2023 Annual Report & Financial Statements

Irish Continental Group

THE LEADING IRISH-BASED MARITIME TRANSPORT GROUP

Irish Continental Group (ICG) is the leading Irish-based maritime transport group. We carry passengers and cars, Roll on Roll off freight (RoRo) and Container Lift on Lift off freight (LoLo), on routes between Ireland, Britain and Continental Europe. We also operate container terminals in the ports of Dublin and Belfast.

We aim for continued success in our chosen markets and focus our efforts on the provision of a safe, reliable, timely, good value and high-quality experience for all our customers in a way that minimises our impact on the environment.

We will achieve success by anticipating our customers' needs and matching their requirements with superior services through constant innovation and the rapid application of technology.

We measure our success through the quality of our service, as seen by our customers, which should result in delivering sustained and profitable growth for the benefit of all our stakeholders.

Contents

These printed financial statements are non-statutory financial statements having not been prepared in accordance with Commission Delegated Regulation 2019/818 regarding the single electronic reporting format (ESEF). Other than the addition of page references these non-statutory financial statements represent a true copy of the human readable layer of the statutory financial statements which were prepared in accordance with ESEF and are available on the Group's website.

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STRATEGIC REPORT

The Strategic Report contains certain forward-looking statements and these statements are made by the Directors in good faith, based on the information available to them up to the time of their approval of this report. These statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information. The Strategic Report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to Irish Continental Group and its subsidiaries when viewed as a whole.

Our Group at a Glance

Irish Continental Group is a customer focused business with a pivotal position in the logistics chain facilitating international trade between Ireland, Britain and Continental Europe.

The Group operates through two divisions

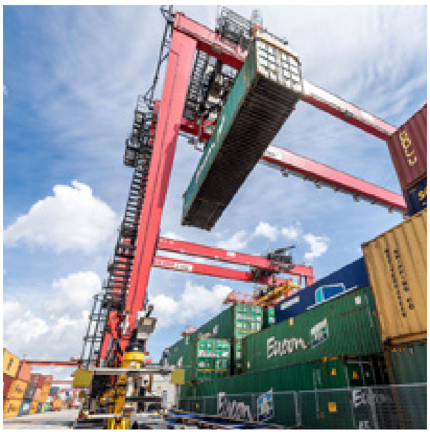
Ferries Division
Principal activities include the chartering of vessels both internally and externally together with passenger and RoRo freight shipping services under the Irish Ferries brand.

Container and Terminal Division
Principal activities include LoLo shipping activities under the Eucon brand and the operation of two container terminals, Dublin Ferryport Terminals (DFT) and Belfast Container Terminal (BCT), within the two main ports on the island of Ireland, and following its opening in January 2022 the Dublin Ferryport Inland Depot.

- Irish Ferries Ropax and Cruise Ferry Services
- Irish Ferries High Speed Ferry
- Ports Served By Ferries: Dublin, Rosslare, Holyhead, Pembroke, Cherbourg, Dover, Calais
- Group Geographical Coverage
- Eucon Routes
- Dublin Ferryport Terminals
- Dublin Ferryport Inland Depot
- Belfast Container Terminal
- Ports Served By Container Ships: Belfast, Dublin, Cork, Antwerp, Rotterdam

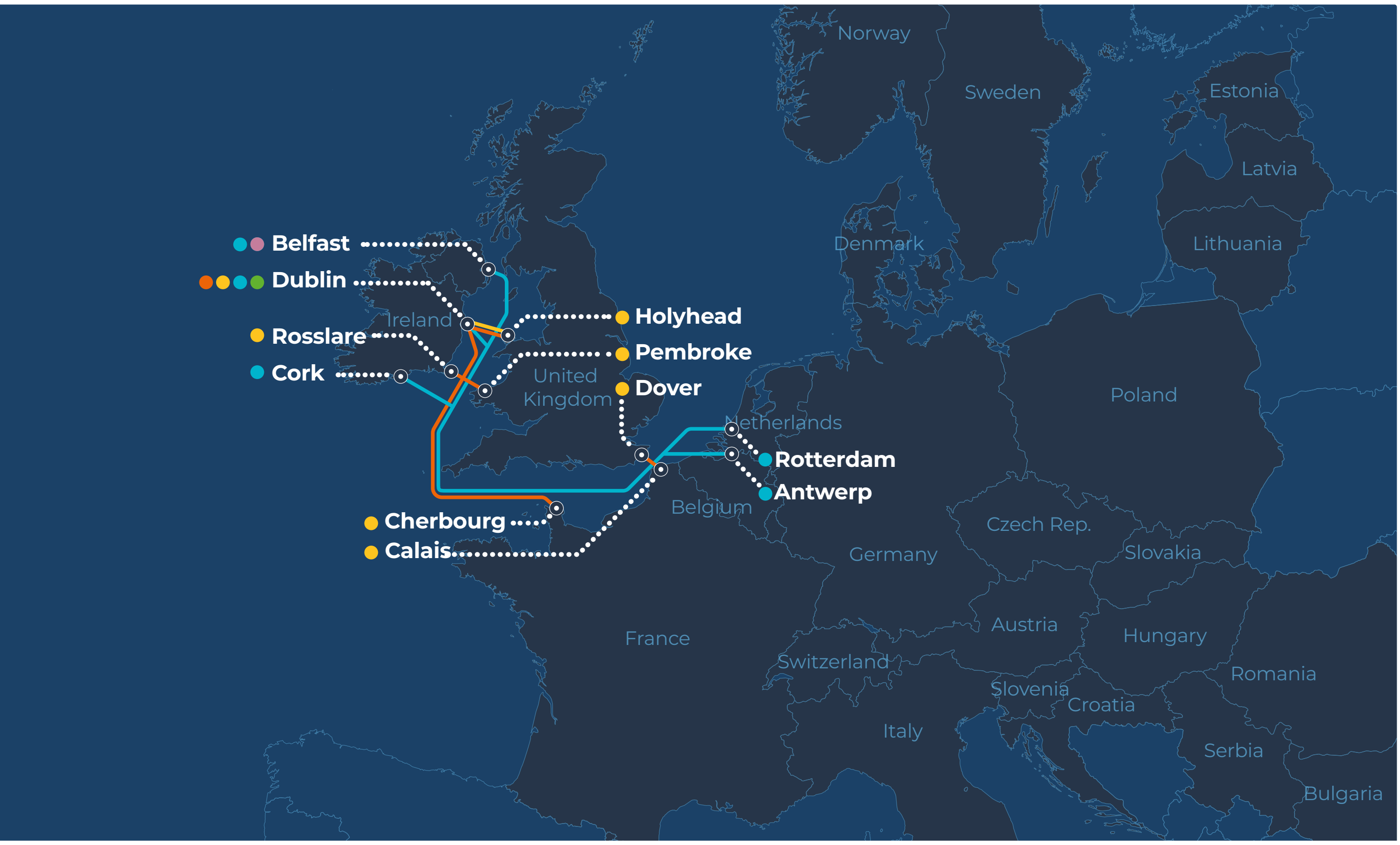
Strategic short sea RoRo routes operated by Irish Ferries providing seamless connections between Ireland, Britain and Continental Europe for the 724,000 RoRo units carried in 2023.

Reliability underpinned by major investment in tonnage and maintenance of quality assets ensuring the high levels of schedule integrity demanded by our customers.



Strategically located container terminals which handled 312,400 container units during 2023 in Ireland's main ports of Dublin and Belfast for shipping operators providing services to key continental hub ports and onwards access to global markets.

Connected container transport services provided by Eucon, transporting 275,500 teu (twenty foot equivalent) in 2023 between Ireland and 20 countries throughout Europe by sea, road, rail and barge.



Always on, always in touch, our shipping and terminal services operate 24/7, assisted by investment in modern booking and tracking systems to ensure our customers can keep in touch over a variety of platforms.

Fastest crossing on the Irish sea on board the Irish Ferries Dublin Swift fastcraft service with a sailing time of two hours between Dublin and Holyhead at speeds of up to 65 kph.

Key contributor to regional tourism in all countries we offer services, Irish Ferries carried 2,781,700 passengers and 645,700 cars during 2023 with research indicating that car tourists stay longer and travel outside the main urban centres.

High standard on-board experience enjoyed by our Irish Ferries customers encompasses quality food, beverage, entertainment and accommodation services. Duty free shopping for passengers travelling to and from Britain. Passengers are never out of touch with free satellite wi-fi services.

Financial Highlights

Revenue

€572.0m (2.2%)

2022: €584.9m

EBITDA*

€132.6m +4.2%

2022: €127.2m

Operating profit

€68.4m +2.5%

2022: €66.7m

Basic earnings per share

36.2c +7.7%

2022: 33.6c

Adjusted basic earnings per share*

35.5c +5.7%

2022: 33.6c

Net debt*

€(143.7)m (16.0%)

2022: €(171.1)m

Return on average capital employed*

17.7% +0.2pts

2022: 17.5%

* The Group uses alternative performance measures "APMs" which are non-IFRS measures to monitor Group performance. Definitions and reconciliation to IFRS measures are set out in Key Performance Indicators and Summary of 2023 Results (pages 18-20).

Five Year Summary

	2023 €m	2022 €m	2021 €m	2020 €m	2019 €m
Summary extract of Income Statement					
Revenue	572.0	584.9	334.5	277.1	357.4
Operating expenses and employee benefits expense	(439.4)	(457.7)	(282.2)	(235.0)	(270.6)
Depreciation and amortisation	(64.2)	(60.5)	(52.5)	(41.3)	(36.8)
	68.4	66.7	(0.2)	0.8	50.0
Non-trading items [1]	-	-	-	(11.2)	14.9
Interest (net)	(5.1)	(4.2)	(3.9)	(7.6)	(3.4)
Profit / (loss) before taxation	63.3	62.5	(4.1)	(18.0)	61.5
Taxation	(1.7)	(2.7)	(0.8)	(1.0)	(1.3)
Profit / (loss) for the year	61.6	59.8	(4.9)	(19.0)	60.2
EBITDA	132.6	127.2	52.3	42.1	86.8
Per share information:	€cent	€cent	€cent	€cent	€cent
Earnings per share					
-Basic	36.2	33.6	(2.6)	(10.2)	31.7
-Adjusted basic [2]	35.5	33.6	(2.7)	(4.3)	23.8
Dividend per share (declared)	14.80	14.09	9.00	-	4.42
Shares in issue at year end:	m	m	m	m	m
-At year end	166.2	170.8	182.8	187.0	187.4
-Average during the year	169.9	177.8	186.7	187.0	189.8
Summary extract of Statement of Financial Position	€m	€m	€m	€m	€m
Property, plant and equipment, right-of-use and intangible assets	406.9	405.6	387.3	353.0	353.5
Retirement benefit surplus	39.4	33.6	6.7	1.0	12.5
Other assets	127.0	134.7	117.9	224.9	225.8
Total assets	573.3	573.9	511.9	578.9	591.8
Equity capital and reserves	282.3	260.8	249.7	265.9	287.9
Retirement benefit obligation	0.5	0.4	1.4	2.2	3.7
Other non-current liabilities	71.9	195.8	154.8	141.6	229.3
Current liabilities	218.6	116.9	106.0	169.2	70.9
Total equity and liabilities	573.3	573.9	511.9	578.9	591.8
Summary extract of Consolidated Statement of Cash Flows					
Net cash inflow from operating activities	128.6	126.3	57.8	46.1	84.8
Net cash (outflow) / inflow from investing activities	(40.2)	(72.7)	(52.7)	7.8	(52.3)
Net cash outflow from financing activities	(80.9)	(52.8)	(117.4)	(14.4)	(46.5)
Cash and cash equivalents at the beginning of the year	39.0	38.5	150.4	110.9	124.7
Effect of foreign exchange rate changes	0.3	(0.3)	0.4	-	0.2
Closing cash and cash equivalents	46.8	39.0	38.5	150.4	110.9
	€m	€m	€m	€m	€m
Net debt	(143.7)	(171.1)	(142.2)	(88.5)	(129.0)
	Times	Times	Times	Times	Times
Net debt / EBITDA [3]	1.0x	1.2x	2.6x	2.1x	1.5x
Gearing (net debt as a percentage of shareholders' funds)	51%	66%	57%	33%	45%

1. Non-trading items are material non-recurring items that derive from events or transactions that fall outside the ordinary activities of the Group and which individually, or, if of a similar type, in aggregate, are separately disclosed by virtue of their size or incidence.
2. Adjusted basic earnings per share exclude pension interest and non-trading items.
3. Calculated per bank covenant definitions to exclude effects of lease debt.

Chairman's Statement

John B. McGuckian,
Chairman

INVESTING FOR GROWTH AND A SUSTAINABLE FUTURE

Last year, I described 2022 as not just a year of recovery, but of building for long-term sustainable growth and stating our ambition to turn our full attention to maximising the opportunities that have arisen for the Group over the last few years. While 2023 did not yet see the maximisation of those opportunities, it did see significant progress towards it. Progress across the Ferries Division has been impressive. The opportunities afforded us from the recovery in passenger markets, our strong position in the freight markets and the reintroduction of duty-free have lifted the Ferries Division to record levels of activity, revenue and profitability. Thanks to the increased footprint in the Division, the volumes carried and scale of the business are unrecognisable when compared to just a few years ago. While this is welcomed by the Group, our greatest satisfaction comes from the opportunity that is still provides us for growth over the next number of years.

Performance in the Container and Terminal Division has been more challenging. However, this is against the backdrop of a number of years of record growth and profitability. Overall, volumes and profitability in the business have reduced primarily driven by weak export and import levels in China and the impact of supply chain difficulties and the resulting over stocking had on reducing volumes in the earlier part of the year. Despite the reduction in activity levels and demand, the Division has taken advantage of its flexible cost base to maintain strong levels of profitability.

We continued our investment in future growth in the Ferries Division with the introduction of the Oscar Wilde into service in May of this year. The vessel entered service on the Rosslare – Pembroke route for the 2023 summer season. With the largest duty-free shopping space for any cruise ferry on the Irish Sea of 17,000 square feet, it allows the Group to maximise the opportunity afforded to us by the reintroduction of duty-free shopping on the Irish Sea.

In addition to this investment, we have completed the current program for the expansion and modernisation of our container terminals with the latest semi-automated and environmentally friendly equipment as part of our Terminal electrification programme. The final crane in this programme became operational in September 2023. In total over the year, we have commissioned five new remote controlled semi-automated rubber-tyred gantries (RTGs) and one new ship-to-shore crane.

As in prior years, I would like to take this opportunity to thank all our colleagues who made these results possible. Our colleagues, particularly those on the front line, continue to ensure the efficient and reliable operation of our services and allow us to meet the requirements of our customers.

Financial Outcome

The overall financial outcome for the Group was a profit before tax of €63.3 million (2022: €62.5 million) while operating profit was €68.4 million (2022: €66.7 million). EBITDA generated was €132.6 million (2022: €127.2 million) from total revenues of €572.0 million (2022: €584.9 million).

EBITDA grew strongly versus the prior year in our Ferries Division where EBITDA was €106.9 million (2022: €95.7 million). The Division saw increased revenues from the recovery in our tourism markets, continued growth in the freight market, improved duty-free performance and the full year impact of a three ship operation on the Dover – Calais route.

Performance in our Container and Terminal Division was challenging in the current year due to a reduction in volumes, in particular in our feeder markets. EBITDA of €25.7 million (2022: €31.5 million) was down on the record performance of 2022, but still well ahead of historical levels. While any reduction in profitability is a disappointment, we are encouraged by the resilience of the Division and its ability to generate strong returns even in challenging market conditions due to a continued focus on cost optimisation through the management of the Division's flexible cost base.

2023 was another strong year of cash generation for the Group. We began the year with a strong balance sheet and finish it in the same position. Cash generated from operations of €136.7 million (2022: €132.0 million) together with net debt decrease of €27.4 million was used to fund strategic capital expenditure of €19.3 million and returns to shareholders of €45.8 million via a combination of dividends and share buybacks. Net debt at year end was €143.7 million (2022 €171.1 million).

Strategic Development

The Group has continued to progress a number of key strategic developments during the year.

Building on our progress over the last number of years, we have placed a significant focus on enhancing our approach to ESG and sustainability. We have rolled out a number of further initiatives across the Group and continued initiatives that commenced in prior years. These are discussed later in the Sustainability and ESG Report (pages 35-59), highlights of which include the significant progress we have made in reducing the emissions of our container terminal operations. Completing our expansion and modernisation programme at Dublin Port, 2023 was a year of further material investment in this business. With the investment we have made and continue to make in more environmentally friendly terminal equipment, we are on course to achieve a reduction in the emissions from our container terminal operations of 70 per cent by 2025 over the course of the programme. With the progress made to date and the expected future investment, we expect to achieve our target of net zero emissions in our container terminal operations by 2030.

2023 saw the Group prepare for the introduction of the maritime transport into the EU Emissions Trading System (EU ETS) in early 2024. The cost of this will be borne by our customers through the introduction of surcharges. As the maritime industry is recognised as a hard to abate sector due to its current reliance on the burning of marine petroleum based fuels, it is important that the revenues raised via the EU ETS are appropriately invested in the development of commercially viable alternatives for the maritime industry.

We also continue to develop our environmental reporting processes in co-ordinating the collection of relevant data and considering how best this can be harnessed to affect behaviours in order to drive further improvement. This also provides the basis for increasing transparency over our sustainability credentials as set out in the Sustainability and ESG Report (pages 35-59). We continue to engage with our stakeholders to understand their key pressing and material issues which we will evaluate and implement in our day to day business when appropriate.

In May of this year, the Group took delivery of the Oscar Wilde. The Group signed a long term charter agreement for a firm period of 20 months with the opportunity to extend the charter by 2 + 2 years. The agreement also gives the Group purchase options over the vessel. The European-built vessel is of a high standard and materially enhances the Ferries Division's offering for both freight and passenger markets. Furthermore, the design of the vessel affords the Group a large amount of flexibility across all of our Irish Sea routes. The vessel entered service on the Rosslare - Pembroke route for the 2023 summer season, but for 2024 will also operate on the Dublin – Holyhead and Dublin – Cherbourg routes. One outstanding feature of the vessel is the material upgrade in retail space available on board. It currently has the largest duty-free shopping space of any cruise ferry on the Irish Sea with 17,000 square feet allowing for enhanced range of stock and customer experience.

During 2023, the Group completed this phase of the expansion and electrification program of our Dublin Ferryport container terminal with

Chairman's Statement
Continued

the commissioning of five further RTGs and one ship-to-shore crane. The modern cranes are designed for continuous operation in all but the most extreme weather conditions. These investments are significant milestones towards our Net Zero 2030 goal for the terminal operations. The completion of this programme which commenced in 2017 represents a total investment in the terminal of €28.7 million.

Corporate Governance

The Board acknowledges the importance of good corporate governance practices. We have developed a corporate governance framework based on the application of the principles and compliance with the provisions of the UK Corporate Governance Code (2018) and the Irish Corporate Governance Annex. I report on this framework in the Corporate Governance Report (pages 78-79).

During the year, I led the annual evaluation of Board performance of which further details are set out in the Corporate Governance Report (page 86). As Chairman, I am satisfied that the Board operates effectively to ensure the long-term success of the Group and that each Director is contributing effectively and demonstrating commitment to their role.

Dividend and share buyback

The Directors declared and paid during 2023 a final dividend of 9.45 cent per ordinary share for 2022 and an interim dividend of 4.87 cent per ordinary share for 2023. Dividends paid during the year totalled €24.4 million.

During the year, the Company bought back a total of 4.8 million shares which were cancelled. The total consideration paid for these shares was €21.4 million (2022: €49.2 million). The Directors are proposing a final dividend in respect of 2023 of 9.93 cent per share subject to shareholder approval at the AGM on 9 May 2024, which will be paid on 7 June 2024 to shareholders on the register at close of business on 17 May 2024.

Outlook

2024 has seen a strong start to the year for the Ferries Division with volumes up materially across most revenue streams. However, it is important to note that volumes year to date are positively influenced by the timing of competitor drydockings. In addition, the passenger volumes are for a seasonally quiet part of the year and are influenced by some COVID recovery when compared with the previous year. Volumes to date do not reflect the underlying market growth rates.

In the period from 1 January 2024 to 2 March 2024, Irish Ferries carried 62,400 cars, an increase of 28.9% over the same period in the prior year. While these increases are encouraging, it is over a seasonally less significant time of the year for passenger travel. We do however, hope that the trends seen in 2023 of a material recovery of the passenger market continue into 2024. As in the prior year, we still do see the opportunity for growth in our passenger business as we move towards a full return to pre-pandemic levels with the benefits that can bring to both our ticket and on-board revenue.

RoRo volumes in the Ferries Division have also had a strong start to the year. Irish Ferries RoRo volumes are up 15.1% on the same period in the prior year to 124,500 units. As in 2023, we expect the trend of freight customers returning to the landbridge will continue into 2024, helped with the introduction of the Windsor agreement, but also the ever-increasing familiarity of our customers with customs measures. Furthermore, the cessation of certain services into Liverpool, will give Irish Ferries an opportunity in 2024 to increase our market share on the Irish Sea.

In Eucon, we have seen a reduction in containers shipped of 4.0% for the first two months of the year. The weakness in volumes is primarily due to a weakness in our deep-sea container volumes, somewhat offset by the more stable short-sea container market. We expect some growth in the container market in 2024, assuming lower interest rates which should fuel economic growth later in the year.

Port lifts have increased by 8.7% in the first two months of the year versus the same period in 2023. There is a continuation of the improving trend in volumes from the last quarter of 2023 along with the addition of a new customer on our Dublin terminal. Our recent investments in the Dublin terminal and the ongoing expansion of the Belfast terminal leave us well placed to avail of any market growth.

As part of the EU "Fit for 55" regulations, shipping emissions have been brought into scope of the EU Emission Trading System on a phased basis from 1 January 2024. Following its introduction, we have implemented surcharges for all our customers. We acknowledge that the operations of the group will have an inevitable impact on the environment, however those operations are essential for the island of Ireland and remain the most environmentally sustainable form of transport for the facilitation of trade and the movement of people on and off the island.

John B. McGuckian,
Chairman
6 March 2024


IRISH FERRIES
DUBLIN Swift

Chief Executive's Review

Eamonn Rothwell,
Chief Executive Officer

A YEAR OF PROGRESS AND RECORD GROWTH

Key Financial Highlights

EBITDA

€132.6m +4.2%

2022: €127.2m

Operating profit

€68.4m +2.5%

2022: €66.7m

Return on average capital employed

17.7% +0.2pts

2022: 17.5%

Adjusted basic earnings per share

35.5c +5.7%

2022: 33.6c

Free cash flow before strategic capital expenditure

€107.1m (0.8%)

2022: €108.0m

2023 Performance

2023 was a year of further growth in particular in the Ferries Division. The investment in the Dover – Calais route has continued to grow the business in the current year and provide the opportunity for continued long term growth. The full year benefit of a three ship operation on the route has positioned us as a significant operator in this market. We are now firmly established as the preferred carrier for many freight and passenger customers on the route. We remain optimistic over the position we are in and the potential for future growth both in revenues and profitability.

Despite a challenging year in the Container and Terminal Division, we benefited from the Division's flexible cost base allowing us to retain strong levels of profitability. Furthermore, we completed the modernisation and expansion programme in our container terminals. This has been a significant investment for the Group that aligns with the sustainability goals of the Group.

The Group made a profit before tax of €63.3 million (2022: profit of €62.5 million). Operations were cash generative at €126.6 million (2022: €126.3 million) and the Group maintained a strong balance sheet.

The performance in the Ferries Division saw a significant increase in EBITDA to €106.9 million (2022: €95.7 million). This has been primarily driven by further recovery in passenger markets, strengthening position on the Dover – Calais route and the strong growth and performance of duty-free sales. Revenue in the Division increased by 3.1% to €412.3 million (2022: €399.9 million).

Performance in the Container and Terminal Division was more challenging during the year, driven primarily by weak import and export levels in China and supply chain difficulties in the first half of the year. EBITDA in this division decreased by 18.4% to €25.7 million (2022: €31.5 million). Despite the EBITDA, we remain satisfied with the historically high level of profitability achieved. Revenues in the Division reduced by 12.4% to €194.1 million (2022: €221.5 million).

Financial Position

The Group ended the year in a strong position with equity attributable to shareholders increasing by €21.5 million to €282.3 million, which was after total returns made to shareholders of €45.8 million. Total dividend payments of €24.4 million paid with the dividend per share increasing 5% versus 2022. In addition, the Group bought back 4.8 million shares which were cancelled, for a total consideration of €21.4 million.

Net debt at year end was €143.7 million compared to net debt of €171.1 million in the prior year. This represents a net debt / EBITDA leverage of 1.0 times under banking covenant definitions. Cash generated from operations in the year was €134.8 million (2022: €132.0 million). This funded strategic capital expenditure of €21.8 million, dividends paid of €24.4 million and share buybacks of €21.4 million. Year end net debt of €143.7 million comprised gross borrowings of €153.5 million (2022: €167.7 million), lease obligations of €37.0 million (2022: €42.4 million) less gross cash balances of €46.8 million (2022: €39.0 million). Lease obligations relating to right-of-use assets are excluded for banking covenant purposes.

Strategic Performance

As Chief Executive, a key responsibility is to drive future profitable and sustainable growth of the Group. I'm happy to report that on a strategic level further progress was made during 2023 in building on the progress made over the last number of years and positioning the Group for future long term growth opportunities.

The Group completed its investment in the Dover – Calais service in 2022 with gave the Group the benefit of a full three ship operation during the current year. The addition of a third ship onto the route for Irish Ferries has strengthened our position on the route and ensures we are an alternative to the other operators on the route.

The Group took delivery of the Oscar Wilde in May of this year. While initially on a firm charter of 20 months, we have options for charter extensions of 2 + 2 years and purchase options over the vessel. This European built vessel is of the highest quality, and its flexibility provides us with excellent optionality over its deployment in our route network. The large scale of the retail space on board the vessel will assist us in maximising the opportunities arising from duty-free sales on the Irish Sea.

The expansion and modernisation of our container terminal in Dublin port was completed during the year. In 2023, we commissioned five new remote controlled semi-automated rubber-tyred gantries (RTGs) and one new ship-to-shore crane. This represents an investment of €28.7 million in the terminal that has increased capacity by approximately 20% while at the same time materially reducing emissions in the terminal and helping us towards our Net Zero 2030 goal for terminal operations.

The Group's management continually seeks investment opportunities which meet the Group's stringent return hurdles both in terms of return and risk appetite, a policy which is promoted at all levels within the organisation. These investments are funded through a combination of debt and cash generation from existing activities.

Chief Executive's Review
Continued

Strategy and the Environment

The Group is conscious that its activities have an environmental impact but notes that reducing that impact aligns with our overall strategy. The Group has continued with the significant investments in installing exhaust gas cleaning systems (EGCS). A further EGCS unit was installed on the Isle of Inishmore in early 2023 which is in operation on the Dover – Calais route. The programme for the electrification of heavy plant at our container terminals was further progressed in 2023, with the commissioning of five RTGs and one additional ship-to-shore crane at Dublin Ferryport Terminal. Both of these investments, while reducing harmful emissions, also bring health and safety benefits to our operatives and align with the strategic objective of delivering sustained and profitable growth. Further details of our work in this space during the year are detailed in our Sustainability and ESG Report (pages 35-59).

The Group currently collects various data related to the environmental impact of its operations for external reporting purposes. In recognition of the powerful effect that data can have on creating awareness of individual actions, the Group collates and harnesses this data as a tool to promote environmental responsibility within the workforce. While we recognise there is and always will be additional work to do in this space, we consider the ongoing improvement and progress together with the firm foundation established from prior years will enable the further development of our approach to sustainability, ESG and strong reporting in the years ahead.

However, for certain aspects the Group will require the shipping sector as a whole to work together. This particularly relates to global regulation under the auspices of the International Maritime Organisation setting common standards and key equipment suppliers adopting the latest technologies. As a small operator in a global market, the Group will only apply proven technologies and we will recover the costs of same, either by increased efficiencies or by passing associated costs through to customers. The International Maritime Organisation and the European Union decarbonisation goals for the Maritime industry are set out and discussed in our Sustainability and ESG Report (pages 35-59). We note and welcome the recent increased ambitions of the IMO in targeting net-zero emissions in the maritime industry by 2050. While welcoming this ambition, the challenges around the current alternatives to the current non-sustainable fuel requirements of the industry remain. The meeting of these challenges has to be addressed not only by the industry but at government regulatory level.

The Group is aware that our stakeholders require us to be environmentally focused and the Group is committed to continuous improvement in both the big and small things that we do. Freight remains the backbone of the local Irish and European economies. Our efforts in greening the maritime industry is a vital part of moving the wider European economy to a sustainable footing in the face of the rising challenge from climate change. As an island off the northwest coast of Europe, approximately 90% of trade exports and imports are dependent on sea access. In addition, we carry nearly three million people, many of whom are tourists making a significant contribution to regional employment. These economic and social benefits have to be offset against our environmental footprint which is significantly lower than the airlines.

Stakeholders

The Group's performance is dependent on the support of our customers, suppliers and employees. I would like to thank all our customers for their support during the year. We will continue to work with our customers to meet their expectations into the future.

Our suppliers are key to our ability to deliver quality services to our customers. We continually work with our suppliers whether they be port operators, contracted service providers or product suppliers to improve efficiencies and quality. We appreciate the co-operation and flexibility achieved in delivering our 24/7 services.

As in prior years, I would like to take this opportunity to thank our employees for their continued dedication to the operation of our services that are essential to the island of Ireland. It is their knowledge and dedication to customer service that drives the future success of the Group.

Outlook

I expect 2024 to be another successful year for the group in further leveraging our operational excellence and financial strength. The work and investment in the Group over the last number of years paid financial dividends in 2023, and I am confident that further growth can be achieved in 2024, although the scale of the growth will be dependent on the extent and timing of interest rate decreases which should in turn fuel international growth.

As always, we will continue to seek out improvement and investment opportunities through the effective management of capital allocations to ensure our long term-term success.

