Committee considered it appropriate to exercise discretion and reduced the formulaic outcome on that element of annual bonus related to Group financial performance to nil, while also applying a 10% reduction to other elements.

With regard to the vesting outcomes under the long-tern incentive plan, the Committee agreed that the formulaic vesting outcomes were appropriate given performance against the three-year targets and concluded that a reduction in vesting outcome was not required. One of the strengths of our approach to remuneration is the market leading deferral requirements which, unlike the vast majority of our listed peers, allows us the flexibility to restrict the disposal of vested awards for up to five years.

Integrating ESG Measures

Over the past two years, there has been significant growth in the focus on ESG and sustainability, with investors and wider stakeholders raising expectations as to how companies are embedding environmental, social and governance criteria into strategies and everyday operations. As outlined elsewhere is this Annual Report, during the last year, the business has significantly advanced its integration of a range of ESG factors into the risk management and strategy frameworks. That process continues to progress, and the Committee will look to ensure the outcomes of it are reflected in the reward structure for Executives and the wider employee base in the period ahead.

Outlook

2021 has once again been one of disruption and adaptation as our colleagues, customers and wider society have dealt with the developing Covid-19 pandemic. Our people and business have shown resilience and strength in the face of these challenges and it is this dedication and commitment which will enable the next stage of our development. The rest of this report sets out both our Policy, as approved by 87% of voting shareholders at the 2021 AGM, and our Annual Report on Remuneration which sets out the decisions and outcomes summarised in this letter in further detail.

The Remuneration Committee

The Remuneration Policy and Framework is overseen by the Remuneration Committee. Committee membership during 2021 is set out in the table below which also details attendance and tenure. All Directors bring significant professional expertise to their roles on this Committee as set out in their professional biographies on pages 78 to 79.

Member	A	B	Tenure
J. Sheehan (Chair – appt'd : 26 August 2021)	4	4	8 years
B. O' Kelly (resigned 17 December 2021)	4	4	9 years
C. Duffy (resigned 12 May 2021)	2	2	5 years
L. Williams (appt'd 8 April 2021)	2	2	1 years
D. Clague (appt'd 26 August 2021)	1	1	0.5 years

Column A: the number of scheduled meetings held during the year where the Director was a member of the Committee.
Column B: the number of scheduled meetings attended during the year where the Director was a member of the Committee.

The Committee met four times during the period with follow up contacts between meetings. The Chairman provided an update to the Board on key matters discussed.

Role and Responsibilities

The role, responsibilities and duties of the Committee are set out in written terms of reference which are reviewed annually. The Terms of Reference are available on the Group's website www.icg.ie.

The Committee's duties are to establish a remuneration framework that;

- Will attract, motivate and retain high calibre individuals;
- Will reward individuals appropriately according to their level of responsibility and performance;
- Will motivate individuals to perform in the best interest of the shareholders; and
- Will not encourage individuals to take risks in excess of the Company's risk appetite.

Against this framework the Committee approves remuneration levels and awards based on an individual's contribution to the Company against the background of underlying Company financial performance having regard to comparable companies in both size and complexity.

The Company is subject to Company Law as enacted in Ireland. The Shareholders' Rights Directive 2017/828 (SRD II Directive) was transposed into Irish law by the European Union (Shareholders' Rights) Regulations 2020 (Regulations). This requires the Company to prepare a Remuneration Policy and submit this to a shareholder vote once every four years and otherwise when a material change to the policy is proposed. In compliance with SRD II, the Company submitted a Remuneration Policy to shareholders at the 2021 AGM by way of an advisory resolution which received 87% approval. This Remuneration Report sets out how we have applied the Remuneration Policy during FY 2021 and will be put to a shareholder vote as an advisory resolution at the 2022 AGM.

Remuneration Outcomes for executive Directors in 2021

Total Directors' single figure remuneration for the year was €1,821,000 compared with €1,608,000 in 2020 and details are set in the table below:

		Performance pay						
	Base salary	Restricted shares	Cash	Benefits	Pension	Options / PSP[1]	Fees	Total 2021
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Executive Directors								
E. Rothwell	580	-	-	35	-	304	-	**919**
D. Ledwidge	318	75	32	22	43	102	-	**592**
Total for executives	**898**	**75**	**32**	**57**	**43**	**406**	**-**	**1,511**
Non-executive Directors								
J. B. McGuckian	-	-	-	-	-	-	125	**125**
C. Duffy	-	-	-	-	-	-	18	**18**
B. O'Kelly	-	-	-	-	-	-	50	**50**
J. Sheehan	-	-	-	-	-	-	50	**50**
L. Williams	-	-	-	-	-	-	50	**50**
D. Clague	-	-	-	-	-	-	17	**17**
Total for non-executives	-	-	-	-	-	-	310	**310**
Total	**898**	**75**	**32**	**57**	**43**	**406**	**310**	**1,821**

1. 31% of the options granted on 8 March 2019 under the PSP are expected to vest during 2022 based on performance to 31 December 2020, subject to continued employment up to the vesting date.
2. The value of any options vesting will be based on the actual share price at date of vesting. For the purposes of the above disclosure, the value of an option has been based on the difference between the option subscription price and the average closing price of an ICG Unit between 1 October and 31 December 2021.

