

8 March 2023



a member of the Committee and Board on 11 November 2022. John had served nine years as a non-executive Director of the Company and I extend our gratitude to him for his service.

Committee Membership

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 76 to 77.

Member	A	B	Tenure
J.B. McGuckian (Chair)	2	2	1.5 years
J. Sheehan* (resigned 11 November 2022)	1	1	5 years
L. Williams*	2	2	1.7 years
D. Clague*	2	2	1.5 years
E. Moloney* (appointed 25 August 2022)	1	1	0.5 years
E. Rothwell	2	2	13 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.

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 2022.

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. At Board level during 2022, the Committee continued its focus on Board refreshment, with one appointment 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, one Director also stepped down during 2022. At the time of writing, the Board is comprised of four non-executive Directors and two executive Directors.

With the Board changes which took place during the year there were consequent changes made to the Committees. Newly appointed non-executive Director Éimear Moloney joined the Committee on 25 August 2022. John Sheehan stepped down as

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 and overseeing the development of a diverse pipeline for succession.

The Committee's effectiveness is evaluated within the overall Board evaluation process outlined on page 86. No matters of concern were noted in relation to the Committee's effectiveness.

Board Composition and Renewal

The Committee considered the results of the Board evaluation and the changes to Board composition made during 2022. 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

Report of the Nomination Committee

Continued

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. The average tenure of the non-executive Directors, including the Chairman, is 9.7 years and 1.3 years excluding the Chairman.

Appointments

The Committee continued a comprehensive search process for future potential candidates to ensure orderly Board refreshment. A number of potential candidates were identified and screened based on an assessment of their skill set and experience, against the future requirements of the Board with due regard to the Board's diversity policy. Following this process, the Committee made a recommendation to the Board for the appointment of Éimear Moloney as a Director of the Company. Éimear was appointed as a non-executive Director effective from 25 August 2022. No external search agency was engaged for this appointment.

All non-executive Directors receive a letter of appointment setting out the terms of the appointment, responsibilities and expected time commitments. Copies of these letters are available for inspection at the Annual General Meeting (AGM) and at the Company's registered office.

In compliance with the provisions of the Code, any person co-opted to the Board during the year will seek re-election at the next AGM together with all the Directors. All newly appointed Directors will as part of

the induction process be provided with comprehensive information on the Group's strategy, structure and performance reporting. They will also be afforded opportunity to meet senior management and visit Group sites.

Engagement

The Committee noted the results on the individual Director re-election resolutions tabled at the 2022 Annual General Meeting. The Committee welcomed the strong voting result in supporting the re-election of all Directors. However, the Committee noted that while the re-election of John B. McGuckian was affirmed, the resolution received 77% support which is below the threshold set in the Code. The Company had engaged extensively with its major shareholders in advance of the 2022 Annual General Meeting. The general consensus was that, notwithstanding Mr. McGuckian's tenure, that shareholders were supportive of Mr. McGuckian continuing as a Director and Chairman of the Board in the circumstances where the Group faced significant challenges relating to Covid-19 and was undertaking major strategic initiatives. In addition, certain shareholders noted the benefits of retaining Mr. McGuckian as Chair during the period of Board refreshment. The Committee was aware that a minority of shareholders had expressed a dissatisfaction with the Board's progress on achieving greater gender diversity on the Board, and voted against the re-election of Mr. McGuckian in his role as Chair of the Nominations Committee.

The Committee notes that the Board was undergoing a period of renewal and refreshment which was ongoing at the time of the 2022 Annual General Meeting. While the Board has not set diversity targets, its policy is to select candidates based on the required competencies of the role with due

regard for the benefits of diversity. The Committee appointed Éimear Moloney as Director in August 2022 and Mr. John Sheehan resigned as Director in November 2022. The Board gender diversity is currenting 33% female.

Director Independence

Outside of the newly appointed Director, the Committee reviewed and recommended to the Board the re-appointment of the remaining Directors at the Company's AGM. In considering the proposals for the re-election, the Committee had particular regard to 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 provisions 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 strategic expansion of the Group, 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, Lesley Williams, Dan Clague and Éimear Moloney.

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

Inclusion and Diversity

The Committee reviewed the processes agreed in respect of workforce engagement described at page 83 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 discussed on page 86. 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.

The Group's gender diversity is set out at page 86. Currently, the female composition of the Board is 33% (2021: 14%), 22% (2021: 21%) among senior managers and 39% (2021: 39%) across the organisation as a whole. While this indicates marginal progress year on year, the Committee continues to focus on improving these ratios. In relation to future Board and senior manager appointments the Committee will actively seek out a greater pool of female candidates for consideration. The Committee has also requested executive management to ensure this requirement is followed for recruitment across all levels of the organisation.

External search agencies independent of the Group are engaged to assist where appropriate and their mandates include considerations of diversity.

Other

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

John B. McGuckian

Chair of the Nomination Committee

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