Eamonn Rothwell,
Chief Executive Officer
6 March 2024

How We Create Value

OUR PURPOSE

We will create value for our stakeholders by anticipating our customers' needs and matching their requirements with superior services through constant innovation and the rapid application of technology.

Ferries Division

Multipurpose ferry services carrying both passengers and RoRo freight on strategic short sea routes.

IRISH FERRIES

Ireland	⟷	Britain
Britain	⟷	France
Ireland	⟷	France

Container and Terminal Division

Direct container shipping services between Ireland and Continental Europe together with the operation of container terminals at both Dublin and Belfast.

DFT Dublin Ferryport Terminals – A division of Irish Ferries Limited

DFID Dublin Ferryport Inland Depot – A division of Irish Ferries Limited

BCT Belfast Container Terminal

Eucon Shipping & Transport Ltd.

Key strategic developments over the last 5 years

W.B. Yeats
The introduction of the WB Yeats into service in 2019 has met our expectations both operationally and financially. The flexibility, reliability and capacity of the vessel has been critical in allowing the Ferries Division to successfully navigate constantly changing trade flows due to the twin effects of the UK exit from the European Union and the Covid-19 pandemic.

Dover to Calais route
Commencement of the Irish Ferries service on the Dover – Calais route in 2021. Introduction of a third ship onto the route in during 2022 allowing us to offer 30 sailings per day to our customers. Full operation of three ship service on the route in 2023.

Operating a fleet of eight ferries (including two chartered-in)

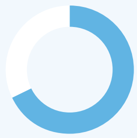
Capacity to operate up to
47 sailings daily

8 LoLo chartered-out vessels (5 internal & 3 external)

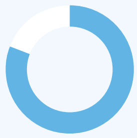
Customer type

Freight + Haulage

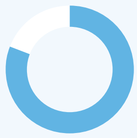
Leisure Breaks



Revenue
€412.3m
68% of Group *
*inclusive of inter-segment revenue



Capital Employed
€314.7m
81% of Group



EBITDA
€106.9m
81% of Group

Container fleet capacity
8,500 TEU

Strategically located container terminals

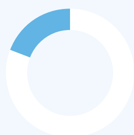
Customer type

Freight + Haulage

Revenue
€194.1m
32% of Group *

*inclusive of inter-segment revenue

Capital Employed
€72.3m
19% of Group



EBITDA
€25.7m
19% of Group

Dublin Ferryport Inland Depot (DFID)

Opening of our new terminal in the Dublin Ferryport Inland Depot in January 2022. The inland depot is strategically located to allow easy access to Ireland's motorway system. This will allow ancillary services to be provided outside of the Dublin Port area, therefore increasing capacity in the Dublin Ferryport Terminal.

Terminals Investment

Completed investment in decarbonisation of Dublin and Belfast Terminals. During 2023, the Group completed current program of its investment in the terminal with the commissioning of a further five electric RTGs and one ship-to-shore crane.

Environmental Investment

The Group has invested in exhaust gas cleaning systems (EGCS) on the W.B. Yeats, Ulysses, the Isle of Inishmore and all of its internally chartered container vessels. These EGCS reduce the sulphur content of our emissions.

Key Performance Indicators and Summary of 2023 Results

The Group uses a set of headline Key Performance Indicators (KPIs) to measure the performance of its operations and of the Group as a whole which are set out and defined below.

Certain financial measures used are not defined under International Financial Reporting Standards (IFRS). Presentation of these Alternative Performance Measures (APMs) provides useful supplementary information which, when viewed in conjunction with the Group's IFRS financial information, allows for a more meaningful understanding of the underlying financial and operating performance of the Group. These non-IFRS measures should not be considered as an alternative to financial measures as defined under IFRS. Descriptions of the APMs included in this report are disclosed below.

APM	Description	Benefit of APM
EBITDA	EBITDA represents earnings before interest, tax, depreciation, impairment, amortisation and non-trading items.	Eliminates the effects of financing and accounting decisions to allow assessment of the profitability and performance of the Group.
EBIT	EBIT represents earnings before interest, tax and non-trading items.	Measures the Group's earnings from ongoing operations.
Free cash flow before strategic capital expenditure	Free cash flow comprises operating cash flow less capital expenditure before strategic capital expenditure which comprises expenditure on vessels excluding annual overhaul and repairs, and other assets with an expected economic life of over 10 years which increases capacity or efficiency of operations.	Assesses the availability to the Group of funds for reinvestment or for return to shareholders.
Net debt	Net debt comprises total borrowings plus lease liabilities less cash and cash equivalents.	Measures the Group's ability to repay its debts if they were to fall due immediately.
Leverage	The debt leverage ratio is calculated per the terms of our lending agreement and is calculated as bank debt, excluding lease liabilities, expressed as times EBITDA. The calculation is set out at note 21 to the Financial Statements.	Provides an indication of the Group's borrowing capacity.
Adjusted Basic Earnings Per Share (EPS)	EPS is adjusted to exclude the non- trading items and net interest (income) / cost on defined benefit obligations.	Directors consider Adjusted Basic EPS to be a key indicator of long-term financial performance and value creation of a public listed company.
ROACE	ROACE represents return on average capital employed. Operating profit expressed as a percentage of average capital employed (consolidated net assets, excluding net debt, retirement benefit surplus / (obligation) and asset under construction net of related liabilities.	Measures the Group's profitability and the efficiency with which its capital is employed.
Pre-IFRS 16	Use of the term Pre-IFRS 16 denotes that the APM or IFRS measure has been adjusted to remove the effects of the application of IFRS 16: Leases.	Measurement of covenants for bank facility purposes

Non-Financial KPI	Description	Benefit of non-financial KPI
Schedule integrity	Schedule integrity (the number of sailings completed versus scheduled sailings).	Schedule integrity is an important measure for Irish Ferries' vessels as it reflects the reliability and punctuality of our service. This measure is meaningful to both our passenger and freight customers alike in facilitating them and their cargo to arrive on time at their final destination.

The following table sets forth the reconciliation from the Group's operating profit (EBIT) for the financial year to EBITDA, free cash flow and net debt. See note 11 to the Consolidated Financial Statements for the calculation of Basic and Adjusted Basic EPS.

Cash Flow	2023 €m	2022 €m
Operating profit (EBIT)	68.4	66.7
Depreciation and amortisation (note 9)	64.2	60.5
EBITDA	**132.6**	**127.2**
Working capital movements (note 33)	1.7	1.2
Retirement benefit scheme movements (note 33)	0.6	1.1
Share-based payments expense (note 30)	2.8	3.0
Other	(1.0)	(0.5)
Cash generated from operations	**136.7**	**132.0**
Interest paid	(5.9)	(4.0)
Tax paid	(2.2)	(1.7)
Maintenance capital expenditure	(21.5)	(18.3)
Free cash flow before strategic capital expenditure	**107.1**	**108.0**
Strategic capital expenditure	(21.8)	(57.4)
Free cash flow after strategic capital expenditure	**85.3**	**50.6**
Proceeds on disposal of property, plant and equipment	3.1	3.0
Share buybacks	(21.4)	(49.2)
Dividends paid	(24.4)	(24.2)
Settlement of employee equity plans through market purchases	(3.1)	(2.9)
Proceeds on issue of ordinary share capital	0.4	0.1
Net cash flows	**39.9**	**(22.6)**
Opening net debt	(171.1)	(142.2)
Recognition of right-of-use asset lease obligations	(12.5)	(6.2)
Translation / other	-	(0.1)
Closing net debt	**(143.7)**	**(171.1)**

The following table sets forth the reconciliation from the Group's ROACE calculation:

ROACE	2023 €m	2022 €m
Equity	282.3	260.8
Net debt	143.7	171.1
Asset under construction (including prepayment deposits)	(0.1)	(14.1)
Retirement benefit obligations	0.5	0.4
	426.4	**418.2**
Retirement benefit surplus	(39.4)	(33.6)
Capital employed	**387.0**	**384.6**
Average capital employed	385.8	381.0
Operating profit	68.4	66.7
ROACE	**17.7%**	**17.5%**

Key Performance Indicators and Summary of 2023 Results
Continued

The following table provides a reconciliation of the Group's net debt position:

Net debt	2023 €m	2022 €m
Cash and cash equivalents (note 18)	46.8	39.0
Non-current borrowings (note 21)	(41.1)	(160.4)
Current borrowings (note 21)	(112.4)	(7.3)
Non-current lease obligations (note 22)	(25.4)	(30.7)
Current lease obligations (note 22)	(11.6)	(11.7)
Net debt	**(143.7)**	**(171.1)**

The calculation and performance of KPIs and a summary of the key financial results for the year is set out in the table below. A detailed review of the divisional operations is set out in the Strategic Report (pages 22-30).

		Ferries		Container & Terminal		Inter- Segment		Group	
		2023	2022	2023	2022	2023	2022	2023	2022
	Comment	€m	€m	€m	€m	€m	€m	€m	€m
Revenue		412.3	399.9	194.1	221.5	(34.4)	(36.5)	572.0	584.9
EBITDA	1	106.9	95.7	25.7	31.5	-	-	132.6	127.2
Depreciation and amortisation		(54.8)	(49.3)	(9.4)	(11.2)	-	-	(64.2)	(60.5)
Operating profit (EBIT)	2	52.1	46.4	16.3	20.3	-	-	68.4	66.7
Finance costs (note 7)		(5.1)	(3.1)	(1.4)	(1.2)	-	-	(6.5)	(4.3)
Finance income (note 6)		1.4	0.1	-	-	-	-	1.4	0.1
Profit before tax		48.4	43.4	14.9	19.1	-	-	63.3	62.5
ROACE	3	16.5%	14.9%	23.4%	29.3%			17.7%	17.5%
EPS: (note 11)									
EPS Basic	4							36.2	33.6
EPS Adjusted Basic	4							35.5	33.6
Free cash flow	5							107.1	108.0

Comment:
Financial KPIs

1. **EBITDA:** Group EBITDA for the year increased by 4.2%, to €132.6 million (2022: €127.2 million). The increase in underlying EBITDA was primarily due to due to increased revenues and a continued focus on cost optimisation. EBITDA in the Ferries Division increased by 11.7%, to €106.9 million, while the Container and Terminal Division decreased by 18.4%, to €25.7 million.
2. **EBIT:** Group EBIT for the year increased to €68.4 million (2022: €66.7 million). The Ferries Division increase in underlying EBIT was €5.7 million, primarily due to increased revenues as passenger travel returned towards pre-pandemic levels, while the Container and Terminal Division was €4.0 million higher, as a result of lower revenues.
3. **ROACE:** The Group achieved a return on average capital employed of 17.7% (2022: 17.5%). The Ferries Division achieved a return on average capital employed of 16.5% (2022: 14.9%) while the Container and Terminal Division achieved 23.4% (2022: 29.3%).
4. **EPS:** Basic EPS was 36.2 cent compared with 33.6 cent in 2022. Adjusted Basic EPS (before net interest (income) / cost on defined benefit obligations) was 35.5 cent compared with 33.6 cent in 2022.
5. **Free cash flow before strategic capital expenditure:** The Group's free cash flow before strategic capital expenditure was €107.1 million (2022: €108.0 million). The increase in free cash flow is mainly due to the increase in EBITDA. Free cash flow before strategic capital expenditure is a meaningful measure of cash generated for investment or return to shareholders.

Non-Financial KPIs
Schedule integrity: The Ferries Division delivered 95% of scheduled sailings across all services during 2023 (2022: 96%).


C4HQ2

The Ferries Division

The Ferries Division operates multipurpose ferry services carrying both passengers and RoRo freight on strategic short sea routes between Ireland and Britain, Britain and France and direct ferry services between Ireland and France. The Division also engages in chartering activities.

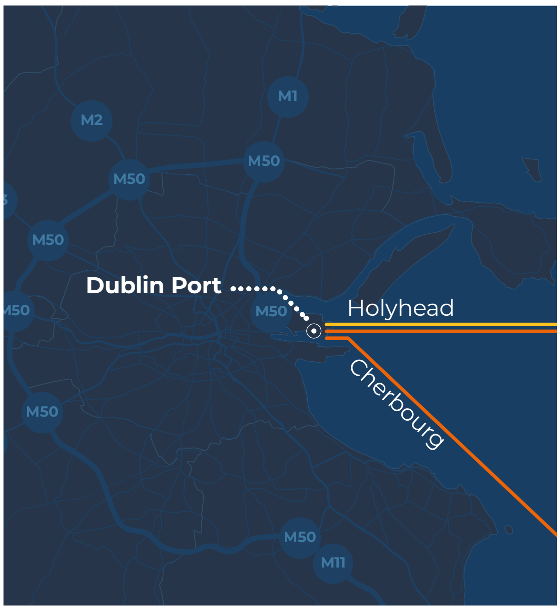
The ferry services trade under the Irish Ferries brand. Irish Ferries operates on four routes utilising a fleet of eight vessels during the year, six of which are owned and the remainder chartered in.

In addition to the modern fleet, Irish Ferries retains rights to access appropriate berthing times at key ports allowing Irish Ferries to facilitate its customers' preferred sailing times.

The Division also owns eight container vessels, which are time chartered at year end.

IRISH FERRIES

- Irish Ferries Ropax and Cruise Ferry Services
- Irish Ferries High Speed Ferry



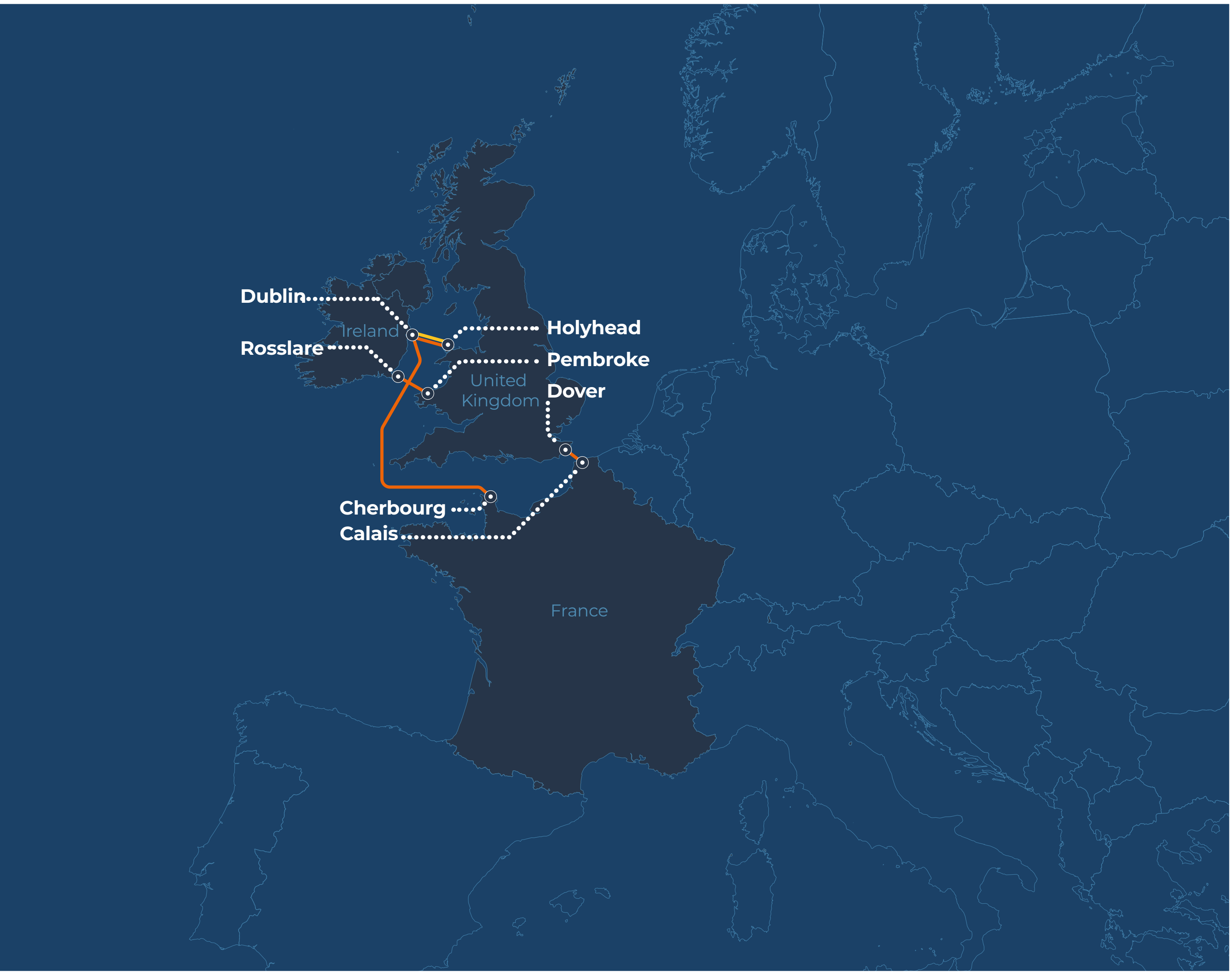
Fleet Summary

Operated by Ferries Division

Vessel	Type	Employment
Ulysses	Cruise ferry	Dublin – Holyhead
Isle of Inishmore	Cruise ferry	Dover – Calais
Isle of Innisfree	Cruise ferry	Dover – Calais
Blue Star 1 (returned to owners 2023)	Cruise ferry	Rosslare - Pembroke
Epsilon (returned to owners 2023)	Ropax	Dublin – Holyhead / Cherbourg
Dublin Swift	High speed ferry	Dublin – Holyhead
W.B. Yeats	Cruise ferry	Dublin – Holyhead / Cherbourg
Isle of Inisheer	Ropax	Dover – Calais
Oscar Wilde	Cruise ferry	Rosslare - Pembroke

Chartered out by Ferries Division

Vessel	Type	Employment
Ranger	LoLo container vessel	Charter – 3rd Party
Elbfeeder	LoLo container vessel	Charter – Inter-Group
Elbtrader	LoLo container vessel	Charter – Inter-Group
Thetis D	LoLo container vessel	Charter – 3rd Party
CT Daniel	LoLo container vessel	Charter – 3rd Party
CT Rotterdam	LoLo container vessel	Charter – Inter-Group
Elbcarrier	LoLo container vessel	Charter – Inter-Group
CT Pachuca	LoLo container vessel	Charter – Inter-Group


Dublin
Ireland
Rosslare
Holyhead
Pembroke
United Kingdom
Dover
Cherbourg
Calais
France


IRISH FERRIES

The Ferries Division
Continued

2023 Overall Ferries Division Performance

Revenue

€412.3m +3.1%

2022: €399.9m

EBITDA

€106.9m +11.7%

2022: €95.7m

Operating profit

€52.1m +12.3%

2022: €46.4m

ROACE

16.5% +1.6pts

2022: 14.9%

Revenue in the Division was 3.1% higher than the previous year at €412.3 million (2022: €399.9 million). Revenue in the first half of the year increased by 7.1% to €179.8 million (2022: €167.9 million), while in the second half revenue remained in line with the prior year, at €232.5 million (2022: €232.0 million). EBITDA increased to €106.9 million (2022: €95.7 million) while EBIT was €52.1 million compared with €46.4 million in 2022.

Fuel costs were €92.7 million, a decrease of €11.9 million on the prior year. The Division achieved a return on capital employed of 16.5% (2022: 14.9%).

In total, Irish Ferries operated 14,250 sailings in 2023 (2022: 13,642), the increase primarily due to increased sailings on the Dover – Calais route.

Car and Passenger Markets

It is estimated that the overall car market[1], on the routes that we operate (Republic of Ireland to UK/ France and the Dover Straits), grew by approximately 11.6% in 2023 to 4,461,000 cars. While encouraging, this level of car carryings is still 15.0% behind 2019 levels.

Irish Ferries' car carryings during the year were increased over the previous year by 12.6% to 645,700 cars (2022: 573,400 cars). The increase in carryings versus 2022 levels is primarily due to the continued recovery in passenger markets and the benefit of a full year three ship operation on the Dover – Calais route.

The total sea passenger market (i.e. comprising car, coach and foot passengers on the Republic of Ireland

to UK/France and the Dover Straits) increased by 15.0% on 2022 to a total of 19.0 million passengers. Irish Ferries' passenger numbers carried increased by 20.2% at 2,781,700 (2022: 2,315,000).

The Ferries Division delivered 95% of scheduled sailings in 2023 compared with 96% in the previous year across all services.

Throughout 2023, Irish Ferries continued to support the brand on all routes with its brand platform "Sea Travel Differently" which not only highlighted the service and hospitality Irish Ferries offers, but also the benefits of sea travel versus air travel. Dover-Calais route continued to be a key focus for marketing and promotions activity in 2023, alongside support for our legacy routes, including the introduction of cruise ferry Oscar Wilde. In line with evolving consumer media consumption patterns, there continued to be significant use of digital channels for our promotional communication including paid search, digital audio-visual and digital audio including podcasts, while broadcast activity was regionally focused to maximise return for specific routes. In October 2023, market research indicated that (in addition to our ongoing leading brand strength in the Irish market), an increased level of 57% of people were aware of Irish Ferries services in the British market, with improvements in brand awareness in key regions relevant for the Dover – Calais service in particular[2].

There was strong growth in the number of visits to our website, as well as in the corresponding number of bookings transacted in the year. Our social following increased across all the main platforms including X (formerly known as Twitter), Facebook, and Instagram, with fans and followers engaging with our content and offers. In addition to the ongoing availability of phone and email channels, AI enabled automated web chat was blended with live agent chat to handle routine passenger enquiries efficiently, all designed to ensure optimum customer service via whatever means our customers prefer. A new tiered loyalty programme, the Irish Ferries Club, was launched mid-year, to ensure that the more our customers travel with us on all our routes, they can access savings and a range of travel benefits.

Irish Ferries continued to work throughout the year with relevant state tourism agencies on collaborative activities to drive destination interest for its key markets, and specifically with Tourism Ireland in Britain, France and Germany, and with Cotentin Tourism, Normandy Tourism and Atout France in France. Irish Ferries was once again a supporter of the landmark tourism event in Ireland, the four-day programme for the St. Patrick's festival which included an Irish Ferries sponsored performance theatre group within the St. Patrick's Day parade on the streets of Dublin.

Irish Ferries is proud to be selected to receive multiple awards from travel trade professionals in our key Irish and UK markets. Our numerous consecutive wins reflect our focus on delivering excellence in customer service and our warm welcome and wonderful hospitality on-board. We constantly build on this and actively seek feedback from our customers via social media and frequent "pulse" customer experience surveys conducted throughout the year to continuously improve our service offering and facilities on-board our vessels. This commitment to outstanding service was again recognised in 2023 with the following awards which were a welcome acknowledgement of the quality experience we offer:

- Ireland:
  - 'Best Ferry Company' awarded by the Irish Travel Trade News Awards for the 16th consecutive time.
  - 'Best Ferry Company' awarded by the Irish Travel Agents Association for the 12th consecutive time.
- United Kingdom:
  - 'Best Ferry or Fixed Link Operator' in the Group Leisure & Travel awards for the 5th consecutive year. This accolade was particularly important as we began to scale our groups business on the Dover Calais route in 2023.

1. (Market figures source: Passenger Shipping Association and Cruise & Ferry)
2. (Inclusion in an online nationally representative omnibus survey carried out amongst all adults 16+ by a third-party market research company)

The Ferries Division
Continued

Duty Free Sales
With the introduction of duty-free sales for services to/from the UK since 2021, expanding and promoting our duty-free offering has been a key focus on three routes (Dublin-Holyhead, Rosslare-Pembroke and Dover-Calais), as we returned to promoting travel. For all on-board sales, passengers were able to shop online and reserve items for "click and collect" once on-board. Our duty-free prices were competitive at around 50% lower than high street prices, and duty-free stores and their ranges continue to be improved. The introduction of the Oscar Wilde in 2023 onto our Irish Sea routes materially increases the quality of our duty-free offering. With 17,000 square feet of retail space, it has the largest duty-free shopping space on the Irish Sea.

RoRo Freight
The RoRo freight market* between the Republic of Ireland to the UK and France and the Dover Straits fell slightly in 2023. The total number of trucks and trailers decreased by 2.6%, to approximately 4,277,000 units.

Irish Ferries' freight carryings, at 724,000 freight units (2022: 696,600 freight units), increased by 3.9% versus the prior year. The increased carryings over market performance were enabled through the additional capacity of the full year three vessel service on the Dover – Calais route.

Irish Ferries has also been proactive in the online environment for freight customers. In recent years high-quality mobile options have been developed, alongside the traditional desktop, whereby customers can access our freight reservations systems with ease. This has facilitated an increasing proportion of our business being booked via our website, www.irishferriesfreight.com.

There was an intended focus on brand development in 2023, the evolving nature of our freight service on the Dover – Calais route has broadened our customer base, introducing the business to new markets across Continental Europe. Irish Ferries has increased its footprint in countries in central and eastern Europe who were unfamiliar with the Irish Ferries brand. We have developed strong working relationships with a select number of partners in these territories who support and promote our services, with their own teams on the ground growing the business on our behalf. Regular customer visits, training onsite were valuable components in aiding this development throughout the year.

We did not solely rely on our partners in this regard. Irish Ferries continues to find new and innovative ways to engage with customers. The Freight business is now active on social media, reaching a wider audience, while a significant amount of time and investment has been poured into trade fairs and industry events, while November was the first occasion that the business exhibited at an event in Eastern Europe, further enhancing our ambitions to grow the brand in new regions.

There was further investment in the freight service itself, with the introduction of new dedicated teams who possessed the required skills to deal with the intricacies of the RoRo service on the Channel. A positive experience for the freight driver continues to be a priority for Irish Ferries.

The legacy routes have undergone significant change since 2020 with the introduction of Brexit and the associated customs requirements that have severely impacted ports in the Republic of Ireland affecting our services to both Holyhead and Pembroke. While 2023 saw further changes and new requirements imposed, the period also saw the return of some freight trends away from Northern Ireland routes, who are now back utilising services in the south of Ireland. A familiarity with customs measures, schedule integrity and speed of service to markets have encouraged this development, while Irish Ferries was well positioned to build upon and promote the rejuvenation of the landbridge connection.

Investment too has helped in 2023, the introduction of the Oscar Wilde has provided further reliability to the freight market, with a particular focus on driver accompanied traffic. This was timely, as it coincided with service changes on the Liverpool corridor, which Irish Ferries were well positioned to accommodate.

Chartering
The Group continued to charter a number of vessels to third parties during 2023. Overall external charter revenues were €17.2 million in 2023 (2022: €17.2 million). Of our eight owned LoLo container vessels, five are currently on year-long charters to the Group's container shipping subsidiary Eucon on routes between Ireland and the Continent whilst three are chartered to third parties. The GNV Allegra continues on a bareboat hire purchase agreement with MSC Mediterranean Shipping Company SA.

Outlook
We look forward to building on the growth of 2023, with further strengthening of our position on the Irish Sea and Dover – Calais. The recent investments we have made in tonnage, IT infrastructure and people, will allow us to grow market share in 2024 and beyond. We remain optimistic that 2024, will see us getting closer to pre-pandemic passenger volumes, growing both our ticket and on-board revenue. We await the publication and passage into law of proposed UK and French legislative changes for Maritime staff on the Dover – Calais route. We believe the approach of the French government may conflict with EU legislation, and key principles underpinning the Treaty of the European Union. While the exact timing of the introduction of this legislation is unclear, we expect it in the current year.

* (Market figures source: Passenger Shipping Association and Cruise & Ferry)


IRISH FERRIES
IRISH FERRIES

The Container and Terminal Division

The Container and Terminal Division provides direct container shipping services between Ireland and continental Europe together with the operation of container terminals at both Dublin and Belfast.

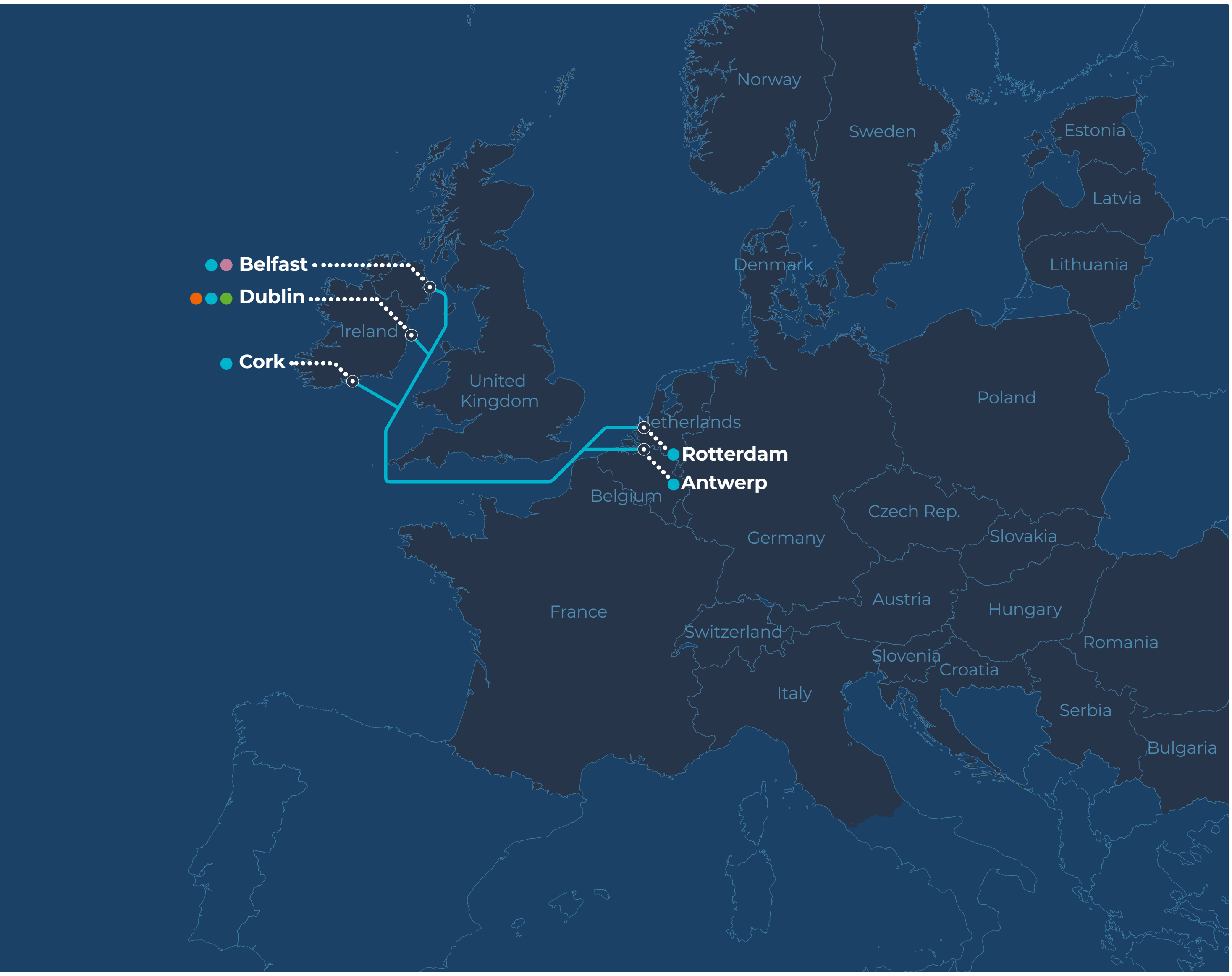
The Division's intermodal shipping line Eucon is the market leader in the sector, operating a core fleet of five chartered container vessels ranging in size from 750 – 1,000 teu capacity, connecting the Irish ports of Dublin, Cork and Belfast with the continental ports of Rotterdam and Antwerp. Eucon is offering feeder services to the Deep Sea Lines and a full intermodal service where Eucon deploys 4,400 owned and leased containers (equivalent to 8,500 teu) of varying types thereby offering a full range of services from palletised, project and temperature controlled cargo to Irish and European importers and exporters from all points on the island of Ireland to destinations across 20 European countries. Door-to-door services are contracted to third parties utilising a variety of transport modes including road, rail and barge.