Report of the Remuneration Committee
Continued

Details of Directors' remuneration for the year ended 31 December 2020 are set out below:

		Performance pay						
	Base salary	Restricted shares	Cash	Benefits	Pension	Options / PSP[1]	Fees	Total 2020
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Executive Directors								
E. Rothwell	580	-	-	35	-	258	-	**873**
D. Ledwidge	318	-	-	22	43	77	-	**460**
Total for executives	**898**	**-**	**-**	**57**	**43**	**335**	**-**	**1,333**
Non-executive Directors								
J. B. McGuckian	-	-	-	-	-	-	125	**125**
C. Duffy	-	-	-	-	-	-	50	**50**
B. O'Kelly	-	-	-	-	-	-	50	**50**
J. Sheehan	-	-	-	-	-	-	50	**50**
Total for non-executives	-	-	-	-	-	-	275	**275**
Total	**898**	**-**	**-**	**57**	**43**	**335**	**275**	**1,608**

1. The value of options which vested during 2021 based on financial performance to 31 December 2020 reported in the prior year based on the average closing price of an ICG Unit between 1 October 2020 and 31 December 2020 has been restated based on the actual closing price on the vesting date. The restatement amounted to an increase in the previously reported benefit of €17,000 in respect of Eamonn Rothwell and €5,000 in respect of David Ledwidge.

Base Salary

Neither executive received an increase in salary during 2021, reflecting continued alignment between remuneration decisions and stakeholder experience. The average change of pay for the general employee base was nil. Any adjustments to salary for employees were effective from 1 January 2021.

Director's Pension Benefits

The aggregate pension benefits attributable to the executive Directors at 31 December 2021 are set out below:

	D. Ledwidge	Total 2021	Total 2020
	€'000	€'000	€'000
Increase in accumulated accrued annual benefits (excluding inflation) in the period	1	1	1
Transfer value of the increase in accumulated accrued benefits (excluding inflation) at year end*	4	4	4
Accumulated accrued annual benefits on leaving service at year end	18	18	17

* Note: Calculated in accordance with actuarial guidance note GNII.

There were no pension benefits attributable to Eamonn Rothwell as he has reached normal retirement age under the pension scheme rules and pension benefits have vested.

With regard to David Ledwidge, costs in relation to defined benefit pension arrangements were €20,000 (2020: €20,000) with a further €23,000 (2020: €23,000) related to the defined contribution pension arrangements.

The Company also provides lump sum death in service benefits and the premiums paid during the year amounted to €6,000 and €1,000 in relation to Eamonn Rothwell and David Ledwidge respectively.

Performance Related Pay

Eamonn Rothwell

Eamonn Rothwell has been with ICG since its inception as a public company and flotation in 1988. As detailed in the Remuneration Policy passed at the 2021 AGM, a legacy contractual arrangement continues to govern Mr. Rothwell's performance related pay.

The CEO annual bonus performance award is predominantly driven by a formula based on basic EPS growth which incorporates an adjustment for share buybacks and rights issues. The Committee also retains discretion to make adjustments for any non-cash non-trading items. The Company believes that EPS is consistent and transparent. EPS growth drives long-term value creation for all stakeholders and has increased in line with the company's scaling over the past two decades. EPS is one of the key performance indicators by which the Board assesses the overall performance of the Company and, as such, the Committee deems it an appropriate incentive for the Company's most senior employee.

The Committee reassessed the CEO performance incentive arrangements and in its view the arrangements remain an effective means of driving performance and aligning the interests of the CEO, shareholders and wider stakeholders.

The Committee considered the performance of Mr. Rothwell and the significant effort expended in managing and protecting the Group's businesses throughout another year of external challenges, including government imposed Covid-19 travel restrictions and caution among customers. The Committee also considered the achievement in launching the Group's strategically significant Dover Calais service. Despite the long standing legacy arrangement regarding his annual performance award being impacted significantly by factors outside of the CEO's control, the Committee did not consider it appropriate to exercise discretion to adjust the formulaic outcome. The Committee considered a nil payout driven by the application of the performance-related pay formula as appropriate driven by two key factors: simplicity and performance alignment. When financial performance is strong and shareholder experience is healthy, payouts will accrue. When the converse is the case, performance related pay will be correspondingly reduced to a minor or nil amount, which runs in contrast to more complex schemes commonplace at listed companies.

David Ledwidge

The Committee assessed Mr. Ledwidge's performance in his role over the period and concluded that Mr. Ledwidge was performing in line with expectations and contributing positively to the longer term development of the Group.

The Committee considered it appropriate to retain for Mr. Ledwidge the maximum annual bonus opportunity of 150% current year salary, as per the Remuneration Policy, against the following parameters;

- 75% based on Group financial outturn where, against the background of continuing uncertainty attributable to Covid-19 travel restrictions in early 2021, the targets were set based off 2020 outturn;
- 15% based on personal objectives including completion of certain operational projects and input into strategic development;
- 10% on the continuing development of an ESG framework into the overall risk framework and enhancement of ESG reporting.

Based on the 2021 financial outturns, the Committee determined that a bonus amount was eligible to be paid under the financial outturn element. However, following a holistic evaluation of Company performance and in recognition of the external operating environment which had faced the company, the Committee reduced the financial portion of the bonus to nil. In doing so, the Committee had particular regard for the fact that no dividends had been paid to shareholders during 2021, that the Group had availed of certain wage supports earlier in the year and that certain travel restrictions remained in place at 31 December 2021. As means of reflecting the experience of shareholders and wider stakeholders, the Committee was satisfied that reducing the financial portion of the bonus to nil was appropriate.

Report of the Remuneration Committee
Continued

The Committee also assessed the personal objectives set and noted Mr. Ledwidge's significant effort during the year in protecting the Group's finances and balance sheet against significant disruption and his contribution to strategic initiatives to position the Group for future growth. The Committee further noted the work achieved to date on ESG frameworks and reporting. Taking into account the positive aspects of personal performance, the Committee considered that a full bonus pay-out of €119,000 accrued under these criteria. However, the Committee again, in consideration of the matters discussed above determined it appropriate that this be reduced by 10% to €107,000 and also required that (i) the full amount, rather the minimum 50%, be invested in equity through the Group's restricted share scheme, less any amount required to discharge tax liabilities and (ii) that payment of the award would be dependent on the removal of travel restrictions. This amount was paid to Mr. Ledwidge in February 2022, and reported in the single figure remuneration table for year ended 31 December 2021. No annual bonus had been awarded in relation to financial year 2020.

Restricted Shares

In relation to Mr. Ledwidge, €75,000 of his annual bonus award was applied towards the acquisition of 17,201 ICG units which will be held in the employee trust for a period of five years.

Long Term Incentive

(i) Options expected to vest during 2022 based on performance to 31 December 2021

The Committee has considered the performance conditions attaching to the options granted under the PSP on 8 March 2019 which are tested against Group performance up to 31 December 2021. The 2021 outcomes have been adjusted for the effects of the application of IFRS 16 Leases so that the diluted earnings per share, return on average capital employed and free cash flow ratio metrics are comparable over the performance period. The overall vesting rate is expected to be 31% (2020: 34%) and the table below details the expected vesting on each metric.

Performance Condition	Weighting	Threshold	Maximum	Actual	Outcome
Diluted adjusted earnings per share	25%	26.6c	32.3c	(2.6)c	0% out of 25%
Return on average capital employed	25%	13%	20%	5.5%	0% out of 25%
Free cash flow ratio	25%	100%	130%	322.4%	25% out of 25%
Total shareholder return					
• Versus peer group	12.5%	(15.1%)	20.7%	(5.7%)	6% out of 12.5%
• Versus Ftse 250	12.5%	28.6%	65.2%.	(5.7%)	0% out of 12.5%

30% vesting occurs at threshold performance increasing pro-rata up to the maximum vesting threshold. Vesting will be conditional on the continued employment of the option holders at the vesting date in 2022. At 31 December 2021, there were 749,818 outstanding options granted on 8 March 2019, including 226,000 and 76,500 options in favour of Mr. Rothwell and Mr. Ledwidge respectively of which 70,060 and 23,560 are expected to vest during 2022 under the above performance outturns.

The gross value of those options expected to vest in favour of the executive Directors based on performance to 31 December 2021 has been included in the total Director remuneration table for year ended 31 December 2021, based on an estimated share price of €4.41, being the average closing price of an ICG Unit between 1 October 2021 and 31 December 2021.

(ii) Options Vested during 2021

As reported in last year's report, the Committee determined based on performance up to 31 December 2020 the vesting of the options granted under the PSP on 9 March 2018 at an exercise price of €0.065 at a vesting rate of 34 per cent, vesting 430,737 options in total.

Mr. Rothwell held 64,260 of the PSP vested options. Share option remuneration of €258,000 based on the market price at the vesting date has been disclosed in the 2020 remuneration table (adjusting the €241,000 previously disclosed last year which was estimated based on year end 2020 prices). Under the rules of the PSP, the 64,260 PSP options which vested were exercised and are subject to retention in trust for a period of five years.

Mr. Ledwidge held 19,210 of the PSP vested options. Share option remuneration of €77,000 based on the market price at the vesting date has been disclosed in the 2020 remuneration table (adjusting the €72,000 previously disclosed last year which was estimated based on year end 2020 prices). Under the rules of the PSP, the 19,210 PSP options which vested were exercised and 19,210 are subject to retention in trust for a period of five years.

The share price at date of vesting was €4.26.

(iii) Grants during 2021

The long term incentive scheme applicable for the 2021 financial year was the PSP approved by shareholders on 17 May 2017. The Committee had suspended future awards under the legacy 2009 Share Option Plan which remains in place to facilitate the administration of previously granted options.

On 12 March 2021, the Committee granted options over 1,042,500 ICG Units to employees of the Group. These included an annual award of options granted to Mr. Rothwell and Mr. Ledwidge in line with the annual limits set out in the PSP rules being 200% and 150% of salary respectively. The total number of options granted to Mr. Rothwell and Mr. Ledwidge based on a share price of €4.26 were 272,000 and 111,500 respectively, a reduction in absolute numbers from 2020.

Vesting of these awards are based on the achievement of the following performance conditions over a three-year vesting period;

- Adjusted Diluted Earnings per Share (EPSd)
- Return on Average Capital Employed (ROACE)
- Free Cash Flow Ratio (FCFR)
- Total Shareholder Return (TSR)

Each condition is equally weighted and in all cases 30% vests at threshold performance and 100% vests at maximum with pro-rata vesting between these two levels.

The performance levels were calibrated as follows;

	Vesting Threshold	
	Minimum	**Maximum**
EPSd	5%	12%
ROACE	13%	20%
FCFR	100%	130%
TSR	Median	Top Quartile

The Committee noted in setting the above targets that EPS for financial year 2020 was negative, largely due to the effect of government imposed travel restrictions. In recognition of the continuing uncertainty around the timing of the removal of these restrictions and the challenges in setting a base EPS level, the Committee agreed in relation to the 2021 grants to set base EPS at 0.1 cent per share. The targets relating to the other measures were retained at previous year levels

TSR is measured against a combination of the performance of the FTSE 250 index and a grouping of peer companies comprising DFDS, Tallink Grupp, Viking Line, Air-France KLM, Ryanair, EasyJet, Getlink, Origin Enterprises, Dalata Hotel Group and C&C Group.

The Committee considered the timing of grant of awards in the first quarter of 2021 and whether there were circumstances which may create a perception that participants benefitted from 'windfall gains'. The Committee noted that the price used was reflective of recent closing prices and was higher than that used in 2020 resulting in a reduction of the number of option grants by 8.5% on average. As with each award, the Committee will review any outcome at the time of vesting to ensure that there has not been any disproportionate windfall to any participant based on external factors.