Dublin Ferryport Terminals (DFT) operates its Dublin Port container facility from a leasehold facility with remaining lease terms of between 72 and 98 years, covering over 34 acres. The facilities comprise 480 metres of berths for container ships, with a depth of nine to eleven metres and is equipped with three modern Liebherr gantry cranes (40 tonne capacity) and eleven rubber-tyred gantries (40 tonne capacity) on a strategically located site within three kilometres of Dublin city centre and within one kilometre of the Dublin Port Tunnel, providing direct access to Ireland's motorway network.

DFT now operates nine electrically operated rubber-tyred gantries incorporating latest technologies to allow for remote operation. The final commissioning of these cranes in 2023 and the relocation of our empty depot facility in January 2022 to our new Dublin Ferryport Inland Depot located at the new Dublin Inland Port will increase the capacity of DFT to meet the needs of the market.

Belfast Container Terminal (BCT) operates the sole container terminal at Belfast under a services concession agreement with Belfast Harbour Commissioners (BHC) at a 27 acre site in Belfast Harbour. This services concession agreement currently extends to 2026. BHC completed a £40 million re-investment project in 2023 which included extensive civil works and the delivery of two new Liebherr gantry cranes and eight new electrically operated RTGs incorporating the latest technologies to allow for remote operation similar to the RTGs operated at DFT.

- Eucon Geographical Coverage
- Eucon Routes
- Dublin Ferryport Terminals
- Dublin Ferryport Inland Depot
- Belfast Container Terminal
- Ports Served by Container Ships: Belfast, Dublin, Cork, Antwerp, Rotterdam


Norway
Sweden
Estonia
Latvia
Lithuania
Denmark
Belfast
Dublin
Ireland
Cork
United Kingdom
Netherlands
Rotterdam
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Belgium
Poland
Czech Rep.
Slovakia
Germany
Austria
Hungary
France
Switzerland
Romania
Slovenia
Croatia
Italy
Serbia
Bulgaria


KALMAR
Eucon

The Container and Terminal Division
Continued

2023 Overall Container and Terminal Performance

Revenue

€194.1m (12.4%)

2022: €221.5m

EBITDA

€25.7m (18.4%)

2022: €31.5m

Operating profit

€16.3m (19.7%)

2022: €20.3m

ROACE

23.4% (5.9pts)

2022: 29.3%

Revenue in the Division decreased to €194.1 million (2022: €221.5 million). The revenue is derived from container handling and related ancillary revenues at our terminals and in Eucon from a mix of domestic door-to-door, quay-to-quay and feeder services with 78% (2022: 74%) of shipping revenue generated from imports into Ireland. With a flexible chartered fleet and slot charter arrangements, Eucon was able to adjust capacity and thereby continue to meet the requirements of customers in a cost effective and efficient manner.

EBITDA in the Division decreased by 18.4% to €25.7 million (2022: €31.5 million) while EBIT fell 19.7% to €16.3 million (2022: €20.3 million).

In Eucon, overall container volumes shipped were down 14.6% compared with the previous year at 275,500 teu (2022: 322,600 teu). Despite the reduction in volumes in Eucon, we benefited from our flexible cost base allowing us to retain strong levels of profitability against the background of challenging trading conditions.

Containers handled at the Group's terminals in Dublin Ferryport Terminals (DFT) and Belfast Container Terminal (BCT) were down 2.3% at 312,400 lifts (2022: 319,600 lifts). DFT's volumes were down 1.0%, while BCT's volumes were down 4.2%.

Outlook

In Eucon, we have seen a reduction in containers shipped of 4.0% for the first two months of the year. The weakness in volumes is primarily due to a weakness in our deep-sea container volumes, somewhat offset by the more stable short-sea container market. We expect some improvement in the container market volumes in 2024.

Port lifts have increased by 8.7% in the first two months of the year versus the same period in 2023. There is a continuation of the improving trend in volumes from the last quarter of 2023 along with the addition of a new customer on our Dublin terminal. Our recent investments in the Dublin terminal and the ongoing expansion of the Belfast terminal leave us well placed to avail of any market growth.

Financial Review

David Ledwidge,
Chief Financial Officer

CONTINUATION OF STRONG PERFORMANCE

Results

Revenue for the year amounted to €572.0 million (2022: €584.9 million) while operating profit amounted to €68.4 million compared with €66.7 million in 2022. The decrease in revenue was caused by lower volumes in our Container and Terminal Division, which was partially offset by increased revenue in the Ferries Division.

Taxation

The tax charge is €1.7 million in 2023 compared with a charge of €2.7 million in 2022. The corporation tax charge of €1.5 million (2022: €2.7 million) comprises Irish and UK corporation tax. Certain activities qualify to be taxed under tonnage tax (which is an EU approved special tax regime for qualifying shipping activities) in Ireland. A reconciliation of the tax charge showing the effect of the tonnage tax regime on the Group's tax charge is shown at note 8 to the Financial Statements. The deferred tax charge was €0.2 million in 2023 compared to a charge of €nil million in 2022.

Earnings per share

Basic EPS was 36.2 cent in 2023 compared with 33.6 cent in 2022. The primary reason for the increase was the rise in Group profitability versus the prior year.

Adjusted basic EPS (before the net interest (income) / cost on defined benefit obligations) was 35.5 cent compared with 33.6 cent in 2022.

Cash flow and investment

EBITDA for the year was €132.6 million (2022: €127.2 million). There was a net inflow of €2.8 million relating to share based payment expense, pension funding movements of €0.6 million and a €1.0 million decrease in provisions, yielding cash generated from operations amounting to €136.7 million (2022: €132.0 million).

Interest paid was €5.9 million (2022: €4.0 million) while taxation paid was €2.2 million (2022: €1.7 million).

Capital expenditure outflows amounted to €41.9 million (2022: €75.7 million) which included €21.8 million of strategic capital expenditure. Strategic capital expenditure included plant and machinery relating to the modernisation works at DFT, the addition of a scrubber to the Isle of Inishmore as well as general vessel improvements.

Total dividends of €24.4 million were paid during the year (2022: €24.2 million) and €21.4 million (2022: €49.2 million) was expended in buying back the Group's equity.

The above cash flows resulted in a year-end net debt of €143.7 million (2022: €171.1 million) net debt, which comprised gross borrowings of €153.5 million (2022: €167.7 million), lease obligations of €37.0 million (2022: €42.4 million) offset by cash balances of €46.8 million (2022: €39.0 million). The key net debt / EBITDA (pre non-trading items) ratio was 1.0 times (2022: 1.2 times).

Dividend and share buybacks

The Company paid a final dividend in respect of financial year 2022 of 9.45 cent per ordinary share on 9 June 2023 to shareholders on the register at the close of business on 11 May 2023. The Company paid an interim dividend in respect of financial year 2023 of 4.87c per ordinary share. The total amount paid was €24.4 million.

During the year, the Group bought back 4.8 million shares which were cancelled. The total consideration paid for these shares was €21.4 million (2022: €49.2 million).

Pensions

The Group has four, separately funded, company-sponsored defined benefit obligations covering employees in Ireland, the UK and the Netherlands. The Group also participates in the UK based industry-wide scheme, the Merchant Navy Officers Pension Fund (MNOPF) in which participating employers share joint and several liability. Aggregate pension assets in the four company-sponsored schemes at year end were €135.8 million (2022: €124.8 million), while combined pension liabilities were €96.9 million (2022: €91.6 million). The total net surplus of all defined benefit pension schemes at 31 December 2023 was €38.9 million in comparison to a €33.2 million surplus at 31 December 2022.

Financial risk management

The principal objective of the Group's treasury policy is the minimisation of financial risk at reasonable cost. To minimise risk the Group may use interest rate swaps and forward foreign currency contracts. The Group does not trade in financial instruments for speculative purposes.

Interest rate management

The majority of the Group's borrowings, comprising term loans and loan notes have been fixed at a contracted rate at the date of drawdown with the relevant lender, thereby limiting exposure to interest rate risk. The average effective interest rate at 31 December 2023 was 2.96% (2022: 2.40%). Debt interest cover as defined under our banking covenants to operating cash flows for the year was 23.7 times (2022: 36.0 times).

Currency management

The Group has determined that the euro is the presenting currency in which it reports its results. The Group also has significant sterling and US dollar cash flows. The Group's principal policy is to minimise currency risk by matching foreign currency assets and liabilities and to match cash flows of like currencies as far as possible. Exposure to the US dollar relates mainly to fuel costs. The Group has in place fuel surcharge arrangements with its commercial customers which recovers a portion of movements in euro fuel costs above a base level which partially mitigates the exposure to US dollar currency movements.

Commodity price management

Bunker oil costs constitute a separate and significant operational risk, partly as a result of historically significant price fluctuations. In the Container and Terminal Division, bunker costs above a base level are offset to a large extent by the application of prearranged price adjustments with our customers. Similar arrangements are in place with freight customers in the Ferries Division. In the passenger sector, changes in bunker costs are included in the ticket price to the extent that market conditions will allow. Bunker consumption was 169,100 tonnes in 2023 (2022: 161,900 tonnes). The increase in consumption was primarily due to increased sailings on the Ferries Division's service on the English Channel with three vessels in operation for the full year. The average cost per tonne of heavy fuel oil (HFO) fuel in 2023 was 10.3% lower than in 2022 while marine gas oil (MGO) was 19.5% lower than in the prior year.

Credit risk

The Group's credit risk arising on its financial assets is principally attributable to its trade and other receivables as well as banks, with whom cash balances are held. The concentration of credit risk in relation to trade is limited due to the exposure being spread over a large number of counterparties and customers. The Group also has a significant long term receivable relating to a bareboat hire purchase arrangement which is secured by retention of title to the vessel.

Liquidity

It is Group policy to maintain available facilities which allow the Group to conduct its business in an orderly manner. The target level is reviewed from time to time in line with the Group's future requirements over the medium term and will comprise cash deposits and committed banking facilities. Total available facilities at 31 December 2023 amounted to €82.2 million, comprising cash balances of €46.8 million together with undrawn committed facilities of €35.4 million with average maturity of 0.8 years (2022: 1.4 years). Total drawn facilities of €168.2 million had a weighted average maturity of 1.6 years (2022: 2.5 years) over remaining terms of up to 7 years (2022: 8 years). Subsequent to the year end, the Group agreed a new revolving credit facility with lenders, with a permitted drawing amount of €100.0 million, expiring in March 2029 as a replacement for the existing revolving credit facility, of which €55.0 million was drawn at 31 December 2023, with a maturity date of September 2024.

David Ledwidge,
Chief Financial Officer
6 March 2024


IRISH FERRIES

Sustainability and ESG

ESG REVIEW

Operating Sustainably

At its core, sustainability involves building an organisation with a net positive impact on both people and the planet while achieving sustainable growth and long-term returns. At ICG, this is a is a fundamental part of our approach to executing on our business strategy. It involves minimising our impact on the planet while striving to achieve our sustainable growth ambitions.

ICG is at the heart of significant maritime transportation links carrying passengers and cars, Roll On / Roll Off freight and Container Lift On Lift Off freight on routes between Ireland, the United Kingdom and Continental Europe. As one of the critical transport providers we are acutely conscious of the importance of our role in delivering our services have on the wider economy. Despite marine transportation being one of the most carbon-efficient modes of transport, the movement of this volume of goods and people still result in emissions that we need to minimise. We have recognised the need to minimise the impact of our operations on the environment.

The maritime sector is recognised as a hard to abate sector and last year we outlined some of the key challenges that the industry at large is facing. The challenges relate to the industry reliance on the burning of marine petroleum-based fuels in ship engines and the related carbon footprint of burning these fuels. These fuels are relatively energy dense, safe to handle, and uses a residual product from higher grades of petroleum refining products. They continue to be the only commercially viable source of fuel for the vast bulk of maritime transport due to cost, technological feasibility, safety concerns, safety regulations, sustainability of supply and availability of infrastructure to support delivery.

Regulatory pressure

The maritime industry is heavily regulated, and new regulations, such as the inclusion of maritime transport in the EU Emissions Trading System (EU ETS) and FuelEu, will increase the cost of doing business and will be required to be passed on to customers. These regulations aim to reduce carbon emissions by increasing the cost of emitting carbon into the atmosphere and in turn stimulate the growth of the alternative low carbon fuel industry. The EU ETS will impact our operations from 2024 and the FuelEU will impact our operations from 2025.

These developments provide greater regulatory certainty and direction for the industry in terms of its decarbonisation efforts and enables the industry as a whole to invest in ways to reduce our impact on the environment.

There were significant developments in the International Maritime Organization (IMO) sphere, where the IMO during 2023 has significantly increased its ambitions on emission reductions. The IMO are now targeting net-zero emissions in the maritime industry by around 2050 from the previous target of a 50% reduction from 2008 levels. They are broadly equivalent standards as the Scienced based targets initiative. For ICG, we support this increased ambition that the IMO sets out for our industry, supporting global regulations for a global issue.

Additionally, we note the publication of the Corporate Sustainability Reporting Directive (CSRD) and the associated sustainability standards. This reporting will entail providing more detailed information and require deploying significant resources to ensure effective reporting. ICG will report against these standards, in line with the legislated timelines.

Sustainability and ESG
Continued

2023 – Another record-breaking year for climate extremes

Headlines declaring 2023 as the hottest year in 125,000 years have underscored the urgency of the global climate crisis. We find ourselves grappling with the alarming trend of extreme temperatures, characterised by drier summers and wetter winters in the past year. These extremes have brought with them the harsh realities of droughts, wildfires, and flash flooding, placing significant stress on both human and animal habitats.

Taking Action Now

Despite the formidable challenges we face, we are taking action. We are actively pursuing emission reduction measures, striving to not only meet but exceed all established standards while ensuring our economic viability remains intact, and we continue to make appropriate returns for our shareholders.

Last year, we set out the industry challenges on the path to decarbonisation, most notably our reliance on marine petroleum fuels and the lack of commercially viable alternatives. However, the landscape is evolving rapidly, marked by significant innovations in fuel development and efficiency enhancements across all fronts. We still have a distance to go to make these viable but the path ahead is becoming clearer.

In our own operations, we are actively transitioning toward optimising our operations. This includes exploring alternative fuel sources, such as biofuels, with trials underway for our Fast Craft Dublin Swift. We commit to scaling up these efforts once a reliable supply becomes available at a cost-effective price. Furthermore, we collaborate closely with our partner ports to ensure the necessary infrastructure, like shore power, will be in place to support the maritime industry's journey toward decarbonisation, including potential adoption of alternative power sources when such options become feasible for ships of our required size with technological advancements, either through retrofit or replacement.

Sustainable Development Goals

ICG support the Sustainable Development Goals by minimising our impact on the environment. This contributes to our customers efforts, to transport and deliver their products in a manner that is Sustainable into the future.

As highlighted within the pages of this report, the activities we believe best support the Group's core SDGs are:

5 GENDER EQUALITY
Employee engagement practices

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Implementing effective waste management systems throughout our vessels

8 DECENT WORK AND ECONOMIC GROWTH
Being a leader in health and safety, utilising a data driven approach

Flexible working policies as well as a range of employment benefits

13 CLIMATE ACTION
Adoption of clean and environmentally sound technologies and processes

Expanding reporting and engagement with external stakeholders

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Upgrade of infrastructure and retrofit projects with increased resource-use efficiency.

14 LIFE BELOW WATER
Enhancing pollution prevention systems

Novel and market leading circular economy programmes preventing plastics from reaching the oceans.

SUSTAINABLE DEVELOPMENT GOALS

Engagement with our stakeholders

We performed a desktop review of our engagement as a business with our key stakeholders and we reacted to the items that they considered material. On a broad level, most of the issues remain consistent year on year.

We incorporate these topics into the planning and execution of our day-to-day business and output of the reporting of these issues. Our constant engagement process provides a self-feeding loop of improvement and helps us to adapt to emerging trends in real time.

A summary of our engagement and key topics covered:

	How we engage?	Material items	Linkage to SDG'S
Employees	• One-to-one meetings • Team meetings • Talent review process • Training and development programmes • Succession planning	• Employee health, safety and wellbeing • Diversity, Equality and Inclusion. Belonging@ICG • Rewards and recognition • Career development and opportunities • Business performance • Strategic developments	3 Good Health and Well-being 5 Gender Equality 8 Decent Work and Economic Growth 13 Climate Action
Governments	• Engagement with government and state authorities • Industry associations • Audits	• Policy updates/changes • Economic growth • Supply chain sustainability • Environment and climate • Ongoing global challenges • Compliance and engagement	8 Decent Work and Economic Growth 9 Industry, Innovation and Infrastructure 11 Sustainable Cities and Communities 12 Responsible Consumption and Production 13 Climate Action 16 Peace, Justice and Strong Institutions
Shareholders	• AGM • Investor meetings • Update with our analysts • Publications	• Results/ Performance and forecasts. • Our strategy • Sustainability strategy • Managing risks (including climate change)	8 Decent Work and Economic Growth 12 Responsible Consumption and Production 13 Climate Action
Customers	• Ongoing engagement through commercial teams • Customer and industry conferences and events • Customer surveys • Health and safety • ESG platforms • Company website • Social media	• Co-creation and innovation • Consumer trends and behaviour • Climate change and carbon footprint • Product environmental and social impact • Responsible sourcing including human rights and traceability • Cost/ pricing inputs	8 Decent Work and Economic Growth 11 Sustainable Cities and Communities 12 Responsible Consumption and Production 13 Climate Action
Suppliers	• Commercial engagement • Trade organisations • Industry conferences • ESG supplier engagement platforms	• Contingency supply Arrangements • Reliability • Health and safety • Responsible sourcing • Cost/ pricing inputs	8 Decent Work and Economic Growth 12 Responsible Consumption and Production
Community	• Charity events • Volunteer groups	• Local economic development • Diversity, Inclusion and Belonging • Human Rights • Climate change and environmental matters	5 Gender Equality 11 Sustainable Cities and Communities 13 Climate Action

Sustainability and ESG
Continued

Environment

Our vessels
Maritime shipping is recognised as a challenging sector to reduce emissions. We pursue our sustainability objectives through a two-fold approach: immediate operational measures and the development and deployment of new technologies for long-term goals.

Decarbonising our Vessel Operations
The International Maritime Organisation (IMO), a specialised agency of the United Nations responsible for regulating global shipping, and the European Union (EU) have each set decarbonisation goals for the maritime industry with the IMO, in 2023, significantly increasing its ambition, targeting net zero by 2050.

As the maritime industry has unique challenges arising from the current lack of proven, accessible alternative fuels, particularly for large vessels, our current decarbonisation strategy for our vessels is focused on achieving our targets through a range of short-term operational measures and longer-term technical measures.

Operational Measures
Our short-term decarbonisation efforts include:

- Implementing a green voyage program to optimise factors like port operations, navigation, and speed management.
- Utilising advanced fleet management software, S-Insight, for environmental performance monitoring and data analytics.
- Real-time vessel performance monitoring through an engine power management system, Kongsberg, enhancing vessel responsiveness.
- Regular drydocking for hull maintenance.
- Deploying experienced crews and efficient port operations teams.
- Continuous improvement of vessel performance in line with Ship Energy Efficiency Management Plans (SEEMPs).
- Researching and trialling accessible alternative fuels, such as sustainable biofuels.

Technical Measures
Our long-term decarbonisation initiatives involve:

- Replacing older vessels with efficient ones that incorporate the latest technologies. These will be capital intensive investments and as such we will need significant degree of certainty that our investment will be successful and cost effective to adopt these technologies.
- Increasing the use of onshore power enabled by FuelEU Maritime regulations.
- Complying with energy efficiency design requirements (EEDI and EEXI) under IMO regulations.
- Investing in exhaust gas cleaning systems to reduce emissions below mandated levels include significantly reducing particulate matter.
- Upgrading turbochargers for improved fuel efficiency.
- Applying non-toxic anti-fouling hull paints to reduce water resistance.
- Implementing energy-efficient propeller blades.
- Modification to enable consumption of alternative fuels.

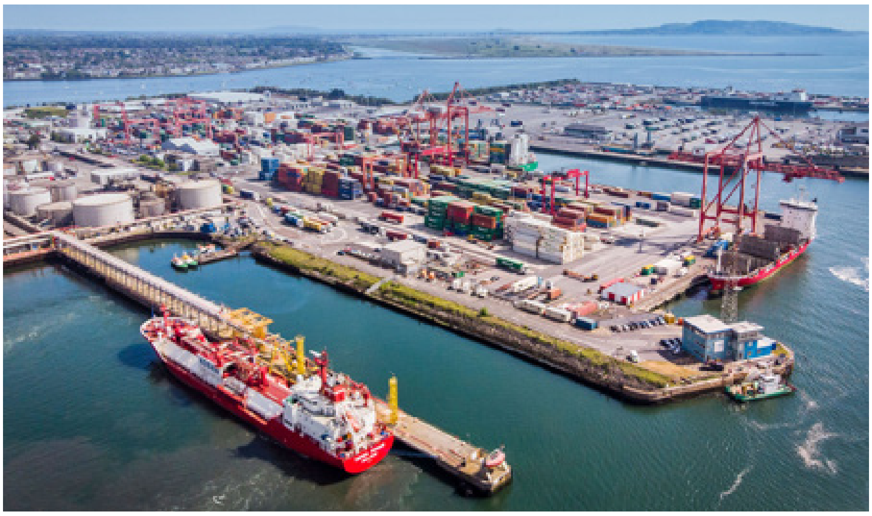
We continually research and assess the feasibility of retrofit projects to improve the emissions performance of our fleet, ensuring innovative technologies that are safe and proven effective can be introduced where appropriate. This includes;

- Ongoing investment and assessment of suitable technologies to improve the existing fleet efficiency, including, air lubrication systems, we have recently extended our ongoing collaboration with a technology provider to test the suitability of this technology for our fleet.

Innovation in Anti-Fouling Paints
In our pursuit of operational efficiencies, we are experimenting with a cutting-edge silicone-based hull coating. This coating offers ultra-low friction, improving vessel performance by deterring fouling attachment. It's easy to apply, with minimal VOC emissions.

- Collaboration with suitable marine technology companies participating in clean energy projects and innovations.
- Ongoing assessment of adjustments to vessel structure to improve efficiency, such as assessing modifications to a vessel's hull shape.

Data Gathering
A crucial part of our strategy is consistent data collection to meet regulatory requirements. This includes emissions data verification under the EU Monitoring, Reporting, and Verification (MRV) Regulation and the IMO Fuel Oil Data Collection System (DCS) reporting.



Decarbonising our Terminal Operations

In 2023, we achieved a significant milestone in our terminal electrification program, with 5 new remote semi-automated rubber-tyred gantries and a new ship-to-shore crane, powered by renewable energy being put into operation. This marks the completion of this phase of our strategy, with 80% of our heavy equipment now electrified and powered by renewable energy. The resulting emission reductions and operational efficiencies will be substantial, and we will see the results in the years to come.

The modern cranes are designed for continuous operation in all but the most extreme weather conditions, enhancing reliability. The completion of this phase is a significant step toward our Net Zero 2030 goal for our terminal operations, representing an investment of approximately €28.7 million over the last few years. These investments have increased our capacity by approx. 20% at our Dublin terminal, thus positioning these assets at the heart of Dublin Port growth ambitions which are forecasted to grow to 77 million gross tonnes by 2040 as set out in the Dublin Port masterplan.

We've also made strides in reducing our carbon footprint by replacing diesel-powered vehicles with battery-powered ones and investing in electric infrastructure, including solar panels and LED lighting.

A summary of our actions over the last number of years to achieve our decarbonisation goals are as follows:

- Electrifying our terminals: Since 2017, we have progressively being pursuing the electrification agenda, with our current investment programme totalling €28.7m over the last few years. As of this year, 80% of our cranes are now electric.
- Electric infrastructure upgrades- we have been investing in our supporting electric infrastructure with €1.4m invested over the last number of years.
- Solar panels: we have been able to add solar panels to our terminal building providing green electricity to our buildings.
- LED lighting is installed within our terminal buildings.

Company cars are being replaced with electric and hybrid models in line with replacement cycles. These vehicles are used by sales and operations staff.

Yard Tugs and Tractors – Over recent years we have continued to invest in our yard tug fleet. While diesel powered, they are some of the most efficient in class. These new "Euro 5 and above" engines are estimated to reduce NOx and Particulate matter by up to 93% from earlier engine types. There were no commercially viable greener alternatives to diesel powered engines on the market that would suit our operational profile. We are now seeing this change as a result we would expect that in due course, Zero emission technologies will be deployed. These replacements will be made in line with our asset replacing schedule. In terms of an intermediate step, we are considering the use of HVO/Biofuels which would further reduce our emissions.

Our focus now has switched to reviewing the remainder of our operations and determining what next can be done to achieve our net Zero goal for our terminal operations by 2030.

We are also looking to see how we can support our customer's ships stopping at our terminal, for example it may be in supporting the deployment of onshore power in collaboration with relevant harbour authorities over the coming years. These would be multiyear projects that will require the collaboration of various stakeholders in our ports including the port authorities, the government, the electric supply companies given the infrastructure required and our customers, our shipping operators.

Sustainability and ESG
Continued

Our Multimodal approach

Passenger Rail and Sail

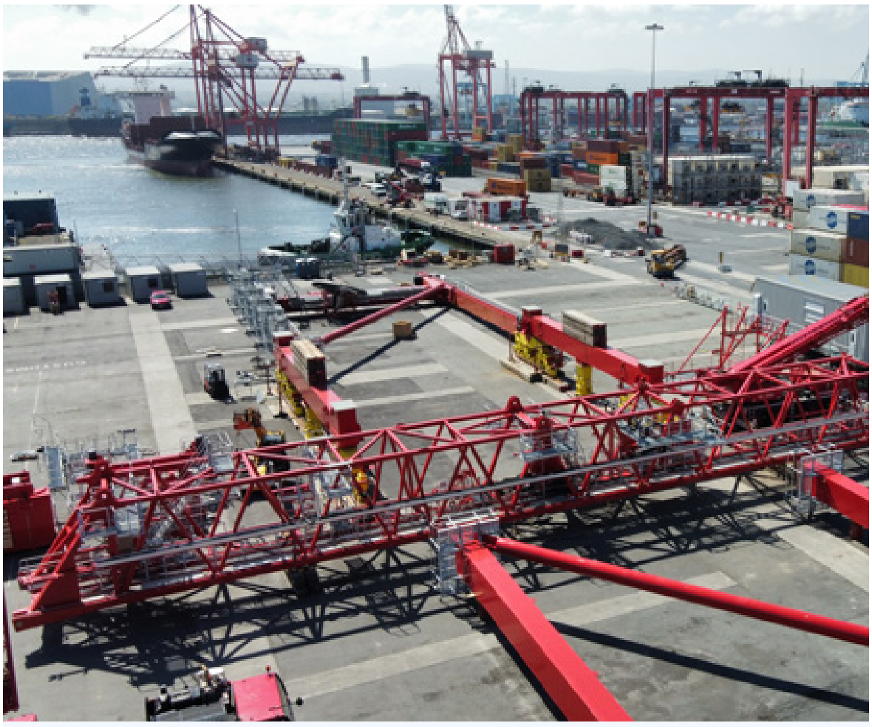
We are delighted to have partnered with rail services in Ireland, the UK and France to offer rail and sail tickets for passengers travel to these destinations. For example, these tickets now allow a connection from any train station in Ireland to over 2,400 stations in Britain and indeed onwards to the Europe via the Eurotunnel or via our Irish French routes.

Ferries and trains are highly energy-efficient compared to air travel, emitting just a fraction of CO2 per tonne-km.

Container business

By sea, road, rail or barge

Our fast direct container service between Rotterdam and Dublin ensures that perishable and urgent consignments reach market in the shortest possible time. Operating between Ireland and Poland in Northern Europe to Italy in the South, Eucon's door to door container services utilise the excellent European road, rail and inland waterway networks via the hub ports of Rotterdam and Antwerp, utilising a modern container fleet. This network allows us to offer multimodal delivery options to our mainland Europe customers. While we have flexibility in Europe, we are limited in our delivery options for our Irish based operations, we continue to explore greener alternatives for delivery.



Heavy Asset Recycling

Cranes

In our terminal operations when our cranes are at the end of their life cycle, they are decommissioned by specialist contractors who recycle over 98% of materials from cranes. In 2023, we decommissioned 5 of our older diesel-powered cranes, rediverting over 800 tonnes of steel for recycling.

Ship disposal

All our ships are EU registered which ensures that at the end of life they will be scrapped in an environmentally sustainable way in an accredited shipyard in line with our European regulations. These shipyards will be accredited to the highest environmental and safety standards. No ships were scrapped during the year.

Collaboration for Sustainability

In light of the significant challenge, to decarbonise our industry, we are delighted to note our participation with the Smart Freight Centre and the related Clean Cargo initiatives. These collaborations are instrumental in promoting best practices within our sector, with a specific focus on transparent and standardised calculations and reporting of greenhouse gas (GHG) emissions in logistics.

Our dedication to sustainability permeates every facet of our organisation, spanning from our vessel operations to our terminal facilities and multimodal transportation solutions. We recognise the collective effort required to drive meaningful change and are committed to playing our part in building a more sustainable future for our industry and the planet.

Embracing the Circular economy

This shift toward a circular economy in Europe presents intriguing prospects for ICG. We have a unique opportunity to position ourselves within the value chain by transporting recyclable materials to prominent recycling facilities across Europe, where they can be repurposed and reused.

Already, we are actively involved in transporting substantial volumes, approximately 7,780 twenty-foot equivalent units (TEU) of recyclable materials from Ireland to cutting-edge recycling facilities on the continent. This commitment to facilitating the repurposing and reuse of materials is just the beginning. We remain dedicated to exploring further opportunities and expanding our role in the circular economy.

Responsible Resource consumption

Our commitment to environmental responsibility goes beyond reducing emissions; it extends to minimising waste, conserving resources, preventing pollution, and safeguarding biodiversity. Given the nature of our operations, protecting marine life takes centre stage. We are unwavering in our efforts to prevent spills and accidental releases, whether caused by leaks, adverse weather, or human error. Accidental releases can occur, but we resolve to quickly remediate any issues caused.

At ICG, we have a zero-tolerance policy for illegal waste dumping at sea. We diligently utilise high-quality port reception facilities and collaborate with ISO-certified waste management partners to responsibly collect and treat various types of waste generated by our vessels and land-based activities. All our vessels are equipped with oil recovery systems to collect spent oils for recycling. Periodic inspections of our partners' waste management facilities ensure compliance with proper waste treatment and reporting protocols. Moreover, we prioritise the use of specialised, TBT-free Marpol-compliant non-toxic paints, minimising the release of harmful substances into the sea.

In line with environmental regulations, all our vessels carry an Inventory of Hazardous Materials (IHM) certificate to demonstrate our commitment to controlling hazardous materials on board. We ensure compliance with both the EU Ship Recycling Regulation (SRR) and the Hong Kong Convention (HKC) for the Safe and Environmentally Sound Recycling of Ships. Rigorous surveys and inspections are conducted annually to maintain IHM certification.

At our Dublin offices, we collaborate with a waste management partner who employs a combination of Solid Recovered Fuel (SRF) processing and Refuse Derived Fuel (RDF) processing. This approach allows for the recovery and recycling of metals and processed waste for alternative fuel and electricity production, contributing to the circular economy while reducing landfill usage. Food and garbage waste generated on our vessels during voyages is incinerated ashore for biosecurity reasons.

In alignment with our commitment to sustainability, we have joined the UK Chamber of Shipping pledge to continuously minimise shipborne garbage generation and collectively strive for zero pollution from ships into the sea, particularly regarding plastics. As a part of this effort, we have eliminated all single-use plastics from our vessels.

To ensure the effectiveness of our waste management practices, each crew and office department has designated waste management champions. Their responsibilities include ensuring compliance with waste segregation procedures, conducting checks at waste segregation areas, and promoting awareness of responsible consumption practices within their respective areas. We believe that these collective efforts are essential in minimising our environmental footprint and upholding our commitment to responsible resource consumption.

Sustainability and ESG
Continued

Water Conservation and Management
Our commitment to environmental stewardship extends to water conservation and improved water efficiency. We prioritise the responsible use of water resources. We do not operate in areas of high-water stress, as defined by the World Resources Institute Aqueduct tool.
For potable water use, we source water from certified suppliers and maintain it on board in certified sanitary conditions. Routine water quality testing is conducted in accordance with onboard policies to ensure it meets high-quality standards. Recognising the scarcity of potable water, we have incorporated water conservation measures, including the use of flow controllers. When regulations permit, we employ seawater for non-potable purposes, treating it before safe discharge back into the sea.

Innovative water management practices are also implemented at our Dublin Inland Port facility, which represents one of our most intensive water use locations within our terminals business. We use a container wash water recycling system that delivers substantial water savings, with the potential to reduce freshwater consumption by up to 90 percent. This system employs biological and separation technologies to transform used and contaminated wash water into clean, reusable water.

The utilisation of ballast water is crucial for ensuring the safety and stability of our vessels. Ballast water management involves the intake and discharge of ballast water at different locations to maintain vessel stability amid changes in cargo and voyage conditions.
In line with our commitment to environmental responsibility, we have made substantial investments in Ballast Water Tanks installation projects across our fleet. All ships that rely on external ballast water now have these tanks fitted, representing a significant commitment to environmental protection. Notably, vessels like the Dublin Swift and the Isle of Innisfree do not use ballast water or use internal tanks, eliminating this associated risk.

Waste Management
Our waste and consumption volumes decreased by approx. 6% in 2023, we maintain a steadfast commitment to waste reduction and recycling efforts. Our approach to waste minimisation involves continuous collaboration with ship managers and waste management partners across all our office locations and served ports. Together, we implement best practices to optimise waste management processes.

Bamboo flooring is present on new and refurbished Eucon containers. On 31 December 2023, 1248, or approximately 25 percent of the Group's container fleet include bamboo flooring. Bamboo self-regenerates from its roots and is considered more sustainable than hardwood trees for its ability to regenerate quickly.

To promote responsible consumption, we have made environmentally conscious choices in our crew uniforms. These uniforms are crafted from 95 percent recycled polyester derived from plastic bottles. In 2023 alone, ICG purchased approximately 1,400 of these garments, equivalent to recycling 60,000 plastic bottles. This initiative not only prevents plastic waste from reaching oceans and landfills but also underscores our commitment to sustainability in our procurement practices.

We try to minimise the number of deliveries to our vessels through containerised provisioning, reducing the environmental footprint associated with our operations.

Noise Management and Environmental Management
We are committed to minimising our environmental footprint, and this extends to our consideration of the acoustic environment in the ports within our transport network. Recognising the importance of maintaining a harmonious relationship with local communities, we take proactive measures to reduce noise disturbances.

To ensure the safety of our staff while simultaneously minimising disruptions to the broader community, we equip our operational vehicles with state-of-the-art alarm technologies for noise dissipation. Our RTGs are specifically designed to use "soft" container landing procedures. This investment in cutting-edge safety features underscores our dedication to both staff well-being and community harmony.

As part of our ongoing environmental initiatives, we conduct regular monitoring of our noise emissions to ensure that they adhere to local environmental guidelines. This proactive approach ensures that we remain in compliance with established noise regulations and contribute to a more peaceful soundscape in the areas we serve.

We are proud to note that over the past four years, no noise complaints have been registered in relation to our activities. This achievement reflects our commitment to responsible and considerate operations that prioritise environmental and community well-being.

OCEAN Project

We are delighted to be a founding partner of the OCEAN Project, an international initiative aimed at assessing the causes and consequences of navigational accidents, including incidents involving marine mammals and floating objects.

The OCEAN Project is a pioneering effort that delves into, enhances, tests, and advances navigation systems and training methods. By equipping seafarers with a deeper understanding of their surroundings and decision-making tools, the project seeks to empower them to make informed choices.

In addition to improving navigation, the project also envisions the creation of a European navigational hazard data infrastructure.

This infrastructure will gather and disseminate multi-source observations and hazard predictions, particularly in relation to floating containers and large aggregations of marine mammals. By integrating this information into the existing distributed maritime warning infrastructure, the project aims to enhance navigational safety across European waters.

Upon completion, the consortium behind the OCEAN Project intends to transfer this data ecosystem to relevant European organisations for ongoing deployment and maintenance. The potential impact of this project is substantial—it has the capacity to significantly reduce the occurrence of navigational accidents, thereby saving lives, safeguarding the environment, and mitigating economic losses.

Furthermore, the OCEAN Project's efforts contribute to the development of new technologies and standards that will benefit maritime safety for years to come. This initiative exemplifies a mutual beneficial scenario, fostering progress in the industry while simultaneously protecting the environment and enhancing the safety of maritime operations.

Sustainability and ESG
Continued

People

At ICG, our team is at the core of our success. We take immense pride in our high-achieving and customer-centric workforce. Our workplace is characterised by trust and collaboration, where we encourage our team members to collaborate vertically, horizontally, across the organisation. We actively promote positive challenges to the status quo, always striving to deliver improved performance.

Passionate Dedication

Our people are passionate about their work, and their unwavering commitment to delivering excellence is a strategic pillar that underpins our successful execution of our strategy.

Our Holistic Culture

We are dedicated to providing our team members with a holistic culture that encompasses safety, health, well-being, development, reward, and recognition. The ICG Social Committee plays a pivotal role in fostering a more positive and engaging work environment. This, in turn, boosts morale, leading to increased productivity and alignment of interests.

Continuous Development

We believe in hiring for potential and ensuring that our team members reach their full potential through challenging and meaningful work. As a "Learning Organisation," we actively support a growth mindset through our Learning & Development Policy and Talent Review Process. We've cultivated a culture of engagement that nurtures and supports ongoing development and upskilling.

Leadership Focus

Leadership is central to our success, and we have tailored Leadership Programs for individuals identified through succession planning. These programs help them progress within the organisation and develop into effective leaders.

Health and Wellbeing

The health and wellbeing of our team members are of utmost importance. We support them with flexible work practices and family-friendly policies. Throughout the year, we organise events that not only focus on physical health but also address the equally critical aspect of mental health.

Reward and Recognition

To recognise and reward the dedication and high achievements of our team, we offer competitive salaries along with a range of incentives. This ensures that our team members feel valued and appreciated for their contributions to our business.

Reward and recognition are not only linked to our Talent Review Process but is actively acknowledged throughout the year.

Psychological Safety

Psychological Safety and Inclusivity

At ICG, we prioritise creating a safe and inclusive work environment where our team members can thrive. We foster a "speak up" culture, encouraging everyone to voice their opinions, challenge the status quo, and express themselves without fear of retribution. Respect and dignity are fundamental principles that underpin all our business practices.

Empowering Our Team

We have robust policies in place, including Bullying & Harassment, Equality, Diversity & Inclusion, Dignity & Respect, and Whistleblowing, to provide our employees with the means to speak up against inappropriate behaviour or processes. These policies ensure that every team member has a voice and a process for addressing any concerns.

Diversity, Equality and Inclusion

We firmly believe that a diverse workforce is a key driver of our competitive edge in the industry. Our commitment to diversity, equality, and inclusion runs throughout our organisation. While our gender ratio may not yet be perfectly balanced, we acknowledge that the maritime industry has historically been male dominated. We are dedicated to improving the representation of women at ICG through policy enhancements and recruitment processes.

Progressive Changes

In recent years, we've made significant strides in addressing gender balance. Our efforts have resulted in a more balanced representation of women on our Board, with females now constituting 33% of our Board members and across the Group, we have increased our gender balance by 2% year on year to 41%. We are committed to ongoing progress in this area, recognising the importance of gender diversity.

Our commitment

Our guiding principles

Our vision

Diversity & Inclusion

Our Commitment to Diversity & Inclusion

At ICG, we are unwavering in our commitment to fostering a positive working environment where every employee is respected, valued, and empowered to reach their full potential. We firmly believe that a diverse workforce enriches our organisation with a wide range of skills and experiences, enhancing our creativity and competitiveness.

Our Guiding Principles

To attract, recruit, develop, and retain the best talent, we have built our approach on three core principles:

Diversity: We recognise and celebrate each person as a unique individual. Our success hinges on our ability to embrace diversity, valuing every individual's contribution. By working collaboratively, we aim to deliver exceptional service to our staff and stakeholders.

Equality: We actively promote equality of opportunity by removing barriers, eliminating bias, and ensuring equitable access for all individuals.

Inclusion: We cultivate a workplace culture where differences are not merely acknowledged but cherished. Our goal is to create an environment where everyone can develop in alignment with ICG's values of impartiality, honesty, integrity, and objectivity.

Our Vision

Our aspiration is to become an organisation where every individual feels engaged, respected, and deeply connected to our collective success. At ICG, we are dedicated to being a fully inclusive employer, which includes supporting our workforce in achieving a positive work-life balance. To this end, we facilitate hybrid working arrangements for our staff, ensuring that both their needs and our business objectives are met.

Dublin SafePort

Safety First

Safety is, and always will be, our utmost priority.

Managing Physical Risks

Given the inherent risks in our operations, from handling containers to loading and unloading ships, ensuring the safety of our staff and customers is paramount. We instil a robust safety culture within our organisation through various measures:

- We keep our safety statements updated annually, ensuring they encompass all our policies and procedures.
- All staff receive training in high-risk areas.
- Specialised training is provided based on risk levels.
- We conduct drills and exercises to assess the efficacy of our systems and enhance resilience.

Supporting Safety Initiatives

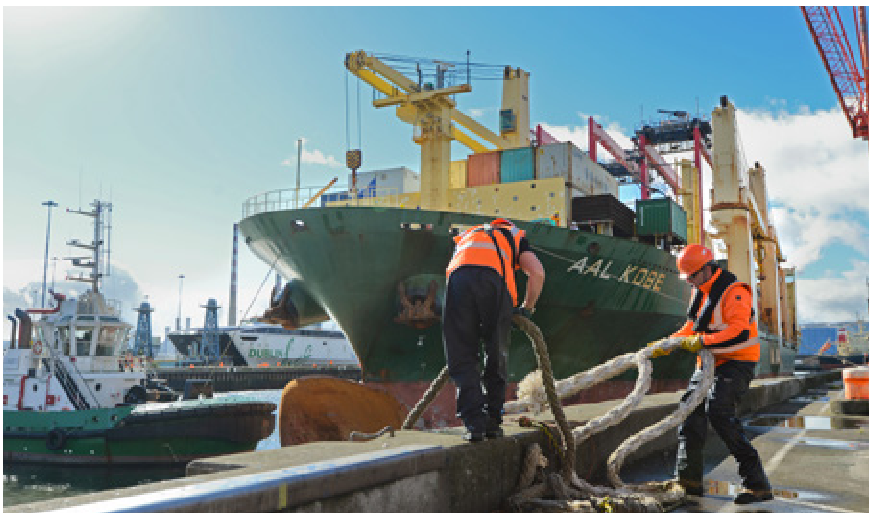
We are proud supporters of the Dublin Safe Port initiative, a city-wide safety program aimed at continuously improving safety culture and practices for all workers in Dublin Port. This initiative includes safety awareness campaigns, training, and other activities, fostering a safer working environment for the long term.

International Safety Standards

On our ships, we adhere to the International Safety Management System (ISM) code, a globally recognised best practice in international shipping.

Inclusive and Safer Work Environment

Our RTG electrification program has made our cranes safer. These upgraded cranes can now be controlled remotely from a secure office-based centre. This not only enhances safety by eliminating the need for staff to be in the yard but also opens opportunities for individuals who may have been excluded from these roles.



Sustainability and ESG
Continued

Efficiency and Safety
Last year, we modernised our digital booking system for hauliers. Our app-based system allows for virtual orders and collections, enabling "Just in Time arrivals" of hauliers to our terminals. This has significantly reduced congestion and idling times in the port area, enhancing efficiency and safety for all parties involved.

Dealing with Dangerous Goods
We only transport goods that are legally classified as dangerous goods if they meet all international, national and local laws and guidelines in full, such as the International Maritime Dangerous Goods (IMDG) Code. The potential danger posed by cargo is assigned a classification based on various characteristics, such as its physical and chemical properties, reactivity and stability, and toxicological and environmental information. By implementing special measures, we ensure that their transport is safe for our employees, the ship, the cargo and the environment.

LTIF statistics
Our LTIF (Lost Time Injury Frequency) statistics are set out in Employee Health and Safety and Diversity and Inclusion, our LTIF which measures the number of recordable workplace incidents resulting in lost days over a year per million hours worked saw an increase of 1.67 LTIF over the period. The LTIF for land of 8.2 is above our target thresholds of <5 which is disappointing. We are working with our key contractors to investigate the underlying causes and address these issues. Our target thresholds are split over Land and Sea with LTIF on land <5 and LTIF at sea <3.5. We remain acutely aware that our workspaces are inherently high risk and continually ensure that safety awareness is always to the forefront of how we operate.

All reported safety incidents are investigated internally to ensure all necessary steps are taken to improve and to prevent reoccurrences. Where required, we also report incidences to external authorities and co-operate fully with any inquiries.

Health

Our Commitment to Health
The health of our customers, employees, and contractors is of utmost importance to us. We are unwavering in our commitment to comply with all health regulations mandated by regulatory authorities. Our goal is to minimise the risk of illness within our sphere of operation.

Rigorous Food Safety Measures
Onboard our vessels, we have implemented Hazard Analysis and Critical Control Point (HACCP) systems in all food handling areas. These systems are designed to identify, monitor, and control critical points in food preparation to ensure the highest standards of safety and hygiene. We subject ourselves to regular third-party inspections to validate the effectiveness of our food safety protocols, providing an additional layer of assurance to our customers and stakeholders.

Society

Corporate Social Responsibility (CSR)
At ICG, our commitment to corporate social responsibility (CSR) remains unwavering. We take pride in being active members of the local communities in which we operate. Over the past year, we have continued our support for charitable partners through our CSR program.

Support for Dublin Wicklow Mountain Rescue Team (DWMRT)
ICG has a long-standing partnership with the Dublin Wicklow Mountain Rescue Team (DWMRT). This dedicated team shares our commitment to the safety of our communities. Irish Ferries plays a crucial role in assisting the DWMRT by providing transport services for rescue dogs, volunteers, and essential equipment needed for critical search and training operations in Ireland.

Contributions to Good Causes
We extend our gratitude to our customers who also contribute to important causes. Onboard our Irish Ferries vessels, we conduct collections to support the Royal National Lifeboat Association (RNLI), the largest charity dedicated to saving lives across the seas of the United Kingdom, the Republic of Ireland, the Channel Islands, and the Isle of Man. Additionally, our customers contribute to the Irish Heart Foundation by choosing healthy meal options onboard. A percentage of proceeds from these specially marked heart-healthy meals on our menu is donated to the Irish Heart Foundation.

Support for the Irish Whale and Dolphin Association
Over the past year, we have continued to support the Irish Whale and Dolphin Association in their vital monitoring work. We provide assistance to the association by facilitating their onboard activities, including viewing exercises aimed at monitoring the behaviour and populations of whale and dolphin species around our coastline.

Involvement in St. Patrick's Festival
ICG proudly supports the St. Patrick's Festival in Ireland and offers transportation services for some of the participating bands and acts traveling from the UK to the event. The festival continues to be a highlight of our visitors trips to Ireland and a great event for all the family.

Special Assistance Passengers
At ICG, we are dedicated to providing assistance to passengers who may require special support through our Special Assistance Program. This program is designed to offer individualised assistance to passengers with unique needs, such as reduced mobility or other special requirements. Our commitment to inclusivity includes the following provisions:

Wheelchair Access: We provide wheelchairs for passengers' use within our ports and on our ships to ensure comfortable mobility.

Dedicated Seating: Our ships offer dedicated seating areas to accommodate passengers with special needs, ensuring a comfortable and accessible journey.

Specially Adapted Cabins: On the majority of our cruise ferries, we have specially adapted cabins designed to meet the needs of passengers with unique requirements.

Assistance Animals: Registered assistant animals are welcome on our passenger decks, ensuring that passengers have the support they need.

Last year, our Disability Officer handled just under 1,400 customer cases for special assistance. Each request is handled with meticulous planning to anticipate and address the specific needs of the individual, ensuring a seamless and accommodating experience.

Sunflower Lanyard Scheme
One of the special programmes that we have become involved in, is the Sunflower Lanyard scheme, being the first Irish Travel operator to do so. This discreet lanyard enables our specially trained crew members to readily identify passengers who may require extra assistance, additional time, or specialised aid. We are committed to finding innovative ways to ensure that all customers can enjoy our services comfortably.

Supporting Tourism and Local Economies
Irish Ferries collaborates closely with state tourism agencies in Ireland, including Tourism Ireland and Fáilte Ireland, as well as tourism source markets in Wales (Visit Wales) and France (Normandy Tourism and Cotentin Tourism). We are enthusiastic about showcasing the finest offerings from our local artisan producers to delight our customers in our onboard restaurants. Our commitment to sourcing local and sustainable products includes:

Local Suppliers: We partner with local seafood suppliers from Howth, Irish beef and dairy producers, and breakfast meat suppliers from counties Kilkenny and Cork. All our food products are Origin Green certified, reflecting our dedication to sourcing from independently monitored and verified producers under Ireland's pioneering food and drink sustainability program.

Irish Beverages: We promote Irish beverages, including both well-known brands and craft beers and spirits from smaller producers. Our coffees are sourced from a Dublin-based roastery known for its carbon-neutral production. All coffees and teas served onboard are fair trade certified.

Local Support: For our new Dover-Calais route, we work with local UK-based suppliers, including our coffee supplier engaged in social projects supporting farmers in Guatemala, Tanzania, and Peru.

Wine Selection: Our onboard wines come from a distributor in Cherbourg, offering a diverse selection from large and small French wineries. We actively promote local French wines through special wine tasting events in partnership with our Cherbourg partner.

Plant-Based Options: We offer a wide variety of plant-based food and drink options in all our cafés and restaurants to cater to diverse dietary preferences.

Our commitment to supporting local producers and sustainability is an integral part of our dedication to offering high-quality experiences to our customers while contributing positively to local economies and communities.

Sustainability and ESG
Continued

Governance

ICG places a high value on its reputation and is firmly committed to upholding the highest ethical standards in the conduct of its business activities. The actions and behaviour of our staff, as well as those acting on our behalf, are integral to maintaining these ethical standards.

Competition Policy

At ICG, we are committed to fair competition and compliance with all applicable national and international laws, in particular with regard to competition, bribery and corruption law. We seek to ensure compliance with laws, standards and regulations using our compliance structures. We tolerate no violations of these laws and regulations.

Anti-bribery

We maintain a zero-tolerance stance against bribery and corruption and are dedicated to conducting our business dealings and relationships professionally, fairly, and with integrity, regardless of our location. To counteract bribery effectively, we have established an Anti-Bribery Policy that applies to all employees, partners/directors, agents, consultants, and contractors. The full policy can be accessed on our website. We strictly prohibit all forms of bribery and business courtesies that may give the appearance of a bribe. We have imposed limits and pre-approval requirements on the amount and frequency of business courtesies received by our staff.

In 2023, there were no investigations initiated by external parties into allegations of bribery, corruption or competition laws. We remain committed to upholding the highest ethical standards in all our business activities.

Whistleblowing

At ICG, we are dedicated to upholding the highest standards of integrity and transparency in our operations. To reinforce this commitment, we have established a Protected Disclosure Policy, which encourages employees, board members, shareholders, job applicants, and individuals who have previously worked with ICG to report any genuine concerns they may have. This policy also ensures protection for those who make such disclosures.

We are steadfast in conducting our business honestly and with integrity at all times. As an employer, it is our policy to ensure that our business adheres to all legal requirements governing our activities at every level of management. Nevertheless, we recognise that all businesses may face occasional risks of activities going awry or unknowingly harbouring malpractices. We consider it our duty to take appropriate measures to identify and address such situations. By fostering a culture of openness and accountability, we aim to prevent such occurrences. You can find the complete details of our Protected Disclosure policy on our website. No disclosures under this policy were received by the Group during 2023.

Human Rights

At ICG, we uphold the highest standards of business and ethical conduct, and we are deeply committed to respecting internationally recognised human rights, as outlined in the Universal Declaration on Human Rights and the International Labour Organisation's Core Conventions. Our commitment to human rights is formalised in our Human Rights Policy and Modern Slavery and Human Trafficking Policy, which extends to all ICG employees, contractors, agents, and business partners. You can access these policies on our website. We maintain a strict zero-tolerance policy against modern slavery, human trafficking, or the use of child labour within our supply chain.

We are committed to a transparent and open approach and actively take measures to identify and address any instances of modern slavery or human trafficking within our supply chain, as outlined in our Supplier Code of Conduct. ICG and its ship management service providers regularly undergo training, including sessions provided by the United Nations Migration Agency, to enhance our awareness and understanding of human trafficking and labour exploitation.

In our day-to-day operations, we have implemented a range of measures to ensure that modern slavery and human trafficking do not occur within our business or supply chains. These measures include:

- Providing guidance to our employees to support immigration and border agency initiatives aimed at reducing human trafficking. We also encourage the observation of unusual behaviour in our ports and on board our vessels, including signs of distress or other indicators that may highlight potential issues. We promote awareness of this issue across all Group businesses.
- Collaborating with other companies and organisations to share knowledge, best practices, and learnings, as well as participating in law enforcement projects aimed at combating human trafficking and modern slavery.
- Regularly updating management and committees on modern slavery matters to ensure that directors and key individuals understand their roles and responsibilities in preventing modern slavery within our businesses and supply chains.
- Actively monitoring our initiatives to prevent modern slavery and human trafficking by reviewing reports and alerts from our staff, the public, and communication with law enforcement agencies.

Our commitment to upholding human rights and preventing modern slavery and human trafficking is unwavering, and we are dedicated to ongoing efforts to ensure these principles are upheld throughout our operations and supply chains.

Taxation

Tax Management

At ICG, we take a balanced and responsible approach to managing our tax affairs and associated risks. Our primary focus is to align our tax strategies with our business objectives, ensuring long-term sustainability and value creation. We are unwavering in our commitment to complying with all legal and regulatory tax obligations.

To ensure compliance with our tax obligations, we have implemented robust procedures and processes for tax filing, reporting, and payment. In cases where uncertainties arise regarding a specific tax treatment, we seek advice from qualified external advisors to make informed decisions.

We are committed to maintaining a cooperative relationship with tax authorities and promptly addressing any expressions of doubt or differences of opinion that may arise. In the event of disagreements with tax authorities, we take a constructive and proactive approach, working closely with them to achieve an early resolution.

Our approach to tax planning is grounded in commercial and economic activities. We consider transactions that offer tax efficiencies through the use of incentives and exemptions, always in alignment with commercial operations. In cross-border transactions, we adhere to the terms of Double Taxation Agreements and relevant OECD guidelines. We do not engage in artificial transactions whose sole purpose is tax liability reduction.

ICG has a zero-tolerance policy for tax evasion or the facilitation of tax evasion by any individual acting on our behalf. We are committed to upholding the highest ethical standards in our tax practices and ensuring full compliance with all applicable laws and regulations.

Supplier Relationships

At ICG, we place great emphasis on cultivating enduring and mutually beneficial relationships with our key suppliers and contractors. Central to these relationships is the alignment of our suppliers with our ethical principles.

Our ICG Supplier Code of Conduct clearly outlines our expectations for suppliers in areas such as the environment, ethics, human rights, and health and safety. You can find comprehensive details of this code on our website. We engage with our most significant suppliers to ensure their values align with those of ICG.

In our day-to-day operations, we maintain continuous communication with our principal contractors, including port operators and ship managers. This close collaboration enables us to work together seamlessly to develop and execute on our business priorities, ensuring flexibility and adaptability in response to evolving situations.

We uphold strict payment practices with all our suppliers, regardless of their size, ensuring that payments are made within the agreed credit terms. Depending on the nature of the contracts, payment may occur upon delivery or within credit terms of up to 60 days. This practice reflects our commitment to treating our suppliers as strategic partners, fostering trust and reliability in our relationships.

Task Force on Climate-Related Financial Disclosures (TCFD)

We set out our disclosures that are aligned to the Task Force on Climate-Related Financial Disclosures framework.

Details of how ICG is making progress in implementing the recommendations of the TCFD are set out below. In addition to the four key areas of governance, strategy, risk management and metrics and targets, a complete Appendix cross referencing disclosure against the 11 recommendations is included below.

Governance

Climate-related risks and opportunities are managed and being integrated as a core component of strategy and performance from the highest level of the business. As a leading maritime transport group, in what is an increasingly regulated industry, we recognise how important it is for us to play a leading role in driving more sustainable shipping. Our purpose and strategy are fully aligned to this goal. Oversight of climate-related issues is provided by the Board as a whole, with support from the Audit and Risk Committee, in particular in relation to climate risks and opportunities. In terms of management, we have dedicated significant resources to ensuring that climate risks and opportunities are at the forefront of day-to-day activities and operations. Management provides regular updates to the board on the wider sustainability agenda. We continue to review the governance of climate-related risks and opportunities to ensure our frameworks evolves with the demands of the outside world as well as relevant regulation.

Sustainability and ESG
Continued

Strategy

Through our purpose, commitments to contribute to the UN SDG and from regulation, ensuring our strategy is aligned with reduced impact on the environment is a core component of our efforts. It is for this reason we have made significant strides in detailing our environmental impact over the past years while also committing to reducing that impact, with data and effective governance at the heart of those steps.

To gain a better understanding of how climate change might impact our business, we have qualitatively reviewed different scenarios occurring over the coming years. These assessments looked at potential physical and transitionary risks of a changing climate such as flooding and water stress, as well as the risks associated with a transition to a low-carbon economy such as international climate policy and the impacts of carbon pricing. As an industry with stringent environmental-related regulations, the implications of regulatory steps have been a core part of our scenario analyses since before the introduction of the TCFD.

The analysis evaluated the implications for ICG's facilities, fleet and suppliers, as well as the impacts on our consumers. The analysis of both physical and transition risks showed that in both scenarios there is likely to be some financial risks which would need to be managed, but none that would materially impact our business model.