The 2021 PSP awards granted were calculated based on a share price of €4.26, the closing share price on the day preceding the award date. In 2020, the PSP awards granted were calculated based on a share price of €3.90.

Report of the Remuneration Committee
Continued

Options Held

Details of movements in share options granted to Directors under the Performance Share Plan and the legacy Share Option Plan are set out in the table below:

E. Rothwell

Option Type	Date of Grant	31-Dec-20	Granted	Exercised	Lapsed	31-Dec-21	Option Price (€)	Earliest Vesting Date	Latest Expiry Date
Unvested									
Performance Share Plan [1]	9-Mar-18	189,000	-	(64,260)	(124,740)	-	0.065	-	-
Performance Share Plan [2]	5-Mar-19	226,000	-	-	-	226,000	0.065	5-Mar-22	-
Performance Share Plan [2]	6-Mar-20	297,000	-	-	-	297,000	0.065	6-Mar-23	-
Performance Share Plan [2]	12-Mar-21	-	272,000	-	-	272,000	0.065	12-Mar-24	-
Vested but not yet exercised	5-Mar-15	700,000	-	-	-	700,000	3.58	-	4-Mar-25
		1,412,000	**272,000**	**(64,260)**	**(124,740)**	**1,495,000**			

D. Ledwidge

Option Type	Date of Grant	31-Dec-19	Granted	Exercised	Lapsed	31-Dec-20	Option Price (€)	Earliest Vesting Date	Latest Expiry Date
Unvested									
Performance Share Plan [1]	9-Mar-18	56,500	-	(19,210)	(37,290)	-	0.065	-	-
Performance Share Plan [2]	05-Mar-19	76,000	-	-	-	76,000	0.065	5-Mar-22	-
Performance Share Plan [2]	6-Mar-20	122,000	-	-	-	122,000	0.065	6-Mar-23	-
Performance Share Plan [2]	12-Mar-21	-	111,500	-	-	111,500	0.065	12-Mar-24	-
Vested but not yet exercised	5-Mar-15	150,000	-	-	-	150,000	3.58	-	4-Mar-25
		404,500	**111,500**	**(19,210)**	**(37,290)**	**459,500**			

1. These are expected to vest during 2022 at a vesting rate of 31% based on performance to 31 December 2021 and the gross value has been included in the Director remuneration schedule. The delivered shares less any permitted sales to discharge tax liabilities, will be held in trust for a period of five years from the exercise date.

2. These will vest and become exercisable three years from the third anniversary of grant in accordance with achievement of the performance conditions set at date of grant. These options will normally have to be exercised on or shortly after the vesting date and the delivered shares, less any permitted sales to discharge tax liabilities, held in trust for a period of five years from the exercise date.

Remuneration for executive Directors in 2022

The Committee will continue to apply the existing Remuneration Policy, approved by shareholders in May 2021, during financial year 2022.

Base Salary

The Committee has reviewed the salaries of the CEO and CFO against market competitive levels for similar sized ISEQ and FTSE companies, taking into account the performance of the executive directors; in particular their leadership of the company through the challenges of Brexit, the Covid pandemic and significant expansion of operations. The Committee notes that these challenges were successfully managed without accessing cash from shareholders, while at the same time paying down debt and returning cash to shareholder via share repurchases. It should also be noted that through this period the Group has positioned itself for further growth in both its Ferries and the Container and Terminal divisions, to underpin further shareholder value creation over the longer-term. In light of the strong contribution in protecting the resiliency of the business, and to ensure that both executive directors are retained to execute on the significant strategic initiatives undertaken during the past 18 months, the Committee determined that it would address the gap in salary between the executive directors and rates in the market.

The Committee concluded that it was appropriate in this context to award a 20% increase in annualised base salary to Eamonn Rothwell, CEO. The Committee determined that the proposed salary level was appropriate in the context of the CEO's experience and performance, and market norms, being at the median level for other ISEQ companies of comparable scale and the FTSE250 more broadly.

The Committee also awarded a 26% increase in annualised base salary to David Ledwidge, CFO, for 2022. The adjustment brings the CFO in line with the median level of base pay for ISEQ20 companies of similar market capitalisation, and the lower quartile for other FTSE 250 companies. The Committee concluded that this salary level reflects the CFO's continued strong contribution and individual performance in his role.

These changes are effective from 1 January 2022.

Pension arrangements and other benefits

Pension arrangements and other benefits will be unchanged from 2021.

Annual Bonus

The Committee following review has retained the long-standing legacy CEO bonus arrangements for FY2022. The Committee remains satisfied that the outcomes reflect Group performance, noting that no bonus was awarded in financial years 2020 and 2021 under this arrangement, in line with its straightforward alignment structure between Group performance and payouts, with a particular focus on EPS.

In relation to the CFO, he will be eligible for an annual bonus award with maximum opportunity of 150% of base salary. In line with 2021, any award of bonus is weighted 75% on the Group achieving stretching financial targets, in excess of budget levels, 10% on ESG related measures and 15% on personal objectives.

Long-term incentive

The Committee will make an annual award of options under the PSP in line with the plan limits of 200% of base salary for the CEO and 150% for the CFO. The performance metrics, EPS growth, return on capital employed, cash flow generation and relative TSR will be set at the same levels as for the 2021 awards.

Other Matters

Minimum Shareholding Requirements

The Company encourages individuals to acquire and retain significant shareholdings to align interests of management with those of shareholders. The Company has a minimum shareholding requirement of three times base salary. The holding levels are expected to be met within five years from the date of appointment. The Committee considers these minimum holding requirements to exceed market norms. The market value inherent in vested options and any shares held under the Company's restricted share arrangements will count towards determining an individual's holdings.