Risk management

Climate-related risk management is integrated into our enterprise risk management process, as detailed extensively in the Risk Management section (pages 60-69). The enterprise risk management process is designed to identify, assess, monitor and report on all risk related to the business. Through the TCFD lens, ICG prioritised the climate risk and opportunity assessment, and set out the following risks and opportunities related to climate change:

A summary of the main climate related risks is set out:

Type	Description	Potential financial impact	Metrics and Targets
Physical Risks	Extreme weather events	Decreased schedule integrity, asset damage, increased costs	Schedule integrity, Gross margin
	Biodiversity loss	Increased cost of goods due to shortages	Gross margin
Transition Risks	Carbon emission allowances	Increased costs to maintain service levels	Gross margin
	Meeting EEXI/EEDI requirements	Asset devaluation, additional capital investment	EEXI Ratings
	Failure of carbon reducing investments	Increased costs due to higher carbon intensity	Gross margins
	Poor ESG ratings	Increase financing costs due to limited debt options	Achieved ESG Rating
Transition Risks	Unavailable debt financing for capital projects	Increased financing costs	Interest cover
Opportunities	Investment in fuel-efficient capital assets	Cost reduction, reduced emissions	GHG Emissions Gross margin
Opportunities	Market leadership and operational excellence	Increased revenues and profits	Gross margin

Metrics and targets

Over the past number of years, we have commenced collection and disclosure of a range of measures used to assess and manage climate-related risks and opportunities. We have disclosed our scope 1 and scope 2 emissions and intend to develop our reporting to disclose our scope 3 emissions over time. ICG also adheres to limits on sulphur content of fuel oils, in relation to sulphur oxide (Sox) emissions from the shipping sector, investing approximately €25 million on the installation of exhaust gas cleaning systems (EGCS) in our owned and operated fleet.

Targets

Vessel operations

Our targets are based on the IMO (International Maritime Organisation, a UN body) 2018 specific targets. We note the updated 2023 strategy on reduction of GHG emissions from ships. We are still in the process of assessing the impact of this updated ambition for ourselves.

For 2023, our targets were based on the 2018 IMO ambition:

- 40 percent reduction in carbon intensity from shipping operations by 2030 compared to 2008 levels.
- 50 percent reduction of all GHG from shipping operations by 2050 compared to 2008 levels.

The IMO's strategy to achieve these goals is to require ever greater levels of efficiency standards from the global fleet. As our starting point we aim to be compliant with all these initiatives over the coming years and will work to achieve the ever-greater levels of technical efficiency requirements set in the years to come. We expect these initiatives on their own will have a significant impact on our carbon intensity target for 2030. We have set the operational and technical measures that we are employing to further achieve these goals in the report above.

These will be challenging targets for us to achieve considering our expansion onto the Dover – Calais route which significantly expands our business footprint. We are confident as we optimise our operations and new technologies become available and come online, we will achieve our targets in due course.

Terminal operations

We have also set the following targets for our terminal operations:

- 70 percent reduction in Scope 1 and 2 emissions by 2025.
- Net zero Scope 1 and 2 operations by 2030.

Baseline years data

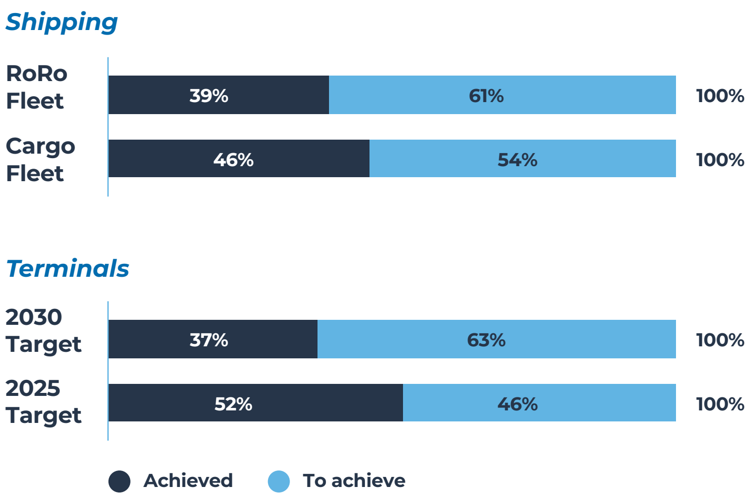
Given the length of time since our baseline years and the type of data required, there are challenges to estimate reliably our carbon metrics from those years due to the availability of data. We have made a best estimate of our footprint from our baseline years based on best available data.

Our Progress to date

For our vessel targets, we are measuring our performance against baseline targets using intensity metrics that are based on using "RoRo units" carried for the RoRo fleet (RoRo Fleet: gC02/ RoRo Units/ NM) and TEU's carried for the Container Fleet (Container Fleet: gC02/ TEU's/ NM). Our current progress is set out below. Our performance on Ro Ro's has improved slightly to 39% while our intensity values for our container vessels has decreased to 46%, the decrease is driven by decreased load factors in 2023 compared to 2022.

On our 2050 absolute reduction ambitions of 50% from our 2008 baseline, it will only be when our propulsion technology changes that we will achieve meaningful progress on this metric, given the growth of our business since 2008 and our resulting expanded GHG footprint.

Progress towards achievement of our targets



Sustainability and ESG
Continued

Terminals Decarbonisation plan progress

On our terminal 2025 reduction targets, we have achieved approx. 52% of the target required to date, 14% of which was achieved during 2023. To achieve our 2025 goal, we are investigating the use of biofuels in our yard tractors, the other major component of our terminal carbon footprint, the major barrier being security of supply and cost. It is only as a last resort that we will consider a carbon offsetting programme to achieve our target.

Task Force on Climate-Related Financial Disclosures Appendix

Governance	Strategy	Risk Management	Metrics and Targets
Disclose the organisation's governance around climate related risks and opportunities.	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	Disclose how the organisation identifies, assesses, and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.
Recommended Disclosures			
(a) Describe the board's oversight of climate-related risks and opportunities. Refer to Task Force on Climate-Related Financial Disclosures (page 49) Managing Climate Change Risks (pages 63-64) Group Strategy and Corporate Governance (pages 49, 63 and 81)	(a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term. Refer to Task Force on Climate-Related Financial Disclosures (page 49) Managing Climate Change Risks (pages 63-64)	(a) Describe the organisation's processes for identifying and assessing climate-related risks Refer to Task Force on Climate-Related Financial Disclosures (page 49) Managing Climate Change Risks (pages 63-64)	(a) Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process Refer to Task Force on Climate-Related Financial Disclosures (page 49) Managing Climate Change Risks (pages 63-64)
(b) Describe management's role in assessing and managing climate-related risks and opportunities. Refer to Managing Climate Change Risks (pages 63-64)	(b) Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy, and financial planning. Refer to Task Force on Climate-Related Financial Disclosures (page 49) Managing Climate Change Risks (pages 63-64)	(b) Describe the organisation's processes for managing climate-related risks. Refer to Managing Climate Change Risks (pages 63-64)	(b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. Refer to Task Force on Climate-Related Financial Disclosures (page 49) Environmental Data (pages 55-56)
	(c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. Refer to Task Force on Climate-Related Financial Disclosures (page 49) Managing Climate Change Risks (pages 63-64)	(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management. Refer to Risk Management (pages 60-69) Managing Climate Change Risks (pages 63-64)	(c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets. Refer to Metrics and targets (page 51 and pages 55-56)

EU Taxonomy

Background

The EU Taxonomy (Taxonomy Regulation (Regulation (EU) 2020/852)) goal is to create a "definition" of what is considered environmentally sustainable for a business and allow for a redirection of capital flows to more sustainable economic activities. At its most basic form, the taxonomy creates a list of economic activities and then sets out a list of criteria/ standards that each activity must achieve to be taxonomy aligned and be deemed to be environmentally sustainable. Transport including maritime transport has been included in the list from the start, recognising its importance to wider economy and its potential impact on the environment. The Group has voluntary applied the requirements of the EU Taxonomy Regulation and provided the necessary disclosures.

The EU Taxonomy is a classification system for environmentally sustainable economic activities and covers the following six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

The process to calculate the disclosures requires us to:

1. identify what activities are eligible and non-eligible under the taxonomy meaning whether our businesses are included on the taxonomy list or not.
2. assess whether the technical criteria or standards set out in the legislation for each activity is met by the business for example one of the key criteria of activity 6.10 'Sea and coastal freight water transport, vessels for port operations and auxiliary activities' are whether the ships in use have Zero tail pipe emissions.
3. assess the criteria for no significant harm done to any of the other objectives while also ensuring the minimum safeguards are met. These are discussed in further detail below.

As the reporting practice develops and expands, we will review and update the reporting of taxonomy-eligible KPIs and related accounting policies accordingly.

Our Economic Activities

We examined the relevant taxonomy-eligible economic activities under the Delegated Regulation on the basis of our activities as a Ro-Ro Ferry operator and container shipping company (and related Terminal activities). All integrated services necessary to and dependent on the operation of vessels for the combined transport of freight and passengers on sea or coastal waters are also considered. This includes service activities incidental to water transportation such as; on board passenger services, group stevedoring services and door-to-door container transport services that are component activities embedded within our sea transport offerings to customers. This business activity aligns itself to activity 6.10 Sea and coastal Freight including passenger activity. We have primarily screened for climate change mitigation technical screening criteria when assessing our economic activities.

None of the Group's activities are "aligned" for the remaining environmental objectives of Sustainable use and protection of water and marine resources, Transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems. This means that our business activities are not listed on the areas targeted under these objectives.

We have assigned our activities to the following economic activities in accordance with Annex I and II of the Climate Delegated Act.

The following table shows the environmental objective to which the activities are relevant:

Economic Activity	Climate Change Mitigation	Climate Change Adaption	Protection of water and marine resources	Circular Economy	Pollution Prevention	Restoration of Biodiversity
6.10 Sea and coastal freight including passenger activity	Yes	No	N/a	N/a	N/a	N/a

Taxonomy Disclosures

Activity	Total 'M	Proportion Taxonomy eligible	Proportion Taxonomy non eligible	Proportion Taxonomy Aligned	Proportion Taxonomy Non Aligned
6.10 Sea and coastal freight including passenger activity					
Turnover	572.0	100%	0%	0%	100%
Capex	54.1	100%	0%	0%	100%
Op ex	503.6	100%	0%	0%	100%

Sustainability and ESG
Continued

Turnover KPI
The total turnover of €572.0 million for the financial year ending 31 December 2023 is the basis for the denominator for the turnover KPI as presented in the Consolidated Income Statement.

Assessment of Eligible activities
The Group determines it has Taxonomy-eligible undertakings in accordance with activity 6.10 'Sea and coastal freight water transport, vessels for port operations and auxiliary activities' (Annex I: climate change mitigation/ Annex II: climate change adaptation).

All integrated services necessary to and dependent on the operation of vessels for the combined transport of freight and passengers on sea or coastal waters are also considered eligible and are therefore included within the reported metrics below. This includes service activities incidental to water transportation such as; on board passenger services, Group stevedoring services and quay-to-door container transport services that are component activities embedded within our sea transport offerings to customers. As a result, 100% of our operations are deemed eligible.

Assessment of Aligned Activities
We have assessed the substantial contribution criteria for both the climate change mitigation criteria, as set out in the delegated acts. We have found that none of the eligible activities are aligned given the various technical criteria tests. Given the age of our vessels, notwithstanding the significant investments made, for example the installation of scrubbers to improve their technical ability minimising the output of sulphur and other particulate matters, they do not meet the technical criteria set out in the delegated acts for mitigation or adaption.

OpEx KPI
The amounts reflecting direct non-capitalised costs relating to short-term leasing, maintenance and repair expenses and any other direct expenditures relating to the day-to-day servicing of Group assets or third parties to whom the activities are outsourced that are necessary to ensure the continued and effective functioning of such assets were considered for the denominator calculation.

The numerator is derived from an analysis of the operating expenses associated with Taxonomy-eligible activities. As with our turnover, 0% of eligible OpEx is aligned.

CapEx KPI
The capital expenditures amount to €54.1 million, comprising strategic and maintenance capital expenditures. The sum of the additions that reflect investments in Taxonomy-eligible activities forms the numerator. As with our turnover, 0% of eligible CapEx is aligned. Notwithstanding for example the work carried out on electrification of the terminals and the impact this has had on reducing our carbon footprint, our interpretation of the taxonomy legislation this expenditure is not eligible for inclusion.

EU Taxonomy Accounting policies
The taxonomy KPIs are calculated as followed:

- Taxonomy revenue KPI = Eligible revenue / Total revenue
- Taxonomy opex KPI = Eligible opex / Total opex
- Taxonomy capex KPI = Eligible capex (additions) / Total capex (additions)

Turnover
Turnover consists of Total operating revenues. See the Consolidated Income Statement (page 122) in our Annual Report alongside note 4 for details of the Groups revenue generation. The associated critical accounting policies are set out in note 2 of our Annual Report.

Capex
Capex consists of additions to fixed assets and right-of-use assets. See note 12 of the Consolidated financial statements.

Opex
Opex consists of Total operating expenses. See the Consolidated Income Statement (page 122) of our Annual Report. The associated critical accounting policies are set out in note 2 of our Annual Report.

Metrics and tables

The following represents our data, the operations included, represents all assets and operations that ICG have operational control for the year ended 2023.

Environmental Data

Shipping Operations

Topic	Relevant Metric	2023	2022	2021	Unit of measure	SASB Reference
Greenhouse gas emissions	Gross global Scope 1 shipping emissions	544,663	519,082	399,796	Metric tons (t) CO2-e	TR-MT-110a.1
	Total energy consumed	6,960,046	6,665,199	5,111,364	Gigajoules (GJ)	TR-MT-110a.3
	Percentage heavy fuel oil	76.91%	62.99%	75.97%	Percentage (%)	TR-MT-110a.3
	Average Energy Efficiency Design Index (EEDI) for new ships	N/a	N/a	N/a		TR-MT-110a.4
Air quality	NOx (excluding N20)	11,242	10,614	7,882	Metric tons (t)	TR-MT-120a.1
	SOx	1,177	830	623	Metric tons (t)	TR-MT-120a.1
	Particulate Matter (PM10)	711	448	396	Metric tons (t)	TR-MT-120a.1
Ecological Impacts	Shipping duration in marine protected areas or areas of protected conservation status	*	*	*	Number of travel days	TR-MT-160a.1
	Percentage of fleet implementing ballast water exchange	100%	94.12%	94.12%	Percentage (%)	TR-MT-160a.2
	Percentage of fleet implementing ballast water treatment	100%	68.75%	29.41%	Percentage (%)	TR-MT-160a.2
	Number of spills and releases to the environment	Nil	Nil	1	Number	TR-MT-160a.3
	Aggregate volume of spills and releases to the environment	Nil	Nil	0.01	Cubic meters (m3)	TR-MT-160a.3
Workforce health and safety	Lost time incident rate from seafaring operations	2.2	0.8	1.0	Rate	TR-MT-320a.1
Business ethics	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Nil	Nil	Nil	Number	TR-MT-510a.1
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	€Nil	€Nil	€Nil	Euro	TR-MT-510a.2

Sustainability and ESG
Continued

Topic	Relevant Metric	2023	2022	2021	Unit of measure	SASB Reference
Accident and safety management	Number of marine casualties	3	1	0	Number	TR-MT-540a.1
	Percentage classified as very serious	0%	0%	0%	Percentage (%)	TR-MT-540a.1
	Number of port state detentions	Nil	3	Nil	Number	TR-MT-540a.3
Activity	Number of shipboard workers	720	725	501	Number	TR-MT-000.A
	Total distance travelled by vessels	1,017,471	996,292	824,132	Nautical miles (nm)	TR-MT-000.B
	Operating days	4,430	4,450	3,744	Days	TR-MT.000.C
	Deadweight tonnage	125,739	121,039	100,485	Deadweight tons	TR-MT-000.D
	Number of vessels in total shipping fleet	14	15	16	Number	TR-MT-000.E
	Owned	11	12	12	Number	
	Chartered in	3	3	4	Number	
	Number of vessel port calls	14,234	14,089	6,423	Number	TR-MT-000.F
	Twenty-foot equivalent (TEU) capacity (Container fleet)	4,890	5,462	5,502	TEU	TR.MT.000.G

Land Based Operations

Relevant Metric	2023	2022	2021	Unit of measure
Scope 1 emissions from land based operations	2,752	2,890	3,117	Metric tons (t) CO2-e
Scope 2 emissions from land based operations				
Located based	2,138	2,252	2,388	Metric tons (t) CO2-e
Market based	104	Nil	Nil	Metric tons (t) CO2-e
Total Scope 1 and 2 emissions from land based operations (Using Market based scope 2 emissions)	2,825	2,890	3,117	Metric tons (t) CO2-e
Total energy consumed	66,347	69,268	74,373	Gigajoules (GJ)
Percentage renewable	43.95%	43.59%	43.21%	Percentage (%)

Overall Group

Relevant Metric	2023	2022	2021	Unit of measure
Gross Global Scope 1 emissions	547,415	521,985	402,913	Metric tons (t) CO2-e
Gross Global Scope 2 emissions (Using Market based scope 2 emissions)	104	31	82	Metric tons (t) CO2-e
Total Scope 1 and 2 emissions	547,519	522,016	402,995	Metric tons (t) CO2-e
Total fuel consumed	171,911	163,410	126,519	Metric tons (t)
Total energy consumed	7,026,946	6,735,200	5,187,201	Gigajoules (GJ)
Waste				
Total municipal Solid waste	9,465	11,571	7,736	Cubic metres (Cm)
Total waste and oil sludge	6,198	5,226	4,144	Cubic metres (Cm)
Total Freshwater consumption	107,746	107,374	64,680	Cubic metres (Cm)
Total Water discharge	107,746	107,374	64,680	Cubic metres (Cm)

Social: Employee Health and Safety and Diversity and Inclusion

Safety Data

	2023				2022				2021			
	Incidents	Exposure hours	Lost Time Injury Frequency	Fatalities	Incidents	Exposure hours	Lost Time Injury Frequency	Fatalities	Incidents	Exposure hours	Lost Time Injury Frequency	Fatalities
ICG employees and visitors	1	536,400	1.9	0	0	595,200	0	0	1	595,200	1.7	0
Key contractors Total	21	6,208,998	3.4	0	10	5,684,380	1.76	0	7	3,627,720	1.9	0
	22	6,745,398	3.3	0	10	6.279,580	1.59	0	8	4,222,920	1.9	0

	2023	2022	2021
LTIF on land	8.2	4.6	4.6
LTIF at sea	2.2	0.8	1.0

Employee Statistics

	31 Dec 2023	31 Dec 2022	31 Dec 2021
Total number of employees	288	290	284
Male	168	177	173
Female	120	113	111
% Female	41%	39%	39%
Full time	272	271	260
Part time	16	19	24
% Part Time Female	83%	83%	83%
Board members	6	6	6
Male	4	4	5
Female	2	2	1
% Female	33%	33%	17%
Management staff	51	51	52
Male	40	40	41
Female	11	11	11
% Female	22%	22%	21%
Total number of new employee hires	25	38	42
Total number of departures	31	48	47
Turnover rate	10.7%	16%	16%
Male	12%	8.5%	19%
Female	9%	13%	13%

Sustainability and ESG
Continued

Key Terms, Definitions and Commentary

Terms	Definitions	Commentary
Scope 1 emissions	Direct GHG emissions from sources that are controlled by the Group.	The Group determines its Scope 1 emissions boundary in line with the Greenhouse Gas Protocol (GHG Protocol) using the principle of operational control. In establishing assets under operational control, consideration is given to the length of any charter arrangements, the responsibility for the purchase and consumption of the fuel and the responsibility for the operational activity of the asset being used. CO2 emissions from shipping are calculated using emission factors referenced in IMO Resolution MEPC 245 (66) 2014 "Guidelines on the method of calculation and the attained Energy Efficiency Index (EEDI) for new ships". Scope 1 emissions from land-based activities are calculated in line with GHG Protocol calculation tools. There are some locations which are leased and have bundling arrangement on some costs, which means that activity-based data are not always available. We expect data availability to improve in the future.
Scope 2 emissions	GHG emissions from the generation of purchased electricity consumed by the Group.	Scope 2 emissions are calculated in line with the GHG Protocol.
	Location based (CO2e):	All indirect emissions related to purchased energy; electricity or heating/cooling where ICG has operational control as defined by the Greenhouse Gas Protocol – calculated based on the emission intensity of local grid area where the electricity usage occurs.
	Market based (CO2e)	All indirect emissions related to purchased energy; electricity or heating/cooling where ICG has operational control as defined by the Greenhouse Gas Protocol – calculated based on electricity consumption including contractual purchases of renewable energy
CO2-e	Carbon dioxide equivalent units.	CO2-e includes direct CO2 emissions plus emissions of other gases converted to CO2 based on their equivalent global warming potential.
NOx	Nitrogen Oxides	NOx emissions from shipping are calculated using guidance from the NOx Technical Code and MARPOL Annex VI Regulation 13, Nitrogen Oxides (NOx). Emissions from land-based activities are calculated in line with GHG Protocol calculation tools.
SOx	Sulphur Oxides	SOx emissions are calculated by fuel-based emission factors. For vessels with exhaust gas cleaning systems (EGCS), a reported SO2/CO2 emission ratio is used to determine the level to which the sulphur content has been scrubbed down. Group SOx emissions have significantly reduced since the installation of exhaust gas cleaning systems.
PM10	Particulate matter	The mass of PM10 is calculated by means of an energy-based emission factor depending on engine type, engine tier and type of fuel consumed. Default emission factors proposed by the Fourth IMO GHG Study July 2020 were applied.
Lost Time Incident Rate	Lost time incidents per 1 million hours worked	A lost time incident is an incident that results in absence from work beyond the date or shift when it occurred.

Terms	Definitions	Commentary
Marine Casualties	An event, or sequence of events, that occurs directly in connection with the operations of a ship and results in death, serious injury or loss of a person from a ship or material damage to a ship, collision of a ship or material damage to marine infrastructure external to a ship or to the environment.	The reported marine casualties in 2023, related to incidents that occurred during operations, resulting in some light damage to our ships. None were deemed serious.
Shipboard workers	Those who work on aboard operated vessels (including direct employees and contractors)	The Group discloses an average number of shipboard workers per vessel across operating vessels per year. Shipboard workers have remained consistent year on year.
Operating days	The number of available days in a reporting period minus the aggregate number of days vessels are off-hire due to unforeseen circumstances	Operating days have remained consistent year on year.
Shipping duration in marine protected areas or areas of protected conservation status	The number of days in Marine protected areas.	*We currently do not have the technology to measure this accruately, we aim to do so in future years.
Ballast water exchange	The number of vessels who have implemented Ballast water exchange onboard over the total fleet.	All our vessels have Ballast water exchange on board. Vessels like the Dublin Swift and the Isle of Innisfree do not use ballast water or use internal tanks as a result have no requirement to deploy this technology.
Ballast water treatment	The number of vessels who have implemented Ballast water treatment system onboard over the total fleet number.	During the year, the last remaining vessels who are capable of implementing a Ballast water treatment system had them installed. Vessels like the Dublin Swift and the Isle of Innisfree do not use ballast water or use internal tanks, eliminating this associated risk with foreign species transfer across locations.

Risk Management

Overview

Exposure to risk is an inherent element to carrying out the business activities of the Group. Effective risk management and internal control systems are essential to protect the Group from exposure to unnecessary risks and to ensure the sustainability of the Group's business into the future.

The Board has overall responsibility for establishing procedures to manage risk, oversight of the internal control framework and determining the nature and extent of the principal risks that the Group is willing to accept in order to achieve its long-term objectives.

The Board has delegated the oversight and appraisal of the Group's risk management and internal control systems to the Audit and Risk Committee. The Audit and Risk committee reviews and monitors the effectiveness of the Group's risk management and internal control systems throughout the year. This assessment is carried out through the review of reports and presentations made by the Risk Management Committee (RMC) and by Group Internal Audit. The committee chairman reports to the Audit and Risk committee with an overview of its activities and conclusions. Further information on the Audit and Risk Committee activities is set out in the Audit and Risk Committee report (pages 91-95).

Risk Management Governance Framework

Board of Directors
The Board has overall responsibility for the management of risk and the oversight of the internal control framework which are designed to identify, mitigate and determine the nature and extent of the principal risks the Group is willing to accept in order to achieve its long-term objectives. The Board has created a culture of risk awareness throughout the organisation whereby risk consideration is embedded in the decision-making processes.

Audit and Risk Committee
Responsibility has been delegated to the Audit and Risk Committee by the Board to provide oversight of the Group's risk management and internal control systems. It reviews and monitors the effectiveness of the Group's risk management and internal control systems throughout the year and then reports back to the board periodically on the work it has carried out. See Audit and Risk committee report (pages 91-95) for a full overview of the activities of the committee during the year.

Risk Management Committee
The Risk Management Committee (RMC) established by the Group comprises senior members of management from across the three lines of defence, including Board representation. With its mandate from the Board and Audit and Risk committee, the RMC is tasked with;

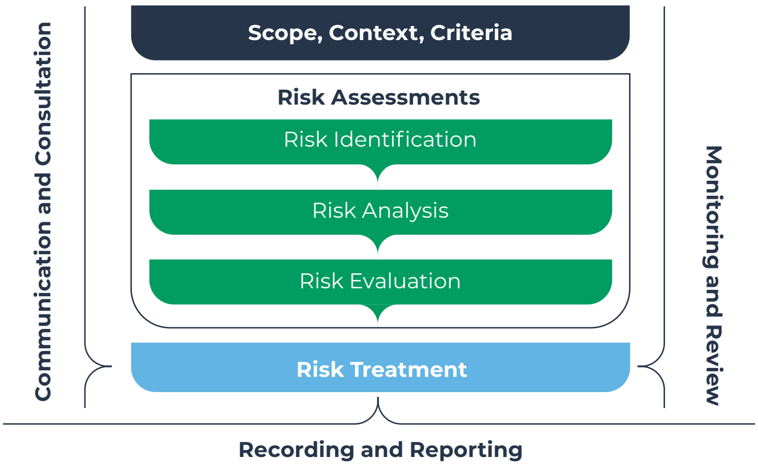
- Making appropriate recommendations to the Board on all significant matters relating to the development of risk strategy and processes of the Group.
- Keeping under review the effectiveness of the Group's risk management systems.
- Reviewing the Group's risk exposures in relation to the Board's risk appetite.
- Maintaining a robust Group Risk Register and ensuring risks are identified comprehensively and assessed consistently across classified risk areas.

Executive Management
Executive management is responsible for the effective operation of internal controls, designed to manage and mitigate the Group's principal risk and uncertainties. Risk consideration is embedded within the decision-making process.

1st Line of Defence	2nd Line of Defence	3rd Line of Defence
Management Controls Internal Control Measures	Financial Control Risk Management Monitoring Compliance	Internal Audit
The first line of defence rests with management acting through their staffs who are responsible for the design, implementation and monitoring of internal control measures within their respective business areas.	The second line of defence comprises of oversight functions such as Group Finance and Group Marine and Safety. These functions are involved in policy setting and provide assurance over first line activities.	The third line of defence consists of the Group Internal Audit function, which performs independent oversight of the first two lines and reports directly to the Audit Committee on matters of internal control, compliance and governance.

Risk Management process

The Group follows international standard ISO 31000 (2018) 'Risk Management – Guidelines' in designing its risk architecture, strategy and protocols (RASP). The Group adopts an Enterprise Risk Management (ERM) system that takes a unifying, broad and integrated approach to managing risks and aligns risk management to the achievement of strategic objectives. Roles, responsibilities, risk management policy, objectives and process overviews are documented within the Group's Risk Code.



Risk Management Process - Assessments and Monitoring

The execution of the Group's Risk Management Process from an operation level is led by the RMC with strategic input from the Board and the Audit and Risk committee. The Board sets the Group's risk appetite for classified risk areas. Risk appetite is communicated through the adoption of Risk Appetite Statements. These statements, along with internal capabilities, resources and industry factors provide context to how the Group's strategy is pursued and to which risks are assessed. Stakeholder views with respect to climate and ESG issues, are considered by the Board in setting appropriate appetite levels. An overview of the Group's climate risk framework is set out in the section Task Force on Climate-Related Financial Disclosures. The Board has a low acceptance for risks that may impact safety of vessels, workers, customers and compliance with relevant laws and regulations.

The Group wide nature of the risk assessment and monitoring process, requires collaboration across departments and divisions within the Group. Each business owner is responsible for ensuring comprehensive risk identification and assessment is carried out covering their sphere of responsibility. Risks are identified through various means, including the use of an identification tool guiding risk assessors through several internal and external factors in identifying potential barriers to respective objectives. Risks are assigned to risk owners with responsibility for the activity generating the risk. Where a risk contains multiple causes and consequences, risk owners are required to collaborate in performing a cause and consequence analysis.

Risk owners are ultimately responsible for the completion and maintenance of risk assessments across their respective risk areas. Risks are measured in terms of the likelihood of occurrence and estimated impact using a standardised scoring model. All evaluations are made from a Group perspective and are relative to Group risk appetite. Guidance tools are in place to ensure Group-wide consistency is achieved across risk assessments.

Existing control measures are documented and assessed within the risk assessment forms in determining residual risk scores. All risk assessments are reviewed by members of the RMC before they are released to the Group Risk Register. The RMC and risk owners can prescribe the implementation of further control measures at the review stage.

The Group Risk Register is the central online repository for documenting, assessing and prioritising risks, and for documenting and prescribing control measures. The Register forms a significant portion of the Group's risk management process. The Group Risk Register is reviewed on a regular basis by the RMC.

Any necessary changes to the Group Risk Register are made throughout the year and can be prompted by;

- The occurrence of a risk event.
- The identification of new emerging risks or as circumstances of existing emerging risks change.
- Quarterly RMC meetings.
- Internal Audit or regulatory reviews.
- Annual risk owner reassessment.
- Changes in Key Risk Indicator measurements.
- New risk assessments completed within business area teams.

Risk information within the Group Risk Register is analysed and forms the basis for reporting principal risks to the Board and the Audit and Risk Committee for review and approval. A presentation of the Group's principal and emerging risks is made to the Board at least annually or more frequently if warranted by developments. At these presentations, the Board challenges the RMC in their processes and evaluations of the principal and emerging risks identified in the context of the Group's own risk policy, risk appetite and general market developments both within and outside the industry sector. Key Risk Indicators are in place for

Risk Management
Continued

highly ranked individual risks at the residual level, to ensure exposure levels are monitored, flagged to the Board and corrective actions are taken in order to minimise the effects on the groups business.