Report of the Remuneration Committee
Continued

The market value of the holdings of executive Directors and executive management at 31 December 2021 as a multiple of base salary at that date are shown in the following table:

	Salary multiple held*
Eamonn Rothwell	235.6 times
David Ledwidge	3.1 times
Other executive management	7.3 times

* Includes FY 2021 remuneration invested in equity in 2022 and included in the Director's single figure remuneration table at 31 December 2021

Non–Executive Directors

Non-executive Directors receive a fee which is set by the Committee and approved by the Board. They do not participate in any of the Company's performance award plans or pension schemes. As part of the overall review of remuneration structures, the Committee recommended the fee payable to the Board Chairman to be the same as the prior year at €125,000 per annum and other non-executive Directors at €50,000.

Non-executive Directors do not have notice periods and the Company has no obligation to pay compensation when their appointment ceases. The letters of appointment are available for inspection at the Company's registered office during normal business hours and at the AGM.

Director's Service contracts

Non-executive Directors have been appointed under letters of appointment for periods of three years subject to annual re-election at the AGM.

In respect of Mr. Rothwell, CEO, there is an agreement between the Company and Mr. Rothwell that, for management retention reasons, in the event of a change in control of the Company (where over 50% of the Company is acquired by a party or parties acting in concert, excluding Mr. Rothwell) he will have the right to extend his notice period to two years or to receive remuneration in lieu thereof.

This amendment to Mr. Rothwell's contract of employment was agreed by the Remuneration Committee a number of years ago to retain and motivate the CEO during a series of attempted corporate takeover actions.

The letters of appointment for other executive Directors do not provide for any compensation for loss of office other than for payments in lieu of notice and, except as may be required under Irish law, the maximum amount payable upon termination is limited to 12 months equivalent. No future executive contracts will include similar change of control provisions.

On termination, outstanding options may at the absolute discretion of the Committee, be retained by the departing individual in accordance with the good leaver / bad leaver provisions of the relevant plan. Any shares delivered to an individual which are subject to a retention period will remain unavailable to the individual until the end of the retention period and where applicable will be subject to clawback under the provisions of the Clawback Policy.

Share Option Schemes

There were no long-term incentive plans in place during the year other than the Group's 2009 share option plans (suspended as regards new grants) and the PSP.

The purpose of the share option plans is to encourage identification of option holders with shareholders' longer term interests. Under the plans, options have been granted both to Directors and to employees of the Group. The options were granted by the Committee on a discretionary basis, based on the employees expected contribution to the Group in the future. Non-executive Directors are not eligible to participate in the plan.

In the ten year period ended 31 December 2021, the total number of options granted, net of options lapsed amounted to 4.4% of the issued share capital of the Company at 31 December 2021.

A charge is recognised in the Consolidated Income Statement in respect of share options issued to executive Directors. The charge in respect of executive Directors for the financial year ended 31 December 2021 is €478,000 (2020: €715,000).

Clawback Policy

The Committee recognises that there could potentially be circumstances in which performance related pay (either annual bonuses, and / or longer term incentive awards) is paid based on misstated results or inappropriate conduct resulting in material damage to the Company. Whilst the Company has robust management and internal controls in place to minimise any such risk, the Committee has in place formal clawback arrangements for the protection of the Company and its investors. The clawback of performance related pay comprising the annual bonus and PSP awards would apply in certain circumstances including;

- a material misstatement of the Company's financial results;
- a material breach of an executive's contract of employment;
- any wilful misconduct, recklessness, and / or fraud resulting in serious injury to the financial condition or business reputation of the Company.

For executive Directors and members of the Executive Management Team a minimum of 50 per cent of the annual bonus will be invested in ICG equity which must be held for a period of five years, which will be subject to clawback for a period of two years per the circumstances noted above. Any awards granted under the PSP will be subject to clawback during the vesting period and any shares delivered on vesting will be subject to clawback for an initial two year period per the circumstances noted above.

Post-employment holdings

The Committee, in designing its performance pay initiatives, as explained below, has ensured that executive Directors and senior managers retain an appropriate level of shareholding post-employment. For the past nine years, the Company has had a structure in place under which all equity awarded to executives (either under the annual bonus plan or PSP) is placed in a trust for a period of five years. Executives are restricted from disposing of those shares during this five-year period even in circumstances where they are no longer in the employment of the Company. This ensures strong alignment with investors and other stakeholders' post-employment and ensures that departing executives retain an interest in the business for a significant period after leaving the Company.

Consequently, under the annual bonus scheme a minimum of 50% of an annual award must be invested in shares and held in trust for a holding period of five years. Similarly, any shares delivered pursuant to the vesting of options under the PSP must normally be held in trust for a holding period of five years (for a total time horizon of eight years). Therefore, at termination executive Directors and senior management participating in these schemes will contractually retain an interest in shares for up to a period of five years post-employment, proportional to the amount of variable pay awarded over the final five years of employment. At 31 December 2021, the following vested share awards were held in employee trusts relating to executive Directors and members of the executive management team with release dates between January 2022 and January 2027.

	No. shares*	Value €m	Salary multiple held	Release profile
Eamonn Rothwell	2,484,434	11.2	19.4 times	1.5 years
David Ledwidge	167,828	0.8	2.4 times	3.1 years
Other executive management	758,325	3.4	4.1 times	2.9 years

* Includes FY 2021 remuneration invested in equity in 2022 and included in the Director's single figure remuneration table at 31 December 2021

Report of the Remuneration Committee
Continued

External Appointments

No executive director retained any remuneration receivable in relation to external board appointments.

Payments to former Directors

There were no pension payments or other payments for loss of office paid to any former Directors during the year.