The annual Board and Audit and Risk Committee agendas include a series of updates from executive risk owners in relation to the Group's principal risks. These comprehensive updates include the history of the risk to date, key mitigating actions and controls, an outline of the residual risk and any future actions planned to address perceived or potential control weaknesses.

Emerging Risks
Risk monitoring is an ongoing process due to the dynamic nature of the environment in which the Group operates. Three types of emerging risks can arise:

1. New risks that emerge in the Group's external environment. These are identified through the ongoing Group risk identification process.
2. Previously identified risks recorded in the Group Risk Register whose impact on Group activities has changed or evolved, prompting a reassessment.
3. New risks emerging from the internal environment when changes to core processes are made. These are identified when undertaking new projects or engaging with new business partners.

Emerging risks are closely monitored and assessed as their uncertain nature can result in the risks becoming significant within a short timeframe. The emerging risks we see are previously identified risks, evolving in nature. Emerging risks currently under review at the date of this report relate to local governments proposed additional regulations over seafarer working conditions, global security and the related impact on supply chain, increased documentation requirements for travel to and from the UK/ EU, leading to potential travel delays and disruption. Other significant trends that are a constant in our industry and remain front of mind are the environmental and climate risk driving increased corporate accountability together with technological advancements, GDPR and competition risks.

Managing Cyber Security
As we deploy progressively more advanced technology to support our business, we face an ever-evolving cyber threat landscape. At ICG, we are acutely aware of our responsibility to protect systems and our customers information from both internal and external interference.

The Board of ICG addresses cybersecurity risk in the context of its general risk management framework, with cyber security continuing to be identified as a key risk. Given its strategic importance to the organisation, the board is informed on cyber security priorities and developments through regular reporting from our Information Technology team. In 2023, reports were received on cyber security and related topics, incorporating managed security service performance, vulnerability management, NISD (EU Network Information Systems Directive) Compliance, Incident response activities, security awareness training and business continuity planning.

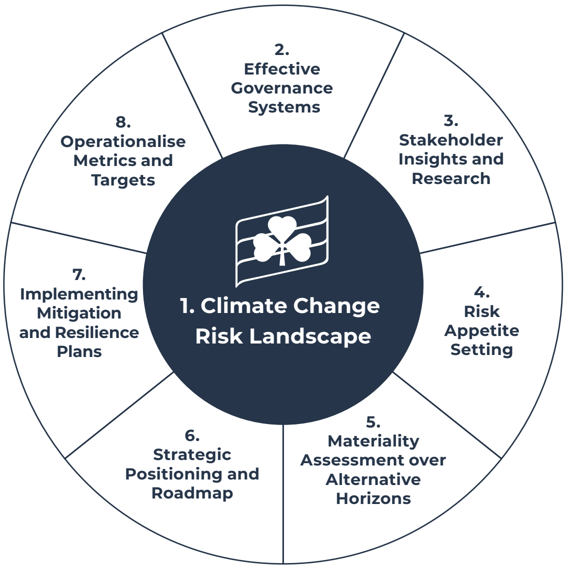
Our Information Security Management System (ISMS) is aligned with recognised standards for management of Information Security, ISO 27001 and NIST. Cyber security controls are designed and implemented based on thorough risk assessments and to meet increasing compliance requirements such as PCI-DSS, GDPR and NISD/ NIS2. Cyber security effectiveness measurements are continuously reviewed, and controls improved to mitigate emerging security risks as they develop across the wider industry. Operationally, we manage cyber security through a blended model of inhouse expertise and the use of best-in-class Managed Security Service Providers (MSSPs), which allows our organisation to benefit from the scale and expertise required to address the evolving threat landscape.

A culture of cyber security awareness is actively promoted at ICG. All employees and contractors requiring the use of our systems must complete regular security training, which highlights and reinforces their own roles in protecting the organisation from phishing and other cyberthreats. Employees have a mandate to report any suspicious activity through established channels. Simulated phishing campaigns and incident reporting statistics are used to gauge the effectiveness of the security awareness training program.

As a nominated critical national infrastructure provider in Ireland, the Group benefits from the interactions with the Irish National Cyber Security and participates in workshops and simulated events. The Group also participates in sectoral forums where interests of the sector are advanced.

Managing Climate Change Risks

The Group framework for management of climate change identifies the key areas that require attention to enable the development and execution of its climate change risk management strategy. This framework is integrated within the Group's RASP and related risks assessments are released to the Group Risk Register.



1. Climate Change Risk Landscape
The Group identifies climate risks using the same processes as other emerging risks, with additional emphasis on expert climate risk publications and regulatory updates. Climate change risks are unique in how they; affect every individual and organisation, are long term in nature and are highly uncertain in their ultimate progressions and impacts. Due to these considerations, the Group's climate risk register contains the following additional details;

- Risks are assessed over three different time horizons; 0-3 years, 3-10 years and >10 years, with the 0-3-year horizon assessments transferring to the Group Risk Register.
- Impacted stakeholder groups are identified for engagement on associated risks.
- Opportunities are identified for each risk to support strategic positioning and resilience planning.
- Impacts are linked to financial statement areas.

A summary of the Group's climate risks, impacts and opportunities is disclosed in the Task Force on Climate-Related Financial Disclosures.

2. Effective Governance Systems
The Group applies the same risk governance structure to climate change risks as all enterprise risks. The RMC advises the Board on risk appetite, risk management approach and important risk management issues and considerations, which are ultimately approved by the Board or used to facilitate decision making.

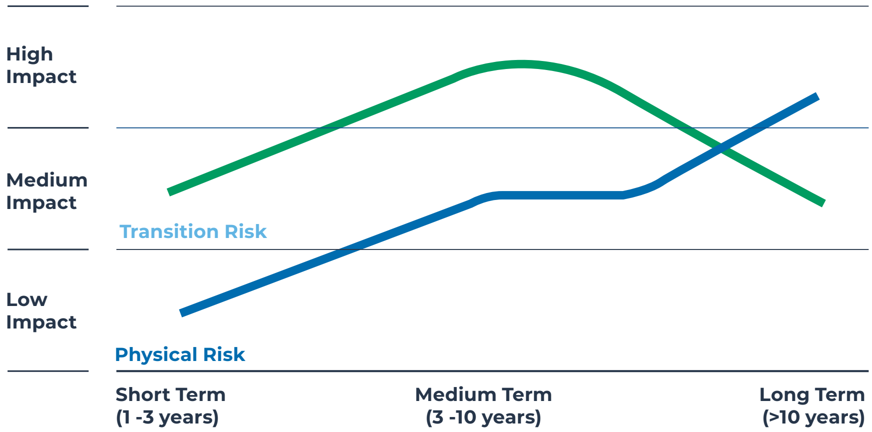
The RMC presents to the Board during the year on all important risk management issues, including climate change and ESG risks. The Group's recent Board appointments helps ensure there is adequate Non-Executive Director representation with ESG expertise to challenge the RMC and Executive Management on relevant issues.

The RMC is comprised of management across all areas of the business, including; risk and sustainability, sales, operations, health and safety, planning and finance. Collectively, the RMC has the skills, knowledge and experience to best manage the Group's climate change risks and their wide-ranging impacts. ESG issues are incorporated in the incentive plans of Executive Management and dedicated management roles within the RMC.

3. Stakeholder Insights and Research
The interests and expectations of stakeholders are important considerations in the Group's climate risk management approach. The Group has undertaken a stakeholder research program to gain insights on ESG issues facing the Group. This helps facilitate an evaluation of our core strategic, operational and compliance processes concerning the environment and climate change expectations. Mapping these insights, helps align stakeholder values to the Group's strategic objectives and core processes.

4. Risk Appetite Setting
Areas of highest stakeholder importance are considered in setting the appetite levels for Board approval. All ESG and climate change risks are then assessed against these levels, and mitigation plans updated to ensure they remain proportionate to the relevant appetite levels.

Risk Management
Continued



5. Materiality Assessment over Alternative Horizons
Climate change risks are assessed over three separate horizons; 0-3 years, 3-10 years and >10 years. Current known transition risks are most significant in the short and medium term and are expected to curtail for the third time horizon, as the Group shifts towards a low carbon economy. While physical risks require attention today, significant physical impacts for the Group may only be experienced over the long-term horizon.

Assessments over the long-term horizon are most challenging to calculate but are key to future resilience planning. The Group is exploring further methods to help quantitively analyse the impact of certain future scenarios.

6. Strategic Positioning and Roadmap
Following a full assessment of risks and opportunities over separate time horizons, the Group can assess strategically its current position against long-term goals. This stage allows the Group to identify any changes to its business model necessary for long-term success, with a focus on opportunity management. Further climate change related controls and projects are then agreed.

7. Implementing Mitigation and Resilience Plans
Further controls and projects to help address climate change risks are implemented and managed. Current resilience plans, including the Group's Major Incident Response Plans and Disaster Recovery Plans are also reviewed and updated periodically for additional information gathered throughout the process.

8. Operationalise Metrics and Targets
Metrics and targets, including carbon intensity and absolute GHG emissions are monitored and reviewed. Relevant Key Risk Indicators are also introduced to monitor high residual risks, in line with the Group's risk management process.

Significant and Emerging Risk Events

Global security and supply chain risk
We see a continued increase in geopolitical risk across the world with events ranging from continued instability in Eastern Europe with Russia's war on Ukraine and growing Middle East tensions with a risk of other countries or political actors getting involved in the Israel/ Hamas conflict.

These events continue to heighten our assessment of supply chain disruption risk, principally due to the risk to trade flows from Southeast Asia and Europe through the Red Sea, increased fuel and insurance prices etc.

Increasing Regulations Over Seafarer Working Conditions
The UK government and the French goverment have enacted legislation with the intention to increase the obligations of certain employers in the maritime sector, including the imposition of a minimum wage, over the current international requirements by way of a bilateral agreements. Both laws are not yet in affect as secondary legislation is required to set out the detail of how these laws will be applied. This could lead to an increase in operating costs for the Ferries Division. We are engaging with regional trade bodies to ensure that our position is heard and understood at Governmental and European Union level.

New Travel documentation requirements.
There are a number of new travel documentation requirements for travel between the UK, the EU Schengen area, and Ireland. These schemes are EU EES (Entry & Exit System), EU ETIAS (European Travel Information and Authorisation System) and the UK Electronic Travel Authorisation (ETA) / Universal Travel Permission (UTP). They will modify the current entry and exits rules for individuals.

These regulations could potentially cause disruption at ports due to increased transaction times at the borders, which may then have an impact on our service. We are engaging with the ports and border authorities to minimise the risk of disruption and ensure readiness to comply with these new regulations.

Viability assessment

The principal risks identified through the Group's risk processes have been considered by the Directors when preparing the Viability Statement, as part of their assessment of the prospects for the Group.

Principal Risks and Uncertainties

This table presents the Board's view of the Group's principal risks and uncertainties and is not an exhaustive list of all the risks which may impact the Group. There are additional risks which are not yet considered material, or which are not yet known to the Board, which could become significant in the future. Likewise, some of the current risks may reduce in importance as management actions are implemented or changes in the operating environment occur. The Board will continue to monitor risk in the context of relevant factors such as an increased level of geopolitical and macroeconomic uncertainty, as well as other changes in the external environment, which may create future risks.

Linkage to strategic pillars:

Quality Service	People and Culture	Financial Management	Safety	Sustainability

Description and Impact	Risk Treatment	2023 Developments
Strategic Risk - Commercial & Market		
The Group operates in a highly competitive industry with market risks and opportunities arising from uncertain political and economic landscapes. The Group is at risk of markets not performing in line with expected growth and at risk of loss in market share to competitors, impacting profitability.	The Group undertakes regular assessments of its cost base and performs competitor benchmarking. Direct and indirect competitor activity and market performance is closely monitored which allows the Group to respond swiftly. The Group focuses on ensuring a safe, reliable and high-quality service is provided to customers in order to maintain and strengthen alliances.	There continues to be significant competitive pressures within our markets due to increased inputs costs and competitor activity included new capacity on routes between Ireland and Uk/Continental Europe. In our container shipping business we adapted the number of ships on hire from 6 - 5 responding to demand trends.
Strategic Risk - Economic and Political		
Economic and political factors including instability and changes to laws on travel and trade could adversely impact the Group's activities and demand for its services. Geopolitical risks, including war risks could have significant Global impacts, including impacts to Group operations.	The Group liaises with various associations and governmental bodies to share views on proposed legislative changes. Micro and macroeconomic activity is closely monitored to ensure Group decision making is informed and timely.	Geopolitical risk continues to be monitored closely, including the instability in eastern Europe driven by the illegal invasion of Ukraine by Russia, greater instability in Middle East with Israel's war with Hamas and the potential for the conflict to spread to other areas, including the Red Sea trade lanes. These have all had a significant impact on the wider European economy especially in the areas of fuel and other supply chain inflation. The freight market continues to work through the effect of Brexit and the ongoing changes to administrative requirements on movements of passengers and cargo between the UK and Europe.

Risk Management
Continued

Description and Impact	Risk Treatment	2023 Developments
Operational Risk - Business Continuity		
The Group's operations are exposed to the risk of fire, flood, storms, vessel incidents and loss of critical supplies caused by accident or by natural disaster. Minor disruptions can impact revenues while major disruptive events can result in the loss of critical infrastructure causing significant financial loss and reputational damage.	The Group places strategic importance on investment in quality assets and safety, including vessels suitable for challenging sailing conditions and experienced crews and operations teams. The Group has detailed, coordinated and rehearsed business continuity plans containing crisis management and disaster recovery components to respond to major incidents at land or at sea and ensure affected operations can be resumed promptly and safely.	There were no significant disruptions which led to significantly curtailed operations during the year.
Operational Risk - Health and Safety		
The Group is inherently exposed to the risk of incidents, including; workplace accidents, vessel collisions and damages, hazardous cargo and incidents involving passengers. There is also a risk of outbreak of contagious illness among staff, crews and customers. These events could result in loss of life, serious personal injury or illness, asset damage and reputational impact concerning safety.	The Group and its service providers adhere to defined operating safety and quality policies and procedures. All sites are regularly inspected by internal second line functions and external regulatory bodies. Emergency procedures and safety training are conducted regularly. Hazardous cargoes are managed in accordance with international maritime regulations. Group vessels, offices and facilities are thoroughly and frequently sanitised. World Health Organisation (WHO) and governmental guidance and instructions are followed.	Health and safety metrics for the year are disclosed in the Employee Health and safety tables.
Operational Risk - Operational Compliance		
The Group's activities are governed by a range of IMO, flag state, port state, EU and national governmental regulations. There is a risk that instances of non-compliance may occur that causes disruption, reputational damage or financial penalties.	Ongoing training is provided to operations staff and contractors in line with regulatory requirements. New regulations are discussed and assessed at management meetings, together with measures to ensure compliance. The Group's vessels and port operations are subject to regular inspections and audits from internal second line functions and external bodies.	The Group continues to monitor new regulatory developments at the IMO and the EU and liaise with regional chambers of shipping, shipowners' associations and other industry representatives as further information is announced. Compliance risks related to reducing emissions are managed within the Group's climate change risk framework.

Description and Impact	Risk Treatment	2023 Developments
Operational Risk - Environmental Protection		
The Group is exposed to long-term physical effects of climate change and to near and long-term transition risks associated with the movement towards a low carbon economy. These risks and impacts are detailed further in the Task Force on Climate-Related Financial Disclosures. There is also a risk of spillages or incidents causing pollution and discharge to the sea.	Physical and transition climate change risks are managed within the Group's climate change risk framework. The Group is employing a range of technical and operational measures to achieve its GHG reduction targets. Refer to Sustainability and ESG for further details. The Group and its service providers adhere to defined operating safety and quality policies and procedures. All sites are regularly inspected by internal second line functions and external regulatory bodies. Emergency procedures and safety training are conducted regularly. Hazardous cargoes are managed in accordance with international maritime regulations.	The Group continues to place significant focus on enhancing its approach to ESG and sustainability. Refer to the Sustainability section for further information on activities and developments during the year.
Operational Risk - Human Capital		
There is a risk of failure to attract qualified and talented individuals and additionally a risk of losing key personnel. Staff could become unmotivated or dissatisfied with the working environment. These risks can ultimately lead to a poor standard of customer service and decision making, affecting the Group's market position, reputation and stakeholder relationships.	Pay and conditions are reviewed and benchmarked to ensure the Group remains competitive. ICG is an equal opportunities employer and seeks a diverse workforce to promote a strong and accepting culture and to help make informed decisions. Staff are encouraged and supported in their pursuits of further education and career advancement. Long-term incentive plans are in place to retain and motivate key management personnel.	Our employee numbers have been stable during the year in line with expectations.
IT Systems and Cyber Risk - Information Security and Cyber Threats		
The Group is heavily reliant on its IT systems to support business activities. These systems are susceptible to data breaches and cyber-attacks that can result in disruption, heavy fines and reputational damage.	The Group employs a suite of physical access controls and technical controls to prevent, detect, mitigate and remediate malicious threats and unusual activity. Such controls include rehearsals for major cyber incidents, vulnerability management processes and security awareness training for staff and key contractors.	Cyber-attacks continue to grow in volume and sophistication and have particularly intensified in recent years. We have seen attacks by groups, linked or supportive of foreign governments during the year. There were no significant disruptions to our services during the year. The Group remains vigilant and ensure all efforts to protect its systems are made. For an overview of the Group's cyber security risk management process, see the Managing Cyber Security section.

Risk Management
Continued

Description and Impact	Risk Treatment	2023 Developments
Financial Risk - Financial Loss		
The Group is at risk of losses caused by ineffective or inefficient financial policies or practices, such as; inadequate budgeting and planning, insurance provisioning, project management or credit control techniques.	The Group's financial management activities are performed by experienced and knowledgeable personnel. Regular internal management reporting ensures negative variances and trends are identified timely and acted upon. Close relations with insurance brokers are maintained and emerging risks are considered when assessing coverage. Major projects require pre-approval of the Board. Due diligence procedures are carried out for project contractors and new commercial customers while ongoing performance management of projects and debtors are in place.	We continue to invest and improve our analytics offerings to our executive management to monitor key operational statistics timely. This allows us to act swiftly and decisively to address any building trends against established benchmarks.
Financial Risk - Volatility		
The Group is exposed to adverse fluctuations in fuel prices and exchange rates which can reduce revenues, increase cost base and reduce overall profitability.	Group policy has been to purchase commodities in the spot markets and remain unhedged. The Group operates a dynamic surcharge mechanism with its freight customers which allows prearranged price adjustments in line with Euro fuel costs to help mitigate US Dollar exposure arising from fuel purchases. In the passenger sector, in addition to fixed environmental surcharges, changes in bunker costs are included in the ticket price to the extent that market conditions will allow. The Group employs a matching policy to mitigate exposure to Sterling. Decreases in translation of Sterling revenues to Euro are largely offset against corresponding decreases in translation of Sterling costs.	Fuel prices continue to be volatile in 2023, but overall have reduced from the highs of 2022. The Group's magnitude for exposure to unfavourable Sterling movements increased during the year, following increased trade on the Dover-Calais route.

Description and Impact	Risk Treatment	2023 Developments
Financial Risk - Retirement Benefit Scheme		
The Group's pension liabilities are exposed to risks arising from changes in interest rates, inflation, demographics and market values of the underlying investments, resulting in increased scheme obligations or decreased scheme assets.	A portion of the Group's defined benefit risks are transferred to a third-party insurance company. All actuarial assumptions are substantiated and challenged where necessary. Regular communication is maintained with the scheme investment managers to monitor performance relative to agreed benchmarks.	In 2023, the Group continued its de-risking initiatives and active investment management.
Financial Risk - Fraud		
A significant volume of transactions is processed throughout the course of the year. These include a large amount of payment exchanges in the booking process, on board passenger vessels and at port ticket desks. This level of activity inherently carries a risk of fraud through the processing of improper payments or misappropriation of cash or assets. Any instance of fraud affecting ICG could result in financial loss, reputational and cultural damage.	Improper payments are prevented by a segregation of duties within the payment set-up, payment approval and accounts posting processes. Further training and procedures are in place to ensure any requested changes to vendor payments are validated. Daily reconciliations are performed at cash processing locations. All cash counts require supervisor oversight and CCTV cameras are installed to deter and capture any inappropriate behaviour. Internal audit procedures are designed with consideration for the scope of fraud, where relevant.	The Group is not aware of any confirmed or suspected instances of material fraud during the year. The Group has a Protected Disclosure (Whistleblowing) Policy to encourage employees or any person who works or has worked for the Group to make a disclosure in respect of significant matters including instances of fraud. This policy is available on our website.
Financial Risk - Financial Compliance		
As a public listed company with operations in different jurisdictions, the Group must comply with multiple financial and administrative regulations. Any policy changes or instances of non-compliance could result in financial loss, penalties or reputational damage.	The Group relies on its professional staff to ensure necessary filings are timely, complete and accurate. Third party experts are engaged when required to advise on complex matters. The Group engages productively with Irish tax authorities through the Co-Operative Compliance Framework. Additional assurance is also gained from the work of the Group's external auditors.	The Group is monitoring developments in regulations particularly around whether BEP's Pillar 2 may affect the group in future periods, through increased tax obligations. The Group is also monitoring and assessing the financial and administrative impact of the EU emission trading scheme and a similar scheme proposed by the United Kingdom. We have put in place procedures to pass on the additional cost to our customers from 2024.

Our Fleet

W.B. Yeats

Year Built	2018
Acquired	2018
Gross Tonnage	51,388
No. Engines	4
Speed	22.5 knots
Lane Metres	2,800
Car Capacity	1,216
Passenger Capacity	1,885
Beds	1,706

Ulysses

Year Built	2001
Acquired	2001
Gross Tonnage	50,938
No. Engines	4
Speed	22 knots
Lane Metres	4,100
Car Capacity	1,342
Passenger Capacity	1,875
Beds	186

Isle of Inishmore

Year Built	1997
Acquired	1997
Gross Tonnage	34,031
No. Engines	4
Speed	21.5 knots
Lane Metres	2,100
Car Capacity	855
Passenger Capacity	2,200
Beds	208

Isle of Innisfree

Year Built	1992
Acquired	2021
Gross Tonnage	28,833
No. Engines	4
Speed	21.0 knots
Lane Metres	2,300
Car Capacity	600
Passenger Capacity	1,140
Beds	78

Isle of Inisheer

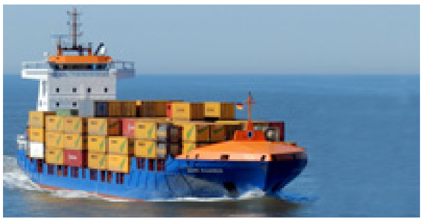
Year Built	2000
Acquired	2022
Gross Tonnage	22,152
No. Engines	4
Speed	22.5 knots
Lane Metres	1,950
Car Capacity	500
Passenger Capacity	589
Beds	218

Dublin Swift

Year Built	2001
Acquired	2016
Gross Tonnage	8,403
No. Engines	4
Speed	35 knots
Lane Metres	-
Car Capacity	251
Passenger Capacity	817
Beds	-

Oscar Wilde (chartered in)

Year Built	2007
Acquired	chartered-in
Gross Tonnage	36,249
No. Engines	4
Speed	27.5 knots
Lane Metres	2,380
Car Capacity	520
Passenger Capacity	1,900
Beds	432

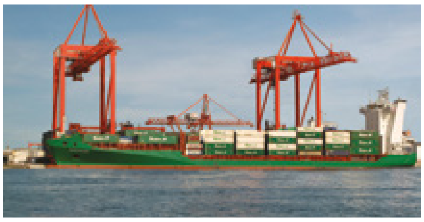


Ranger

Year Built	2005
Acquired	2015
Gross Tonnage	7,852
Deadweight	9,300
Capacity	803 TEU

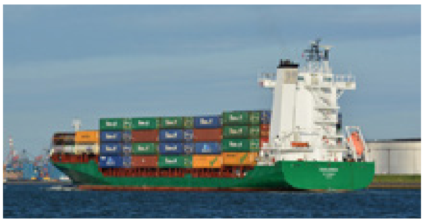
Elbfeeder

Year Built	2008
Acquired	2015
Gross Tonnage	8,246
Deadweight	11,157
Capacity	974 TEU



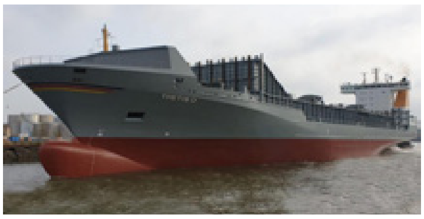
Elbtrader

Year Built	2008
Acquired	2015
Gross Tonnage	8,246
Deadweight	11,153
Capacity	974 TEU



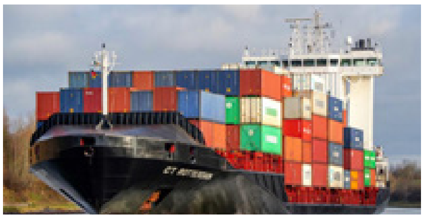
Elbcarrier

Year Built	2007
Acquired	2015
Gross Tonnage	8,246
Deadweight	11,166
Capacity	974 TEU



Thetis D

Year Built	2009
Acquired	2019
Gross Tonnage	17,488
Deadweight	17,861
Capacity	1,421 TEU

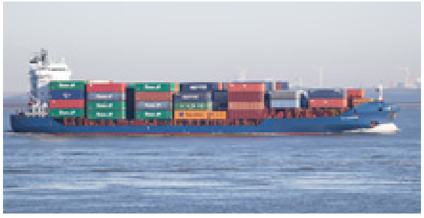


CT Rotterdam

Year Built	2009
Acquired	2019
Gross Tonnage	8,273
Deadweight	11,157
Capacity	974 TEU

CT Daniel

Year Built	2006
Acquired	2021
Gross Tonnage	9,990
Deadweight	11,190
Capacity	868 TEU



CT Pachuca

Year Built	2005
Acquired	2022
Gross Tonnage	6,901
Deadweight	9,235
Capacity	750 TEU

Executive Management Team

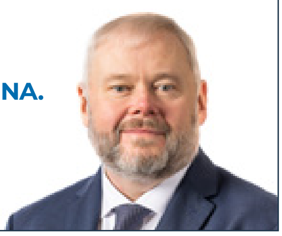
Eamonn Rothwell
BComm, MBS, FCCA,
CFA UK
Chief Executive Officer

Eamonn Rothwell, aged 68, has been a Director for 37 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, Fáilte Ireland (The Irish Tourist Board) and as a financial journalist.

David Ledwidge
FCA, BSc (Mgmt)
Chief Financial Officer

David Ledwidge, aged 44, was appointed to the Board in March 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 Finance Director of Irish Ferries. He was appointed to his current role as Group Chief Financial Officer in May 2015.

Andrew Sheen
MSc, BEng(Hons),
CEng, FIMarEST, FRINA.
Managing Director –
Ferries Division



Andrew Sheen, aged 52, a Chartered Engineer, has been involved in shipping for over 30 years and has worked with Irish Ferries in a variety of operational roles for over 15 years. He re-joined ICG from the UK Maritime & Coastguard Agency and has been a Director of Irish Ferries since 2013. He was appointed to his current role as Managing Director of the Ferries Division in March 2015. He is currently a Director of the International Chamber of Shipping.

Declan Freeman
FCA
Managing Director -
Container and Terminal
Division

Declan Freeman, aged 48, joined the Group in 1999 from professional services firm Deloitte where he qualified as a Chartered Accountant. He has worked in a number of financial and general management roles in the Group up to his appointment as Managing Director of Eucon in 2011. He was appointed to his current role as Managing Director of the Container and Terminal Division in 2012.


IRISH FERRIES
www.irishferries.com

CORPORATE GOVERNANCE


IRISH FERRIES

The Board

The Group's non-executive Directors are:

John B. McGuckian
BSc (Econ)
Chairman

John B. McGuckian, aged 84, has been a Director for 36 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: Remuneration Committee, Nomination Committee (Chair)

Daniel Clague
Independent Director

Dan Clague, aged 64, was appointed to the Board in August 2021. Dan has over 30 years' experience in investment banking and most recently held a senior position with investment bank Stephens Europe where he advised on a number of transactions in the transport and maritime sectors. He 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 (Chair), Nomination Committee

Éimear Moloney
FCA
Independent Director

Éimear Moloney, aged 53, was appointed to the Board in August 2022. Éimear has over 20 years' experience in capital markets and most recently held a senior executive position with Zurich Life Assurance (Ireland) plc, with responsibility for managing asset allocation across various geographic portfolios. Éimear holds non-executive directorships at listed companies Kingspan Group plc where she is a member of the Audit Committee and Hostelworld Group plc where she chairs the Audit Committee. She also holds a non-executive directorship at privately owned Chanelle Pharmaceuticals Group and was previously a non-executive Director at Yew Grove Reit plc. Éimear holds a B.A. Accounting and Finance and MSc. Investment and Treasury from Dublin City University and is a fellow of the Institute of Chartered Accountants in Ireland. She is also a member of the Institute of Directors in Ireland.

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

Lesley Williams FCISI
Senior Independent Director

Lesley Williams, aged 58, 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 is a non-executive Director of Origin Enterprises plc where she is chair of the ESG Committee. Lesley also 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 Chair 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 68, has been a Director for 37 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 Brewin Dolphin. Prior to that, he worked with Allied Irish Banks plc, Fáilte Ireland (The Irish Tourist Board) and as a financial journalist.

Committee Membership: Nomination Committee

David Ledwidge FCA, BSc (Mgmt)
Chief Financial Officer

David Ledwidge, aged 44, 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 59, 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,

I have pleased to present my 2023 Report on Corporate Governance. Operating performance for 2023 represented an overall strong performance for the Group, as we continued to see the benefits of returning passengers following the restrictions during 2020 and 2021 together with the increased carryings on our Dover Calais service. We continued our capacity and modernisation program at our container terminals commissioning additional environmentally friendly plant during the year.