Employee Average Remuneration

The annual percentage change in payments to directors and an average full time equivalent employee across the Group over the past five years, together with the annual change in the ISEQ index and Company annual total shareholder return were as follows;

	2021	2020	2019	2018	2017
Directors	9.1%	(58.4%)	1.1%	(17.0%)	17.5%
FTE Employee	19.9%	(16.4%)	5.7%	3.2%	(3.5%)
ISEQ	15.7%	4.0%	33.7%	(20.8%)	9.4%
ICG TSR	0.6%	(7.0%)	17.2%	(24.6%)	30.7%

The payments to Directors and employees include base salaries, overtime, allowances, bonuses and Directors' fees but exclude employer costs expensed to the Income Statement relating to social welfare, pensions and share options.

External Advisers

The Committee's independent advisor during the year was Ellason LLP, who provide advice and external market perspectives on remuneration for the Executive Directors. During the year, this included advice on short-term incentive design and provision of market data on base salaries. Ellason LLP is a member of the UK's Remuneration Consultants Group and a signatory to its Code of Conduct. Other than the services above, Ellason LLP did not provide any other services to the Group in the period from 1 January 2021 to the date of this report.

Market price of shares

The closing price of the shares on Euronext Dublin on 31 December 2021 was €4.525 and the range during the year was €3.84 to €4.82.

John Sheehan

Chair of the Remuneration Committee
9 March 2022

Report of the Directors

The Directors present their Report together with the audited Financial Statements of the Group for the financial year ended 31 December 2021.

Results for the year and Business Developments

Details of the results for the financial year are set out in the Consolidated Income Statement on page 132 and in the related notes forming part of the Financial Statements. The fair review of the development of the business of the Company and its subsidiaries is set out in the Strategic Report on pages 4 to 75. This includes a description of the principal activities, principal risks, uncertainties, alternative performance measures and environmental and employee matters.

Research and Development

The Group actively monitors developments in vessel design and vessel availability with an emphasis on product improvement, environmental efficiency and achievement of economies of scale. During the reporting period the Group has worked with external suppliers to adopt new technologies into its operations, both on its vessels and onshore.

Dividend and Share Buyback

The Company did not pay any dividends during financial year 2021. The Company is proposing to pay a dividend of 9.00 cent per ICG Unit on 7 July 2022 to shareholders on the register at the close of business on 10 June 2022. The cumulative payment to all shareholders is estimated at €16.5 million. Irish dividend withholding tax will be deducted where applicable.

The Company has adopted a progressive approach to returning cash to shareholders, through a combination of dividends and share buybacks. Against the background of the Covid-19 pandemic and its effects on the financial performance of the Company, no dividends have been paid during the years ended 31 December 2021 and 2020. The Company during financial year 2021 bought back 4,565,000 (2020: 570,000) of its shares, representing 2.4% (2020: 0.3%) of its issued share capital at the beginning of the financial year for a total consideration of €19.8 million (2020: €1.7 million). Further details are contained at note 20 to the financial statements.

Dividends are declarable at the discretion of the Directors, and as with buybacks, following assessment of the Company's performance, its cash resources and distributable reserves. At 31 December 2021, the Company's retained earnings amounted to €140.3 million all of which were considered to be distributable.

Board of Directors

The Company's Constitution requires that one third of the Directors are required to retire from office at each AGM of the Company. However, in accordance with the provisions contained in the UK Corporate Governance Code, the Board has decided that all Directors should retire at the 2022 AGM and offer themselves for re-election. Biographical details of the Directors are set out on pages 78 to 79 of this report and the result of the annual board evaluation is set out on pages 88 to 89.

During the year Catherine Duffy and Brian O'Kelly retired from the Board on 12 May 2021 and 17 December 2021 respectively. Lesley Williams and Dan Clague joined the Board on 4 January 2021 and 26 August 2021 respectively.

Accounting Records

The Directors believe that they have complied with the requirements of Section 281 to 285 of the Companies Act 2014 with regard to maintaining adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The accounting records of the Company are maintained at the Company's registered office, Irish Continental Group plc, Ferryport, Alexandra Road, Dublin 1, Ireland.

Non-Financial information

The Group is not subject to the reporting requirements of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 (as amended). Notwithstanding the Group provides certain non-financial information in its Sustainability and ESG Report contained at pages 40 to 61.

Report of the Directors
Continued

Going Concern

The Financial Statements have been prepared on the going concern basis. The Directors report that, after making inquiries, they have a reasonable expectation at the time of approving the Financial Statements, that the Group and Company are going concerns, having adequate financial resources to continue in operational existence for the foreseeable future. In forming this view, the Directors have considered the future cash requirements of the Group and Company in the context of the economic environment of 2022, the principal risks and uncertainties facing the Group (pages 67 to 71), the Group's 2022 budget plan and the medium-term strategy of the Group, including capital investment plans. The future cash requirements have been compared to bank facilities which are available to the Group and Company.

The introduction of measures in response to Covid-19 by governments in the jurisdictions in which we operate services in March 2020 and which have continued in various forms throughout the period to 31 December 2021 had a material effect on the Group's financial results. This was particularly concentrated on our passenger business where international travel was affected resulting in a material reduction in passenger revenues compared to pre-pandemic levels. The Group has, despite the imposition of restrictions, continued to operate its passenger services on all routes in conjunction with its RoRo services. Following the ending of the Brexit transition period, the Group experienced changed travel patterns with a reduction in RoRo carryings overall but revenue losses on the Ireland - UK routes were significantly replaced with higher yielding revenues on our direct services on Ireland – France routes.

Notwithstanding the downturn in profitability due to reduced passenger revenues, the Group's RoRo, LoLo, chartering and port stevedoring services operated largely in line with expectations and the Group generated cash from operations of €66.0 million (2020: €51.2 million) in financial year 2021, with free cash flow after maintenance capital expenditures of €43.3 million (2020: €35.3 million). The Group retained cash balances and committed undrawn facilities at 31 December 2021 of €118.9 million. From 1 January 2022 maximum leverage covenants have reverted to the previous contracted levels of 3 times EBITDA. The leverage covenant level at 31 December 2021 calculated in accordance with the lending agreements, was within maximum permitted levels at 2.6 times EBITDA.

Government imposed travel restrictions have been largely removed from the beginning of 2022 for passengers who are fully vaccinated and passenger volumes have increased over the prior year levels. However there remains a risk of a resurgence of Covid infections and the possibility of re-imposition of restrictions in the future. All other revenue streams are performing satisfactorily up to the date of the approval of the financial statements.

In making their going concern assessment, the Directors have considered a number of trading scenarios including a re-imposition of travel restrictions. This modelling assumed a full schedule of services of the conventional ferry fleet and cash management within the terms of the Group's existing financing arrangements. Based on this modelling, the Directors believe the Group retains sufficient liquidity to operate for at least the period up to March 2023.

Viability Statement

The Directors have assessed ICG's viability over a timeframe of five years which the Directors believe reflects an appropriate timeframe for performing realistic assessments of future performance given the dynamic nature of our markets as regards the competitive landscape, economic activity, long-life assets and the continued capital investment commitments related to our operations.

In making their assessment, the Directors took account of ICG's current financial and operational positions and contracted capital expenditure. These positions were then rolled forward based on a set of assumptions on expected outcomes to arrive at a base projection. Sensitivity analysis was then performed on the base projection against potential financial and operational impacts, in severe but plausible scenarios, of the principal risks and uncertainties and the likely degree of effectiveness of current and available mitigating actions as set out on pages 67 to 71. It was further assumed that functioning financial markets exist throughout the assessment period with bank lending available to the Group on normal terms and covenants. The process, which was performed by management, was subject to examination and challenge by the Audit Committee and the Board.

Based on this assessment, the Directors have a reasonable expectation that the Company and the Group will be able to continue in operation and meet all their liabilities as they fall due over the five year assessment period.

Directors' Compliance Statement

The Directors acknowledge that they are responsible for securing compliance by the Company with its Relevant Obligations as defined by the Companies Act 2014 (the Relevant Obligations).

The Directors confirm that they have drawn up and adopted a compliance policy statement setting out the Company's policies that, in the Directors' opinion, are appropriate to the Company with respect to compliance with its Relevant Obligations.

The Directors further confirm the Company has put in place appropriate arrangements or structures that are, in the Directors' opinion, designed to secure material compliance with its Relevant Obligations. For the year ended 31 December 2021, the Directors have reviewed the effectiveness of these arrangements and structures during the financial year to which this Report relates.

In discharging its obligations under the Companies Act 2014, as set out above, the Directors have relied on the advice of persons employed by the Company or retained by it under a contract for services, who the Directors believe to have the requisite knowledge and experience to advise the Company on compliance with its Relevant Obligations.

Disclosure of Information to Statutory Auditors

In accordance with the provisions of Section 330 of the Companies Act 2014, each Director of the Company at the date of approval of this report individually confirms that;

- So far as they are aware, there is no relevant audit information, as defined in the Companies Act 2014, of which the Statutory Auditor is unaware; and
- They have taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information (as defined) and to ensure that the Statutory Auditor is aware of such information.

International Financial Reporting Standards

ICG presents its Financial Statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Group has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 January 2021 and that have been adopted by the European Union.

Principal Risks and Uncertainties

The Group has a risk management structure in place which is designed to identify, manage and mitigate the threats to the business. The key risks facing the Group include strategic, operational, financial and information technology and cyber risks arising in the ordinary course of business. Further details of risks and uncertainties are set out on pages 67 to 71.

Report of the Directors
Continued

Substantial Shareholdings

The latest notifications of interests of 3 per cent or more in the share capital of the Company received by the Company on or before 9 March 2022 and as at 31 December 2021 were as follows:

	9 March 2022		31 December 2021	
Beneficial Holder as Notified	Number of Units	% of Issued Units	Number of Units	% of Issued Units
Eamonn Rothwell	29,922,604	16.3%	29,922,604	16.0%
Wellington Management Company, LLP	18,714,065	10.2%	18,666,332	9.9%
Kinney Asset Management, LLC	13,469,752	7.3%	11,444,752	6.1%
Ameriprise Financial Inc.	12,712356	6.9%	16,862,148	9.0%
Marathon Asset Management, LLP	10,899,056	5.9%	12,878,846	6.8%
FMR, LLC	6,229,035	3.4%	6,229,035	3.3%
Brewin Dolphin Wealth Management	5,895,833	3.2%	5,895,833	3.1%

Directors, Secretary and their Interests

The interests of the Directors and Secretary of the Company and their spouses and minor children in the share capital of the Company at 31 December 2021 and 1 January 2021 all of which were beneficial, were as follows:

	31/12/2021 ICG Units	01/01/2021 ICG Units	31/12/2021 Share Options	01/01/2021 Share Options
Director				
John B. McGuckian	296,140	296,140	-	-
Eamonn Rothwell	30,095,384	30,030,114	1,495,000	1,412,000
David Ledwidge	149,968	130,758	459,500	404,500
John Sheehan	90,000	80,000	-	-
Lesley Williams	10,000	-	-	-
Dan Clague	-	-	-	-
Company Secretary				
Thomas Corcoran	272,780	246,064	506,000	475,500

Note: Lesley Williams was appointed to the Board on 4 January 2021. Dan Clague was appointed to the Board on 26 August 2021. Catherine Duffy resigned on 12 May 2021 and Brian O'Kelly resigned on 17 December 2021.