Philosophy

The Board is committed to maintaining high standards of corporate governance practices which support the delivery of our strategy. The Board believes that corporate governance is not solely concerned with Boardroom practices but must be intertwined with all activity which the Group undertakes affecting our employees, customers, suppliers and all other stakeholders including the wider society in which the Group exists. The Board sets the tone for corporate governance practices across the Group through engagement, communication and policy formulation.

This Corporate Governance Report, together with the Annual Report as a whole, is presented with the objective of providing an insight into the corporate governance process at the Group.

Board Changes

We completed our program of Board refreshment during 2022 and there were no new appointments made during 2023. The Board comprises of six members, three independent non-executive Directors, two executive Directors and myself as non-executive Chairman. As detailed in the Corporate Governance Report, in relation to my own tenure as Chairman of the Board exceeding nine years, the Nomination Committee has assessed my performance and the Board have reaffirmed my continuing position as Chairman.

Engagement

We have continued our engagement with stakeholders on corporate governance concerns, including sustainability interests, to help us understand which aspects of our services and practices need to be prioritised to ensure we continue to align with their interests. Progress on our sustainability journey is outlined in the Sustainability and ESG Report (pages 35-59). Further details on our engagement processes are described in the Corporate Governance Report. At our AGM held on 11 May 2023, all resolutions put to the meeting were passed, with all receiving greater than 80% support.

Corporate Governance Code

The Group has adopted the UK Corporate Governance Code (2018) (The Code) issued by the Financial Reporting Council and the Irish Corporate Governance Annex issued by Euronext Dublin. Copies of these are available at the respective websites, www.frc.org.uk and www.euronext.com..

The Group used the Code and Annex as a framework for developing its corporate governance processes. The Corporate Governance Report details how the Group has applied the principles and complied with the provisions set out in the Code. In certain instances where compliance with the provisions of the Code has not been achieved in the specific circumstances of the Group, explanation has been provided.

The Corporate Governance Report our compliance with the Code, the composition of the Board, its corporate governance processes and activities during the year, together with the reports from each of the Board committees.

Finally, I would like to thank all our stakeholders for their continued support and look forward to continued constructive engagement through 2024.

John McGuckian
Chairman

6 March 2024

Application of the UK Corporate Governance Code During 2023

This Corporate Governance Report presented in the context of the full Annual Report and Financial Statements for the year ended 31 December 2023 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.

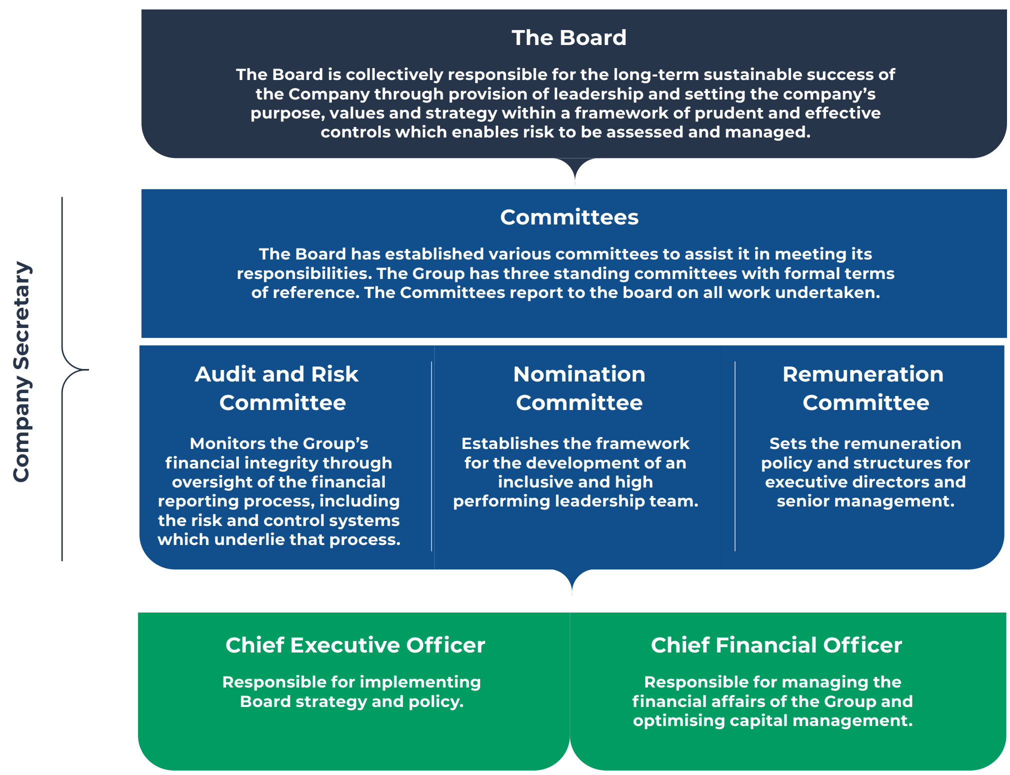
Provision 5 of the Code requires the Board to describe in its Annual Report how the interests of key stakeholders and the matters set out in Section 172 of the United Kingdom Companies Act of 2006 are addressed. While that Act does not apply to Irish companies, the Board is satisfied that these matters have been addressed in discussions and disclosures throughout this Annual Report including discussion on strategy and business model, business review, risk processes, sustainability and ESG 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 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 provides details of the consideration by the Board of 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 (page 107) sets out the reasoning for not establishing set levels for post-employment shareholdings given that the existing arrangements under the Remuneration Policy already provide for 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 (page 106) sets out why in relation to one Director a notice period of two years will apply in certain circumstances.

Corporate Governance Framework



*The Company secretary provides a support role to the Board and its Committees in managing information flows and in supporting corporate government processes.

Corporate Governance Report
Continued

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. Directors must abstain on any vote regarding matters where a conflict exists.

Group Strategy and Corporate Governance

The Group's Strategy and Business Model is described in the Strategic Report (pages 16-17). 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 monitoring of recent investments in the expansion of the Group's activities including; - ferry services between Dover and Calais utilising 3 vessels. - Modernisation and increased capacity at the Dublin container terminal comprising investment in environmentally friendly heavy equipment and recycling of older equipment. - Charter of the Oscar Wilde, replacing the Blue Star 1 on the Irish Sea - Other vessel upgrade works involving customer facing and background technical improvements.

Strategic pillar	Key activities during the period
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. • Sponsoring of talent management programme. • 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 the financial impacts of environmental legislation. • Consideration of commodity and currency exposures. • Assessed the Group's capital allocation, dividend and buyback transactions.
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. • 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. • Review of sustainability targets and roadmap • Approval of projects to improve the Group's environmental footprint.

Corporate Governance Report
Continued

Stakeholder Engagement

At ICG, 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. We also engaged with our shareholders and their advisers prior to the 2023 AGM. Shareholders were afforded an opportunity at the 2023 AGM to vote on advisory resolutions concerning the 2022 Annual Report which received 100% support and on the Report of the Remuneration Committee which received 89% support. Further details on the matters raised concerning remuneration are detailed in this year's Report of the Remuneration Committee (pages 99-108). The re-election of Mr. McGuckian as Director received 81% support and further details on the matters raised on Mr. McGuckian's re-election are discussed in the Report of the Nomination Committee (page 97).

In addition to the AGM engagement, 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 and analysts throughout the year and report on these meetings to the Board. The Chairman and Senior Independent Director is also available to meet with major shareholders where requested. While supporting the Group's strategy, an increasing area of interest to shareholders is our sustainability credentials. Our Sustainability and ESG Report (pages 35-59) explains our sustainability policy and framework and how we are increasingly embedding sustainability practices into our everyday operations.

Apart from the direct engagement described above, regular formal updates are provided to shareholders and are available on the Group's website. During 2023, these include, the 2022 Annual Report and Financial Statements, the 2023 Half-Yearly Financial Report, Trading Updates together with investor presentations. ICG'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.

The 2024 Annual General Meeting is scheduled for 9 May 2024. Arrangements will be made for the 2023 Annual Report and 2024 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 in this Corporate Governance Report under Matters Pertaining to Share Capital (page 87).

Further investor relations information is available under Investor Information at the end of this Annual Report (pages 194-196).

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 the purpose of which 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.

Workforce

We rely on our workforce to promote our values and deliver on our strategic objectives. 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, inclusion and realisation of potential in a safe working environment.

The Board notes the Code provision 5 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 1,200 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. The Group's talent review programme promotes the exchange of views and encourages individuals to realise their potential through agreed development goals. 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. Our workforce is a rich source of information on how the Group performs in both a customer facing roles and operationally. Within the processes described, executive management report on workforce matters to the Board which are taken into consideration in further developing the Group's businesses.

The Company also facilitates Board visits to Group vessels and port operations where the Directors have an opportunity to meet with members of the workforce.

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 in the Sustainability Report (pages 35-59) was to engage with stakeholders and to incorporate their views on the environment and climate change expectations into the Group's risk appetite setting and strategic planning processes. We have to date engaged with key customers and our employees to identify those aspects of the Group's services which they value most, including sustainability initiatives.

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, which are outlined in the Sustainability Report (pages 35-59).

Corporate Governance Report
Continued

Division of Responsibilities

The Board is comprised 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 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.

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 2023, 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 later in this Corporate Governance Report.

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. The Nominations Committee reviews on an annual basis the continuing independence of the existing Directors before recommending their going forward for re-election at the AGM.

Mr. McGuckian, as Chairman of the Board, is not considered independent under the Code. Mr McGuckian was assessed to have been independent at the date of appointment as Chairman in 2004. The Board has also noted the Code's requirements around tenure, with Mr. McGuckian having served on the Board for more than nine years since his first appointment. The Board, as advised by the Nomination Committee, considered Mr. McGuckian's suitability to continue as Chairman of the Board and Director of the Company. The Board assessed Mr. McGuckian to possess an independent mindset with which he carries out his role. The Board also considered the knowledge, skills and experience that he contributes and considered him to be both independent in character and judgement and to be of continued significant benefit to the Board. 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 Mr. McGuckian to continue as Chair for 2024. Mr. McGuckian's extensive knowledge of the business ensures appropriate challenge and leadership of the Board during this time of strategic expansion of activities.

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 2023 was as follows:

Member	Date Appointed	Meetings Held	Meetings Attended	Tenure
J. B. McGuckian (Chair – appointed 2004)	1988	7	7	36 years
E. Rothwell	1987	7	7	37 years
D. Ledwidge	2016	7	7	8 years
L. Williams	2021	7	7	3 years
D. Clague	2021	7	7	2.5 years
É. Moloney	2022	7	7	1.5 years

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 in the Director Biographies (pages 76-77). 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 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 reviews the size, composition and board skillset at least annually taking into consideration the results of the Chairman led evaluation process. The Report of the Nomination Committee report is set out later in this Corporate Governance Report (pages 96-98).

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 Constitution 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.

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.

Corporate Governance Report
Continued

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, the most recent such engagement relating to the 2021 evaluation.

The 2023 evaluation was led by the Chairman. The Company Secretary provided a briefing to the Board outlining key focus areas for consideration by the Directors against key events addressed by the Board during the year together with a review of the matters for action emanating from the previous evaluation. The focus areas included Board composition, Board agenda, Director interaction, quality of information, time allocation and decision making processes. Following the briefing, the Directors were invited to submit any observations on Board processes and performance to the Chairman. The Chairman subsequently reviewed with each Director their observations on the items raised in the presentation. Following the conclusion of the Director engagement process, the Chairman reported to the Board his conclusion from the evaluation process where he 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. No matters for action were added as a result of the latest evaluation.

Separately, as part of the evaluation process, the non-executive Directors, led by the Senior Independent Director, met initially with the Chairman and then without his presence to evaluate the Chairman's performance. The Senior Independent Director subsequently reported to the Board that the non-executive Directors had concluded that the Chairman was providing effective leadership of the Board.

The results of the evaluation were also considered by the Nominations Committee in their review of Board composition.

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.

Beyond the Board, of 68 individuals holding a managerial position, 13 are female and in relation to the total workforce 41% are female. While the Board acknowledges that these ratios have been relatively static over recent years and the imbalance of this ratio compared to society at large, it is reflective in part of the sector in which the Group operates. While the Board has not set any gender ratio target, it is committed to improving this ratio over time. In that regard the Nomination Committee and Executive Management Team, as appropriate, actively seek out female candidates when undertaking recruitment. To ensure that this is being implemented we have commenced the monitoring of diversity and inclusion metrics across the recruitment process.

Audit Risk and Internal Control

The Board has described the Group Strategy and Business Model 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 and Risk 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 effectiveness of these processes in the Group is referenced in the Report of the Audit and Risk Committee (pages 91-95). The risk management framework and processes including the principal risks and uncertainties identified are set out in the Risk Management Report (pages 60-69).

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 contained in the Report of the Directors (page 110).

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 this Annual Report based on a review performed by the Audit and Risk 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 remuneration to the Remuneration Committee. These are set out in the Report of the Remuneration Committee (pages 99-108).

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 2023.

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 (see Report of the Directors page 111); (ii) Share Option Plans* (page 107); (iii) Long Term Incentive Plan* (pages 104-105); (iv) Service Contracts * (page 106); and (v) Share-based Payments (see Note 30 to the Consolidated Financial Statements); (vi) Borrowings (see Note 21 to the Consolidated Financial Statements);; are deemed to be incorporated into this statement. *(* see Report of the Remuneration Committee (pages 99-108))*

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 165,595,258 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 19 and 20 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 2023 and 31 December 2022.

Corporate Governance Report
Continued

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 11 May 2023, 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; and
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 2024 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 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.

Corporate Governance Report
Continued

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.

Dematerialisation of ICG Units

Under the EU Central Securities Depositories Regulation (EU) 909/2014 ("CSDR"), there is a requirement for all securities in Irish issuers that are admitted to trading or traded on trading venues in the European Economic Area to be represented in book-entry form by 1 January 2025. "Book-entry form" means an electronic record of ownership without the need for any further document (e.g. a share certificate) to be issued to a shareholder to evidence their ownership of shares. In accordance with CSDR, since 1 January 2023 all new issues of ICG units are held in book entry form, with all remaining shares to be held in book-entry form by 1 January 2025. Share certificates for shareholders who currently hold their shares in certificated form will remain valid until 1 January 2025, and further updates about the switch to book-entry form will be provided in due course.

Report of the Audit and Risk Committee

Dear shareholder,

I am pleased to present the Report of the Audit and Risk Committee (the Committee) for the year ended 31 December 2023. I have served on the Committee since August 2022 and was appointed as Chair in November 2022.

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

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

At 31 December 2023, 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 members' biographies are set out under Director Biographies (pages 76-77). The Board has determined that Éimear Moloney has recent and relevant financial experience. Éimear is a qualified chartered accountant and has experience of audit committee membership at other listed companies. The other members of the Committee 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 members attended. In addition, where requested, the Chief Executive Officer, the Chief Financial Officer, Board 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.

Member	Appointed to Committee	Meetings Held	Meetings Attended	Tenure
E. Moloney – Chair (appointed: Nov-22)	Aug-22	4	4	1.5 years
L. Williams	May-21	4	4	2.7 years
D. Clague	Aug-21	4	4	2.5 years

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. During 2023, the terms of reference were updated by the Board to recognise the changing environment around risk and climate developments and their effect on the business together with recent and expected increased reporting requirements. The Committee name was also amended to the Audit and Risk Committee to reflect the greater sphere of responsibility.

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, is fair, balanced and understandable and provide 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 the functioning of the Executive Risk Management Committee and the 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, any questions of independence, the provision of non-audit services and resignation or dismissal.
- Managing the relationships with external financial regulatory authorities

Report of the Audit and Risk Committee
Continued

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 2023 the Preliminary Statement of Results and Annual Report and Financial Statements, for the financial year ended 31 December 2023 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 2023;
- 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 2023 are set out below with further details at Note 3 to the Financial Statements.

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 31 to the Financial Statements. The size of the pension obligations at €96.9 million (2022: €91.6 million) are material to the Group and sensitive to actuarial assumptions. The Committee has reviewed the advice received from an actuary independent of the schemes on the setting of actuarial assumptions used by the scheme actuaries 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.

  The Committee also noted that for certain schemes, assets exceeded liabilities resulting in a pension surplus at 31 December 2023 of €39.4 million (2022: €33.6 million). The Committee made inquiries of management to ensure that this amount represented a fair estimate of the unconditional right of a refund the Group may expect in the future.

- **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 discussed with management their approach to the identification of indictors of impairment including management's assessment of the economic performance of assets, technological developments, new rules and regulations including environmental regulation, shipbuilding costs, valuation models and the carrying value versus market capitalisation of the Group.

  The Committee noted that the profitability of the Irish Ferries branded operations had been materially affected in financial years 2021 and 2020, due to the imposition of government travel restrictions as a result of the Covid 19 pandemic. This decline in profitability had been subsequently assessed as an indication of impairment in those years. Following the lifting of all travel restrictions in early 2022, passenger carryings recovered and this recovery was sustained throughout 2023 broadly in line with management expectations. The related strong recovery in profitability was considered such that this factor was no longer considered to be an indicator of impairment at 31 December 2023 consistent with the prior year assessment.

  The Committee discussed with management their assessment that the declining trends in market charter rates for container vessels during 2023 and persisting at the period end amounted to an indication of impairment of the Group's container vessel fleet. The Committee noted that for 2023, management were confining this assessment to the container vessel fleet only whereas in the prior year the assessment had been applied to the Groups full fleet including ferries.

The Committee were satisfied with the management explanation of the differing characteristics of both fleets and that the assessment was correctly applied to the container vessel fleet only.

The Committee reviewed management's calculations of the recoverable value estimates prepared on the container vessel fleet which were prepared based on the conditions and information available at 31 December 2023. The Committee examined the methodology, key assumptions and key judgements used including the limitations of the independent vessel valuations, derivation of estimated future charter rates and the discount rate used in the value in use calculations. The Committee also considered management's views on the likely effect of environmental regulations on premature obsolescence and future operating costs.

The Committee was satisfied that the recoverability assessment performed at the reporting date was robust, comprehensive and supported the carrying value of the container vessel fleet as at 31 December 2023. The Committee agreed with the management conclusion that no provision for impairment against the carrying value of the Group's fleet was required at 31 December 2023.

- **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 recovery in profitability in the ferry operations seen in 2022 following the Covid pandemic, had sustained during 2023 and was materially in line with expectations.

  The Committee reviewed and challenged management on their going concern modelling including assumptions and sensitivities in a number of trading scenarios including the possible effects of reduced volumes over budget levels and higher 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 at Note 3 to the Consolidated Financial Statements.

- **Leases – determination of lease term**
  There is judgement required in determining the term of a leased vessel where there are any periods covered by options to extend the lease and/or purchase the vessel if these are reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised. The Committee challenged management on the factors considered in determining the lease terms for those significant leases which contained unexercised renewal options at the reporting period end. The Committee were satisfied that a robust consideration taking into account likely developments in the market and the Group had been made in determining the lease terms.

Viability Statement
The Committee reviewed and challenged management's assumptions and scenarios together with the calculations supporting the Viability Statement set out the Report of the Directors (page 110). 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 the 2023 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 2023 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 2023 and the Trading Statements issued during 2023.

Report of the Audit and Risk Committee
Continued

Engagement with Regulators
The Committee oversaw management's engagement with the Irish Auditing and Accounting Supervisory Authority (IAASA) regarding their inquiries into certain aspects of the Annual Report and Financial Statements for the year ended 31 December 2022. The Committee noted that no adverse findings were assessed.

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 (pages 60-69). The Committee, on behalf of the Board, reviews the effectiveness of the Group's control environment including internal controls and risk identification and 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 which during 2023 included political tensions in eastern Europe and Middle East, the effect of proposed regulations over seafarer working conditions. Further details on these are set out in the Risk Management Report (pages 60-69).

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 with the RMC those activities giving risk to the highest risk exposures and formulated a recommendation to the Board to continue those activities as being necessary to the Group's operations. 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 2023 Internal Audit Plan.

The Committee reviewed the effectiveness and resourcing of the RMC and Internal Audit activities. The Committee was satisfied that management had rectified an internal audit resourcing deficit in early 2023 and that the internal audit program had not been adversely affected. The Committee was satisfied that all other risk management and internal control systems 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.

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. The Committee evaluates on an annual basis, at the conclusion of the audit, the effectiveness of the external audit process.

2023 External 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 2023. 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 2024 prior to the finalisation of the Financial Statements. This report, which included a schedule of non-material 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 significant deficiencies 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 has also considered feedback from management involved in the audit process regarding interaction with and level of preparedness of the audit team. The Committee also meet with the audit team without the presence of management.

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 2023 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) 2020 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 (who was appointed in 2021) has acted as lead partner for the audit of the 2023 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 certain pension scheme in respect of the 2023 financial year. This approval was granted on the basis of procedural efficiency. The Committee must also give approval for the employment of any person who was previously employed by the external auditor within the previous two years of proposed employment by the Group.

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.

Based on consideration of the above the Committee concluded that it was satisfied with the performance, objectivity and independence of the external auditor.

Éimear Moloney
Chair of the Audit Committee

6 March 2024

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 2023

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.

The Board is comprised of four non-executive Directors and two executive Directors. With the significant refreshment of the Board which had taken place in recent years, the focus of the Committee during the period was to ensure that the Board continued to possess the necessary skills to address the dynamic business and regulatory environment facing the Company.

The Committee recognises that at the heart of every organisation are its people, culture and values and against that backdrop the Committee sets the framework for the development of an inclusive and high-performing leadership team and workforce.

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 (pages (76-77).

Member	Appointed to Committee	Meetings Held	Meetings Attended	Tenure
J.B. McGuckian – Chair (appointed: Nov-22)	Aug-22	1	1	1.5 years
L. Williams*	May-21	1	1	2.7 years
D. Clague*	Aug-21	1	1	2.5 years
E. Moloney*	Aug-22	1	1	1.5 years
E. Rothwell	Dec-99	1	1	24 years

* Independent Director

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 in the Corporate Governance Report (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 the prior year. 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.

The Committee continues to place 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 in the organisation 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. The average tenure of the non-executive Directors, including the Chairman, is 10.7 years and 2.3 years excluding the Chairman.

Appointments

There were no new appointments to the Board or senior leadership team during the period.

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 welcomed the results on the individual Director re-election resolutions tabled at the 2023 Annual General Meeting where support for the re-election of all Directors was above the threshold set in the Code. Notwithstanding the Committee noted the 19% of votes against the re-election of the John. B. McGuckian, Chairman of the Board. The Company maintains an ongoing dialogue with major shareholders and had engaged extensively with them in advance of the 2023 Annual General Meeting. The general consensus was that, notwithstanding Mr. McGuckian's tenure, our shareholders were supportive of Mr. McGuckian continuing as a Director and Chairman of the Board in the circumstances where the Group had recently undertaken major strategic initiatives together with a number of recent non-executive Director appointments to the Board. A minority of shareholders had expressed a reservation around succession planning and voted against the re-election of Mr. McGuckian in his role as Chair of the Nominations Committee. The Committee is cognisant of the importance of succession planning for senior roles and while it reviews this on an ongoing basis considers it inappropriate to provide details in advance of any succession event.

Director Independence

The Committee reviewed ongoing Director independence and 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.

The Committee recommended to the Board the re-appointment of all the 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. Mr. McGuckian 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 Mr. McGuckian 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 recent strategic expansion of the Group, the Committee determined it appropriate for Mr. McGuckian 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.

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 earlier in the Corporate Governance Report (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 in the Corporate Governance Report (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.

Report of the Nomination Committee
Continued

The Group's gender diversity is set out in the Corporate Governance Report (page 86). Currently, the female composition of the Board is 33% (2022: 33%), 22% (2022: 22%) among senior managers and 41% (2022: 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 continues to 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.

The Committee notes the requirements of UK Listing Rule 9.8.6 concerning certain Board diversity disclosures on an aggregated basis. The Board has considered this requirement and concluded that due to the small the size of the Board that compliance with this requirement would not be consistent with the Company's data processing obligations under Irish and EU data protection legislation.

The Committee reports the following Board balance statistics at 31 December 2023

Gender	67% male / 33% Female
Independence	50% independent / 50% non-independent
Independence (excluding Chair)	60% independent / 40% non-independent
Age	Average age 62 years in a range 44 to 84 years
Tenure	Average tenure 16 years in a range 2 to 37 years

John B. McGuckian
Chair of the Nomination Committee

6 March 2024

Report of the Remuneration Committee

Dear Shareholder,

I am pleased present the Directors' Remuneration Report for year ended 31 December 2023. I have served on the Committee since August 2021 and was appointed as Chair in November 2022. This report sets out the Company's remuneration policy and framework and how it was applied during 2023.

The Remuneration Committee

The Remuneration Policy and Framework is overseen by the Remuneration Committee. Committee membership during 2023 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 described in the Director Biographies (pages 76-77).

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.

Within this framework the Committee has formulated a Remuneration Policy which was submitted 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 2023 and will be put to a shareholder vote as an advisory resolution at the 2024 AGM.

The Committee ensures that the remuneration structures and levels are set to attract and retain high calibre individuals necessary at executive Director and senior manager level and to motivate them to deliver strategy in the interests of our shareholders and wider stakeholders. The committee believes that an approach to remuneration grounded in pay for performance with a bias to long term remuneration delivered in equity is the most effective way of aligning management's interests to those of our stakeholders. Remuneration levels and awards are 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.

Member	Appointed to Committee	Meetings Held	Meetings Attended	Tenure
D. Clague (Chair – appointed: Nov-22)	Aug-21	2	2	2.5 years
L. Williams	May-21	2	2	2.7 years
E. Moloney	Aug-22	2	2	1.5 years

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

Overview of Performance

The Group is reporting an operating profit of €68.4 million for 2023 (2022: €66.7 million). Operating profit in the Ferries Division was €52.1 million, a 12% increase on 2022. This improvement in ferries performance is principally attributable to returning passenger traffic post pandemic while also leveraging its expanded footprint. The container and terminal operations encountered more challenging trading conditions, where operating profit fell to €16.3 million, a 20% reduction on 2022. The 2023 performance generated cash from operations from €136.7 million compared to €132.0 million in 2022. This has been utilised in facilitating the continued investment in our business during 2023 with strategic capital expenditure amounting to €21.8 million (2022: €57.4 million) and returns to shareholders of €45.8 million (2022: €73.4 million) by way of dividends and share buybacks.

The Committee acknowledges the strong contribution of the Executive Directors and senior managers during financial year 2023 in delivering the above result, including the actions taken in managing recent Group expansion and developing its sustainability program. The level of performance achieved maintained the Group's strong financial position and provides a platform for continued future growth.

Our approach to remuneration and variable pay seeks to consistently link variable remuneration to performance: when performance is strong, executives will be awarded

Report of the Remuneration Committee
Continued

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.

While noting the Group financial performance in 2023 continued the recovery seen in 2022, it was behind expectation. On that basis the Committee concluded that bonus payouts below maximum opportunity were appropriate for 2023 for certain Directors and senior managers. However, other than for the CEO who has a contractual legacy arrangement, the Committee did not consider it appropriate to exercise discretion to make adjustments to any formulaic outcome in respect of performance pay.

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.

Remuneration Policy and Shareholder Engagement

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. The full Remuneration Policy is available at https://icg.ie/investors/general-meetings/.

The Committee having reviewed the Policy during 2023, taking into account shareholder feedback on the 2022 Report of the Remuneration Committee, remain satisfied that it continues to be appropriate to the business needs and strategy of the Group. The Policy is next scheduled to be put to an advisory vote of shareholders at the 2025 AGM.

The 2022 Report of the Remuneration Committee was put to an advisory vote at the 2023 AGM and was supported by 88% of voting shareholders. While we welcome this strong level of support, we have noted feedback from our major shareholders with whom we had engaged with prior to the AGM.

Some shareholders had noted that the terms and disclosure of metrics around the CEO bonus arrangements and potential for uncapped payments are distinct compared to certain market peers. The Committee acknowledges this view but notes that the CEO bonus arrangements has been an effective structure for motivational reward in alignment with the Group's performance, long-term strategy and shareholder interests. The Committee further notes that the CEO bonus had been remunerated in equity with a holding period in excess of five years. This is a legacy contractual arrangement and will not apply to the next CEO.

The Committee refers below to other aspects of the Company's Remuneration Policy which create some of the most stringent deferral and holding mechanisms in the Irish and UK markets, including;

- 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 contractual holding requirement applies to the entire portion of the annual bonus reinvested in equity.
- A five-year contractual holding requirement applies to any awards vesting under the Performance Share Plan following the three-year performance period creating a total eight-year time horizon from grant to release; and
- The five-year contractual holding requirement extends post employment creating post employment holding commitments of up to five years.
- 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.

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. 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 continued to perform extremely well managing the return of business post pandemic and the expansion of the Group's activities. 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

The Committee acknowledges the importance of remuneration arrangements remaining competitive and noted that it had realigned the salary and fixed pay arrangements applying to the CEO and CFO for 2022 to take into account the increased scale of the Group operations. These salary levels were increased by 2.5% for 2023.

The Committee again reviewed salary levels at the end of 2023 in light of financial performance of the Group's businesses and the market generally. The Committee considered it appropriate that any salary increase should be in line with the increases awarded to the workforce generally. In that respect, increases of 2.5% were awarded to the CEO and CFO effective from 1 January 2024.

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.

In relation to the CEO, the formulaic calculations based on Group performance indicated that a bonus would be payable under his legacy arrangement. The Committee considered that the formulaic outcome was consistent with performance achieved and that an adjustment was not warranted, noting that the full award, rather than the minimum 50%, was invested in equity through the Group's restricted share scheme which creates a five year disposal restriction.

In relation to the CFO, the Committee considered that the formulaic outcomes fairly reflected Group and personal performance and that it was appropriate not to exercise discretion to adjust these formulaic outcomes. This decision was also applied in the case of other members of the senior management team.

With regard to the vesting outcomes under the long-term 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 recent 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 continued to advance its integration of a range of ESG factors into the risk management and strategy frameworks. At this point in our ESG maturity, we are continuing to focus on developing frameworks, policies and formally integrating ESG into decision making in all aspects of our business. Where ESG matters are part of a reward structure they are currently assessed in relation to overall progress in these programmes, particularly on our CO_2 reduction targets. As the Group moves through the ESG maturity cycle, the Committee will seek to incorporate additional measurable targets and outcomes into performance remuneration.