ICG Units are explained on page 208 of this report.

Auditors

As required under Section 381(1)(b) of the Companies Act 2014, the AGM agenda will include a resolution authorising the Directors to fix the remuneration of the auditors.

Section 383 of the Companies Act 2014 provides for the automatic re-appointment of the auditor of an Irish company at a company's AGM, unless the auditor has given notice in writing of his unwillingness to be re-appointed or a resolution has been passed at that meeting appointing someone else or providing expressly that the incumbent auditor shall not be re-appointed.

As outlined in the Audit Committee Report on page 98, the company replaced its auditor Deloitte Ireland LLP ("Deloitte") following a competitive tender process. Deloitte acted as auditor in relation to the financial statements for the year ended 31 December 2020. Deloitte was not eligible for re-appointment due to the length of its tenure as auditor to the Company. KPMG were appointed auditor by the shareholders voting on an ordinary resolution tabled at the AGM held on 12 May 2021.

Corporate Governance

The Group applies the principles and provisions of The UK Corporate Governance Code (2018) as adopted by Euronext Dublin and the UK Financial Conduct Authority and of the Irish Corporate Governance Annex (the Irish Annex) issued by Euronext Dublin. A Corporate Governance Report is set out on pages 80 to 93 and is incorporated into this Report by cross reference.

The Group has established an Audit Committee whose Report is included at pages 94 to 99.

Key Performance Indicators

The Group uses a set of headline Key Performance Indicators (KPIs) to measure the performance of its operations. These KPIs are set out on pages 20 to 21 and are incorporated into this report by cross reference.

Future Developments

We look forward to a recovery of our passenger markets as Covid-19 with the easing of travel restrictions and the introduction of the third vessel on the new Dover – Calais service. We expect continued growth in the RoRo freight market and a gradual return of traffic from the direct continental routes to landbridge.

Despite another difficult year for the Group and in particular the Ferries Division, we take comfort from the continued strength of our balance sheet, the high quality and performance of our asset base and improving the level of service provided to our customers on the Dover – Calais service with the introduction of a third vessel on the route. We see a continued strong demand for capacity in 2022 in our container shipping services operated by Eucon. The opening of Dublin Ferryport Inland Depot at the Dublin Inland Port has provided the opportunity to expand our empty depot business while at the same time increase the capacity at Dublin Ferryport Terminal. At our Belfast Container Terminal facility in Belfast, we continue working on the completion of the £40m re-investment project with Belfast Harbour and assisting in the delivery of additional terminal capacity to the market.

The post pandemic increase in global trade has given rise to cost pressures particularly increased ships charter and fuel costs will be passed through the logistics chain in the form of increased rates. Nevertheless, we look forward to continuing the growth trend in EBIT which is testament to our investment in the business in driving efficiencies and nurturing close customer relationships.

The Group notes the ever increasing expectations and regulatory requirements to reduce the effects of its operational footprint on the environment. While the Group acknowledges that its operations have an inevitable effect on the environment, reducing this effect is embedded within the Group's strategy through achievement of efficiencies and reflected in our capital investment program.

Report of the Directors
Continued

Events after the Reporting Period

No events have occurred between 31 December 2021 and the date of approval of these Financial Statements which require to be separately reported.

Annual Report and Financial Statements

This Annual Report together with the Financial Statements for the financial year ended 31 December 2021 was approved by the Directors on 9 March 2022. The Directors consider 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 Company's position and performance, business model and strategy.

Annual General Meeting

Notice of the AGM, which will be held on 11 May 2022, will be notified to shareholders in April 2022.

On behalf of the Board

Eamonn Rothwell,	**David Ledwidge,**
Director	Director

9 March 2022

Registered Office: Ferryport, Alexandra Road, Dublin 1, Ireland.

Directors' Responsibility Statement

The Directors are responsible for preparing the Annual Report and the Group and Company financial statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. Under that law, the Directors are required to prepare the Group financial statements in accordance with IFRS as adopted by the European Union and applicable law including Article 4 of the IAS Regulation. The Directors have elected to prepare the Company financial statements in accordance with FRS 101 Reduced Disclosure Framework as applied in accordance with the provisions of Companies Act 2014.

Under company law the Directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group's profit or loss for that year. In preparing each of the Group and Company 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 Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or Company or to cease operations, or have no realistic alternative but to do so.

The Directors are also required by the Transparency (Directive 2004/109/EC) Regulations 2007 and the Transparency Rules of the Central Bank of Ireland to include a management report containing a fair review of the business and a description of the principal risks and uncertainties facing the Group.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and which enable them to ensure that the financial statements comply with the provision of the Companies Act 2014. The Directors are also responsible for taking all reasonable steps to ensure such records are kept by its subsidiaries which enable them to ensure that the financial statements of the Group comply with the provisions of the Companies Act 2014 including Article 4 of the IAS Regulation. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general 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 also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's and Company's website icg.ie. Legislation in the Republic of Ireland concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement as required by the Transparency Directive and UK Corporate Governance Code

Each of the Directors, whose names and functions are listed on pages 78 to 79 of this Annual Report, confirm that, to the best of each person's knowledge and belief:

- The Group financial statements, prepared in accordance with IFRS as adopted by the European Union and the Company financial statements prepared in accordance with FRS 101 Reduced Disclosure Framework, give a true and fair view of the assets, liabilities, and financial position of the Group and Company at 31 December 2021 and of the profit or loss of the Group for the year then ended;
- The Directors' Report contained in the Annual Report 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 risk and uncertainties that they face; and
- The Annual Report and financial statements, taken as a whole, provides the information necessary to assess the Group's performance, business model and strategy and is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board

Eamonn Rothwell,	**David Ledwidge,**
Director	Director