Outlook

2023 has been one of continuing recovery following the disruption to our passenger business during the Covid pandemic, with certain challenges arising in our container and terminal operations. In addition, our recent strategic initiatives including the development of our Dover – Calais service commenced in 2021, the modernisation and increased capacity at our container terminals and strong financial position will provide a platform for growth going forward.

Remuneration Outcomes for executive Directors in 2023

Total Directors' single figure remuneration for the year was €4,766,000 compared with €4,581,000 in 2022 and details are set in the table below:

		Performance pay						
	Base salary	Restricted shares	Cash	Benefits	Pension	Options / PSP[1]	Fees	Total 2023
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Executive Directors								
E. Rothwell	718	1,390	-	35	-	961	-	**3,104**
D. Ledwidge	410	397	42	22	52	394	-	**1,317**
Total for executives	**1,128**	**1,787**	**42**	**57**	**52**	**1,355**	**-**	**4,421**
Non-executive Directors								
J. B. McGuckian	-	-	-	-	-	-	150	**150**
L. Williams	-	-	-	-	-	-	65	**65**
D. Clague	-	-	-	-	-	-	65	**65**
E. Moloney	-	-	-	-	-	-	65	**65**
Total for non-executives	-	-	-	-	-	-	**345**	**345**
Total	**1,128**	**1,787**	**42**	**57**	**52**	**1,355**	**345**	**4,766**

1. 81.3% of the options granted on 12 March 2021 under the PSP are expected to vest during 2024 based on performance to 31 December 2023. 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 2023.

Report of the Remuneration Committee
Continued

Details of Directors' remuneration for the year ended 31 December 2022 are set out below:

		Performance pay						
	Base salary	Restricted shares	Cash	Benefits	Pension	Options / PSP[1]	Fees	Total 2022
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Executive Directors								
E. Rothwell	700	1,380	-	35	-	889	-	**3,004**
D. Ledwidge	400	444	-	22	60	365	-	**1,291**
Total for executives	**1,100**	**1,824**	**-**	**57**	**60**	**1,254**	**-**	**4,295**
Non-executive Directors								
J. B. McGuckian	-	-	-	-	-	-	125	**125**
J. Sheehan	-	-	-	-	-	-	43	**43**
L. Williams	-	-	-	-	-	-	50	**50**
D. Clague	-	-	-	-	-	-	50	**50**
E. Moloney	-	-	-	-	-	-	18	**18**
Total for non-executives	**-**	**-**	**-**	**-**	**-**	**-**	**286**	**286**
Total	**1,100**	**1,824**	**-**	**57**	**60**	**1,254**	**286**	**4,581**

1. The value of options which vested during 2023 based on financial performance to 31 December 2022 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 to the previously reported benefit in respect of Eamonn Rothwell of €75,000 and in respect of David Ledwidge €30,000.

Base Salary
The Committee noted that a comprehensive review of the salaries of the CEO and CFO against market competitive levels for similar sized ISEQ and FTSE companies was undertaken and that their salaries had been rebased for 2022. This was to ensure that both executive Directors are retained to execute on recent significant strategic initiatives, including an expansion of Group activities. For the CEO the 2022 rebased salary was assessed as being at the median level for other ISEQ companies of comparable scale and the FTSE250 more broadly. The rebased CFO salary had been assessed 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.

In light of the above recent realignment, company and individual performance the Committee considered an increase in base salaries at a rate of 2.5% was appropriate, a rate lower than inflation. The increases took effect effective from 1 January 2023.

Director's Pension Benefits
The aggregate pension benefits attributable to the executive Directors at 31 December 2023 are set out below:

	D. Ledwidge	
	Total 2023	Total 2022
	€'000	€'000
Increase in accumulated accrued annual benefits (excluding inflation) in the period	**1**	1
Transfer value of the increase in accumulated accrued benefits (excluding inflation) at year end*	**5**	4
Accumulated accrued annual benefits on leaving service at year end	**21**	19

* 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 incurred in relation to defined benefit pension arrangements were €20,000 (2022: €29,000) with a further €32,000 (2022: €31,000) 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.

Executive Directors participation in Group sponsored pension schemes is on similar terms as apply to Group employees in Ireland.

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 both in terms of operating challenges posed by external factors and the significant effort expended in managing the Group's strategic direction while also noting that the Company returned €45.8 million to shareholders through a combination of dividends and share buybacks.

The Committee assessed the formulaic outcome from the long-standing legacy arrangement and did not consider it appropriate to exercise discretion to adjust the formulaic outcome. The Committee is cognisant that the consistent application of the performance-related pay formula remains appropriate based on the 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. Based on the above considerations, the Committee approved a performance bonus of €1,390,000 be paid to the CEO in line with the formulaic outcome, of which the full amount, rather than the required minimum of 50%, was invested in equity through the Group's restricted share scheme, which is subject to a disposal restriction of greater than 5 years.

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 with the targets based off 2023 budget;
- 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 2023 financial outturns, the Committee determined that out of a maximum bonus potential of €461,000 on the financial outturn element, a bonus amount of €285,000 was eligible to be awarded under the financial outturn element.

The Committee also assessed the personal objectives set and noted Mr. Ledwidge's significant effort during the year in managing the Group's capital facilitating a return to shareholders of €45.8 million in addition to the €73.4 million in the prior year 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, including the preparation for recovery of ETS charges effective from 2024 and the significant additional reporting obligations under CSRD from 2025. The Committee considered that Mr. Ledwidge's efforts merited full payout on both personal and ESG factors and concluded that a payment of €154,000 under these criteria was appropriate.

The Committee considered the aggregate bonus award of €439,000 and did not consider it appropriate to exercise discretion to adjust the outcome but required that the amount to be invested in equity be materially higher than the required minimum of 50%.

Restricted Shares

In relation to Mr. Rothwell his full annual bonus award was applied towards the acquisition of 308,889 ICG units. In relation to Mr. Ledwidge, €397,000 of his full annual bonus award was applied towards the acquisition of 88,307 ICG units. These are held in the Company's employee trust for a period of five years.

Report of the Remuneration Committee
Continued

Long Term Incentive

(i) Options expected to vest during 2024 based on performance to 31 December 2023

The Committee has considered the performance conditions attaching to the options granted under the PSP on 12 March 2021 which are tested against Group performance up to 31 December 2023. The 2023 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 align with the definitions per the Plan rules. The overall vesting rate is expected to be 81.3% (2022: 67.5%) and the table below details the expected vesting on each metric.

Performance Condition	Weighting	Threshold	Maximum	Actual	Outcome
Adjusted diluted earnings per share	25%	0.1c	n/a	34.3c	25% out of 25%
Return on average capital employed	25%	13%	20%	13.6%	8.2% out of 25%
Free cash flow ratio	25%	100%	130%	173%	25% out of 25%
Total shareholder return					
• Versus peer group	12.5%	2.9%	22.2%	23.5%	12.5% out of 12.5%
• Versus FTSE 250	12.5%	5.1%	28.7%	23.5%	10.6% 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 2023 or subject to good leaver determination. The Committee has reviewed the vesting rate and considered the overall vesting rate. The full vesting on the EPSd metric, arising due to basing the threshold at 0.1c per ICG Unit was indicative of the uncertainty at the original award date due to the effects of the Covid 19 pandemic. While the EPSd tranche vested in full, this was ameliorated by fact that the ROCE metric remained adversely affected by the negative earnings reported in financial years 2020 and 2021. Taking cognisance of that and the overall vesting rate over the life of the scheme of 51.6%, the Committee were satisfied that there were no windfall gains and the vesting rate should not be adjusted.

At 31 December 2023, there were 1,015,709 outstanding options granted on 12 March 2021, including 272,000 and 111,500 options in favour of Mr. Rothwell and Mr. Ledwidge respectively of which 221,136 and 90,650 are expected to vest during 2023 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 2023 has been included in the total Director remuneration table for year ended 31 December 2022, based on an estimated share price of €4.41, being the average closing price of an ICG Unit between 1 October 2023 and 31 December 2023.

(ii) Options Vested during 2023

During 2023 the Committee determined, based on performance up to 31 December 2022, the vesting of the options granted under the PSP on 6 March 2020 at an exercise price of €0.065 at a vesting rate of 67.5 per cent, vesting 707,498 options in total.

Mr. Rothwell held 200,475 of the PSP vested options. Share option remuneration of €889,000 based on the market price at the vesting date has been disclosed in the 2022 remuneration table (adjusting the €814,000 previously disclosed last year which was estimated based on average prices in the last quarter of 2022). Under the rules of the PSP, the 200,475 PSP options which vested were exercised and the delivered shares are subject to retention in trust for a period of five years.

Mr. Ledwidge held 82,350 of the PSP vested options. Share option remuneration of €365,000 based on the market price at the vesting date has been disclosed in the 2022 remuneration table (adjusting the €335,000 previously disclosed last year which was estimated based on average prices in the last quarter of 2022). Under the rules of the PSP, the 82,350 PSP options which vested were exercised and 55,174 of the delivered shares are subject to retention in trust for a period of five years.

The share price at date of vesting was €4.50.

(iii) Grants during 2023

The long-term incentive scheme applicable for the 2023 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 10 March 2023, the Committee granted options over 1,293,500 (2022: 1,552,500) 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 €4.71 were 304,500 (2022: 416,500) and 130,500 (2022: 178,500) respectively.

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
Adjusted diluted earnings per share	5%	12%
Return on average capital employed	13%	20%
Free cash flow ratio	100%	130%
Total shareholder return	Median	Top Quartile

The Committee noted that in the financial years 2020 and 2021, where negative earnings had been reported due to the effects of the Covid pandemic on passenger travel, that the Committee had set base EPSd at 0.1c per share. Following the significant recovery in earnings in 2022, the Committee considered it appropriate to revert to setting EPSd for the PSP awards made in 2023 based on the actual reported results for 2022. 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 Group., Ryanair Group, 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 2023 and whether there were circumstances which may create a perception that participants benefitted from windfall gains. The Committee noted that they were not aware of any factors which may be specifically affecting the Company's share price other than factors affecting the stock markets generally. The Committee further noted that the price used was calculated as per the rules of the scheme and that the timing of the grants was consistent with that of previous grant dates. 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 2023 PSP awards granted were calculated based on a share price of €4.71, the closing share price on the day preceding the award date. In 2022, the PSP awards granted were calculated based on a share price of €3.36.

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-22	Granted	Exercised	Lapsed	31-Dec-23	Option Price (€)	Earliest Vesting Date	Latest Expiry Date
Unvested									
Performance Share Plan	6-Mar-20	297,000	-	(200,475)	(96,525)	-	0.065	-	-
Performance Share Plan [1]	12-Mar-21	272,000	-	-	-	272,000	0.065	7-Mar-24	-
Performance Share Plan [2]	11-Mar-22	416,500	-	-	-	416,500	0.065	11-Mar-25	-
Performance Share Plan [2]	10-Mar-23	-	304,500	-	-	304,500	0.065	10-Mar-26	
Vested but not yet exercised	5-Mar-15	700,000	-	-	-	700,000	3.58	-	4-Mar-25
		1,685,500	**304,500**	**(200,475)**	**(96,525)**	**1,693,000**			

D. Ledwidge

Option Type	Date of Grant	31-Dec-22	Granted	Exercised	Lapsed	31-Dec-23	Option Price (€)	Earliest Vesting Date	Latest Expiry Date
Unvested									
Performance Share Plan	6-Mar-20	122,000	-	(82,350)	(39,650)	-	0.065	-	-
Performance Share Plan [1]	12-Mar-21	111,500	-	-	-	111,500	0.065	7-Mar-24	-
Performance Share Plan [2]	11-Mar-22	178,500	-	-	-	178,500	0.065	11-Mar-25	-
Performance Share Plan [2]	10-Mar-23	-	130,500	-	-	130,500	0.065	10-Mar-26	
Vested but not yet exercised	5-Mar-15	150,000	-	-	-	150,000	3.58	-	4-Mar-25
		562,000	**130,500**	**(82,350)**	**(39,650)**	**570,500**			

1. These are expected to vest during 2024 at a vesting rate of 81.3% based on performance to 31 December 2023 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.

Report of the Remuneration Committee
Continued

Remuneration for executive Directors in 2024

The Committee will continue to apply the existing Remuneration Policy, approved by shareholders in May 2021, during financial year 2024.

Base Salary

The Committee that the salary levels of the executive Directors had been reset effective 1 January 2022 following a review against market rates offered by similarly sized companies and that a further in-depth review was not warranted at this time. Salary levels had been increased by 2.5% during 2023. The Committee considered it appropriate to increase salaries for 2024 by a further 2.5%, having considered inflation rates generally.

Pension arrangements and other benefits

Pension arrangements and other benefits will be unchanged from 2023.

Annual Bonus

The Committee following review has retained the long-standing legacy CEO bonus arrangements for FY2024. The Committee remains satisfied that the outcomes reflect Group performance 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 2023, any award of bonus is weighted 75% on the Group achieving stretching financial targets, benchmarked against budget levels, 10% on ESG related measures and 15% on personal objectives. The Committee retains discretion to adjust the formulaic outcome.

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 retained and set at the same levels as for the 2023 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.

The market value of the holdings of executive Directors and executive management at 31 December 2023 as a multiple of base salary at that date are shown in the following table:

	Salary multiple held
Eamonn Rothwell	187.1 times
David Ledwidge	4.4 times
Other executive management	7.0 times

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. The Committee last adjusted the level of fees payable to non-executive Directors with effect from 1 January 2023. There is no adjustment to the level of fees to be paid during 2024.

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 2024 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. No future executive contracts will include similar change of control provisions.

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.

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 2023, the total number of options granted, net of options lapsed amounted to 4.6% of the issued share capital of the Company at 31 December 2023.

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 2023 is €1,017,026 (2022: €1,149,000).

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 contractually retain an appropriate level of shareholding post-employment. For the past ten 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 from date of grant). 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 2023, 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 2024 and January 2029.

	No. shares Held in Trust	Value €m	Salary multiple held	Weighted release profile	Release timeframe
Eamonn Rothwell	1,812,804	7.8	10.9 times	2.5 years	Jan 2024 to Jan 2029
David Ledwidge	383,526	1.7	4.1 times	3.4 years	Jan 2024 to Jan 2029
Other executive management	1,527,765	6.6	6.1 times	3.3 years	Jan 2024 to Jan 2029

The Committee believes that while not setting an absolute post-employment equity retention requirement, that the above arrangements achieve the objective of Provision 36 of the UK Corporate Governance Code and is unique in that it is an enforceable contractual commitment compared to general market practice.

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;

	2023	2022	2021	2020	2019
Eamonn Rothwell	29.3%	168.6%	(27.7%)	(44.0%)	0.0%
David Ledwidge	28.4%	76.9%	0.5%	18.0%	7.2%
John B. McGuckian	20.0%	0.0%	0.0%	0.0%	0.0%
Non-Executive Directors	30.0%	0.0%	0.0%	0.0%	0.0%
FTE Employee	2.2%	4.2%	24.2%	(4.2%)	2.0%
ISEQ	23.2%	(15.8%)	14.5%	2.7%	31.1%
ICG TSR	4.4%	(2.1%)	0.6%	(7.0%)	17.2%

The payments to Directors and employees include base salaries, overtime, allowances, bonuses, pension costs, other benefits and Directors' fees paid to or on behalf of employees and Directors together with profits earned on the exercise of share options but exclude employer costs expensed to the Income Statement relating to social welfare contributions.

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 general remuneration developments 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 2023 to the date of this report.

Market price of shares
The closing price of an ICG Unit on Euronext Dublin on 31 December 2023 was €4.33 and the range during the year was €4.20 to €4.90, with an average daily closing price of €4.52.

Dan Clague
Chair of the Remuneration Committee
6 March 2024

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 2023.

Results for the year and Business Developments

Details of the results for the financial year are set out in the Consolidated Income Statement 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. 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 paid dividends during financial year 2023, returning €24.4 million to shareholders. The Company is proposing to pay a final dividend in respect of the financial year ended 31 December 2023 of 9.93 cent per ICG Unit on 7 June 2024 to shareholders on the register at the close of business on 17 May 2024. The cumulative payment to all shareholders in respect of this dividend is estimated at €16.4 million. Irish dividend withholding tax will be deducted where applicable. Payment of this dividend is subject to the approval of shareholders at the AGM scheduled for 9 May 2024.

The Company has adopted a progressive approach to returning cash to shareholders, through a combination of dividends and share buybacks. The Company during financial year 2023 bought back 4,752,000 (2022: 12,006,403) of its shares, representing 2.8% (2022: 6.5%) of its issued share capital at the beginning of the financial year for a total consideration of €21.4 million (2022: €49.2 million). Further details are contained at note 19 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 2023, the Company's retained earnings amounted to €142.3 million, substantially 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 2024 AGM and offer themselves for re-election. Biographical details of the Directors are set out in the Director Biographies (pages 76-77) of this Annual Report and the result of the annual board evaluation is set out in the Corporate Governance Report (page 86). There were no Board changes during 2023.

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 (pages 35-59).

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 2024, the principal risks and uncertainties facing the Group (see Risk Management Report (pages 60-69)), the Group's 2024 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, including facilities agreed post year end and available for drawing at the date of approval of the financial statements.

In making their going concern assessment, the Directors have considered a number of trading scenarios including lower trading activity. This modelling assumed maintenance of a full schedule of services 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 2025.

Report of the Directors
Continued

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 (see Risk Management Report (pages 60-69)) and the likely degree of effectiveness of current and available mitigating actions. 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 and Risk 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 2023, 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 2023 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 in the Risk Management Report (pages 60-69).

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 6 March 2024 and as at 31 December 2023 were as follows:

	6 March 2024		31 December 2023	
Beneficial Holder as Notified	**Number of Units**	**% of Issued Units**	**Number of Units**	**% of Issued Units**
Eamonn Rothwell	30,897,607	18.6%	30,897,607	18.5%
Wellington Management Company, LLP	16,894,335	10.2%	16,894,335	10.1%
Kinney Asset Management, LLC	10,001,569	6.0%	9,484,069	5.7%
Marathon Asset Management, LLP	8,289,538	5.0%	8,289,538	4.9%
Ameriprise Financial Inc.	6,517,249	3.9%	6,517,249	3.9%
FMR, LLC	6,299,035	3.8%	6,299,035	3.7%
Brewin Dolphin Wealth Management	5,895,833	3.5%	5,895,833	3.5%
Sretaw Private Equity Unlimited Company	5,100,000	3.0%	5,100,000	3.0%

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 2023 and 1 January 2023 all of which were beneficial, were as follows:

	31/12/2023 ICG Units	01/01/2023 ICG Units	31/12/2023 Share Options	01/01/2023 Share Options
Director				
John B. McGuckian	296,140	296,140	-	-
Eamonn Rothwell	31,006,127	30,496,605	1,693,000	1,685,000
David Ledwidge	383,526	261,757	570,500	562,000
Lesley Williams	10,000	10,000	-	-
Dan Clague	-	-	-	-
Éimear Moloney	10,000	10,000	-	-
Company Secretary				
Thomas Corcoran	459,777	388,623	345,500	350,500

ICG Units are explained under Investor Information at the end of this Annual Report.

Auditors

KPMG were appointed auditor by the shareholders voting on an ordinary resolution tabled at the AGM held on 12 May 2021 and have expressed their willingness to remain in office. 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 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 auditor.

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. The Corporate Governance Report (pages 78-90) provides details as to how these were applied by the Company during 2023 and is incorporated into this Report by cross reference.

The Group has established an Audit and Risk Committee whose Report is cross referenced (See Report of the Audit and Risk Committee (pages 91-95)).

Report of the Directors
Continued

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 in the Strategic Report (pages 18-20) and are incorporated into this report by cross reference.

Future Developments
2023 was a further year of progress with the recovery in profitability achieved during 2022 post pandemic sustained and improved into 2023. In the Ferries Division passenger and freight carryings have increased from a combination of increased travel post pandemic and the increased footprint of our ferry operations. We look forward to driving further growth on the back of this increased scale. Notwithstanding the lower level of activity in the container and terminal business during 2023, the recent investment in capacity expansion and plant modernisation at the Dublin and Belfast terminals will provide a platform for both growth and more efficient operations at our Dublin terminal.

We note the ever increasing expectations and regulatory requirements to reduce the effects of our operations 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. We remain committed to our decarbonization targets set out in the Sustainability and ESG Report (pages 35-59). Nevertheless, evolving regulatory requirements will present challenges and any increased costs will have to be passed through to customers.

While geopolitical events have given rise to inflationary pressures and increased volatility in fuel prices which remain at historically high levels, our policy is to pass these through the logistics chain in the form of increased rates. While there is some uncertainty around economic growth rates, we look forward to continued growth during 2024 through the leveraging of our recent investments and the continued support of all customers.

Events after the Reporting Period
Details of subsequent events which have occurred between 31 December 2023 and the date of approval of these Financial Statements are set out at Note 36 to the Consolidated Financial Statements.

Annual Report and Financial Statements
This Annual Report together with the Financial Statements for the financial year ended 31 December 2023 was approved by the Directors on 6 March 2024. 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 9 May 2024, will be notified to shareholders during April 2024.

On behalf of the Board

Eamonn Rothwell,
Director

David Ledwidge,
Director

6 March 2024

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

Directors' Responsibility Statement

The Directors are responsible for preparing the annual report and the 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 IFRS as adopted by the European Union 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 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 responsibility 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 www.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 in the Directors Biographies (pages 76-77) 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 IFRS as adopted by the European Union as applied in accordance with the provisions of Companies Act 2014, give a true and fair view of the assets, liabilities, and financial position of the Group and Company at 31 December 2023 and of the profit or loss of the Group for 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, Director

David Ledwidge, Director

6 March 2024

FINANCIAL STATEMENTS

Independent Auditor's Report to the Members on the Non-Statutory Financial Statements of Irish Continental Group plc

Report on the audit of the non-statutory financial statements

Opinion

We have audited the non – statutory financial statements (the "financial statements") of Irish Continental Group plc ('the Company') and its consolidated undertakings ('the Group') for the year ended 31 December 2023 set out on pages 122 to 191 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows; Company Statement of Financial Position, Company Statement of Changes in Equity and related notes, including the material accounting policies set out in note 2.

The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

In our opinion:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities section of our report. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit Committee.

We were appointed as auditor by the shareholders on 12 May 2021. The period of total uninterrupted engagement is the 3 years ended 31 December 2023. We have fulfilled our ethical responsibilities under, and we remained independent of the Group in accordance with, ethical requirements applicable in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to public interest entities. No non-audit services prohibited by that standard were provided.

Other Matter Non-statutory financial statements

The non-statutory financial statements of Irish Continental Group plc ('the Company') and its consolidated undertakings for the year ended 31 December 2023 are a true copy of the human readable layer of the statutory financial statements which are prepared in accordance with Commission Delegated Regulation 2019/815 regarding the single electronic reporting format (ESEF) whereas the non-statutory financial statements are not prepared in accordance with ESEF. The non-statutory financial statements apply the provisions of the Companies Act 2014 as if those requirements were to apply.

Conclusions relating to going concern

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

- Obtaining, inspecting and challenging management's assessment of going concern and underlying budgets and forecasts;
- Obtaining debt covenant calculations as at 31 December 2023 and inspecting the headroom available under those covenants;
- Assessing the adequacy of the disclosures included within the Annual Report relating to Going Concern.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included:

- Inquiring with the directors and other management as to the Group's policies and procedures regarding compliance with laws and regulations, identifying, evaluating and accounting for litigation and claims, as well as whether they have knowledge of non-compliance or instances of litigation or claims.
- Inquiring of directors and the Audit Committee as to the Group's policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Inquiring of directors and the Audit Committee regarding their assessment of the risk that the financial statements may be materially misstated due to irregularities, including fraud.
- Inspecting selected regulatory and legal correspondence.
- Reading Board minutes and audit, remuneration and nomination committee minutes.
- Considering remuneration incentive schemes and performance targets for management.
- Performing planning analytical procedures to identify any usual or unexpected relationships.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation, taxation legislation etc. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, environmental regulation, maritime law, liquidity and certain aspects of company legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. We did not identify any additional fraud risks.

In response to the fraud risks, we also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation.
- Assessing significant accounting estimates for bias
- Assessing the disclosures in the financial statements

As the Group is regulated, our assessment of risks involved obtaining an understanding of the legal and regulatory framework that the Group operates and gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows (unchanged from 2022):

Independent Auditor's Report to the Members on the Non-Statutory Financial Statements of Irish Continental Group plc
Continued

Group key audit matters

Valuation of vessels – Group €315.7m (2022: €320.3m) and Company €133.1m (2022: €138.8m)

Refer to note 2 (accounting policy) and notes 12 and 39 (financial disclosures)

The key audit matter	How the matter was addressed in our audit
Property, plant and equipment amounted to €368.7 million (Company: €133.3 million) as of 31 December 2023, of which €315.7 million (Company: €133.1 million) related to owned vessels. The vessel-related depreciation charge for the year ended 31 December 2023 was €40.8 million (Company: €5.8 million). This key audit matter consists of the evaluation of: 1. the key assumptions used in estimating the periodic depreciation of vessels, including the key assumptions relating to useful economic lives and expected residual values; and 2. the approach to impairment assessments performed by the Group and Company, including its evaluation of potential indicators of impairment and, where indicators are identified, its approach to the calculation of recoverable amounts, including the selection of key assumptions regarding future revenue and future costs. *This area was identified as a key audit matter having regard to the amount of the Group's capital invested in these assets and because of the judgements involved.*	**Estimated useful economic lives and expected residual values of vessels** • We assessed the useful lives applied by the Group and Company by comparing these to a) the Group's historic experience and past practices of operating and disposing of vessels and b) to published estimates of other companies. • We assessed the Group and Company's estimates in respect of residual values, which were based on the scrap metal value of individual vessels at end of life, to published metal prices. **Vessel impairment considerations** • We made inquiries regarding the process undertaken by the Group and Company to identify and consider potential indicators of impairment in each CGU and assessed their determination as to whether indicators of impairment existed for relevant assets. • We considered the completeness of the potential indicators considered and challenged the appropriateness of the Group and Company's conclusions. • We evaluated the completeness, accuracy and relevance of disclosures required by IAS 36, including disclosures about sensitivities and major sources of estimation uncertainty. Where impairment indicators were identified we: • Considered the methodology applied by the Group in its recoverable amount calculations and verified the mathematical accuracy of the Group's calculations. • Assessed and challenged the reasonability of the key judgements and assumptions, including those relating to the potential impact of climate change and related regulation, used by the Group and considered whether the assumptions and judgements applied were reasonable and appropriate. • Considered the sources of information used by the Group and corroborated market assumptions to external sources, where available. • Assessed the reasonability of the discount rate used with reference to the Group's cost of capital. • Compared the future cash flow projections used to projections used in the Group's going concern and viability statement analyses. • Performed sensitivity analysis over the Group's key assumptions with regard to cash flows and discount rates, to assess the impact of changes to those key assumptions on the Group's determination of the recoverability of vessels. As a result of our work performed, we found that the judgements made by the Group in relation to: • key assumptions used in estimating the periodic depreciation of vessels, including the key assumptions relating to useful economic life and expected residual values; and • assessment of the recoverable value of vessels including key assumptions were reasonable. We found the related disclosures to be appropriate.

Valuation of net defined benefit pension asset – Group only

Valuation of the net defined benefit pension asset of €38.9m consisting of pension assets of €135.8m and liabilities of €96.9m (2022 – net pension asset of €33.2m consisting of pension assets of €124.8m and liabilities of €91.6m)

Refer to note 2 (accounting policy) and note 31 (financial disclosures)

The key audit matter	How the matter was addressed in our audit
The Group has a number of defined benefit pension schemes and there is a risk that inappropriate assumptions are used in determining the pension liabilities, which may have a material impact on the measurement of the liabilities. The measurement of defined benefit pension liabilities involves the selection of key assumptions which include judgements and inherent uncertainty, particularly in the selection of the discount rates used. For the reasons outlined above the engagement team determine this matter to be a key audit matter.	• We assessed and documented the qualifications as well as the independence and objectivity of the actuary employed by the Group to perform actuarial calculations over the Group's defined benefit obligations. • We made inquiries to understand the process applied in the selection of key assumptions used in calculating the defined benefit liability and we tested the design and implementation of the controls in place over this process. • We engaged our internal KPMG actuarial specialists to inspect the valuation assessments, assess the methodology applied and the key assumptions applied throughout the Group. With the support of our actuarial specialist, we challenged the key actuarial assumptions applied in the calculation of the valuation of the defined benefit pension asset. The most significant judgements related to the evaluation of the appropriateness of the discount rates assumptions. We also assessed the inflation rates and mortality/life expectancies used. This included a comparison of these assumptions against externally available benchmarks. • We considered the adequacy of the Group's disclosures, including in respect of the sensitivity of liability to changes in key assumptions. • We found the assumptions used in, and the resulting valuation of the net defined benefit pension asset to be reasonable and the related disclosures to be adequate.

Company key audit matter

In addition to the two matters noted above which applied to the Group and Company, the following additional key audit matter applied to the Company only

Valuation of investment in subsidiaries (Company only): €16.0m (2022: €16.5m)

Refer to note 37 (accounting policy) and note 41 (financial disclosures)

The key audit matter	How the matter was addressed in our audit
Investments in subsidiary undertakings are carried on the Company balance sheet at cost less provisions for impairment. There is a risk that the carrying value of investments in subsidiaries may be subject to misstatement (overstatement) if the expected future performance and cashflows of such subsidiaries is not sufficient to support the recovery of the Company's investments. We focused on this area as a key audit matter due to the significance of the balance to the Company balance.	• We updated our understanding of the Company's process for monitoring the carrying values of investments in subsidiaries. • We considered the Company's assessment of impairment indicators by comparing the carrying value of investments in the Company's Balance Sheet to the net assets of the subsidiary financial statements and to the market capitalisation of the Company. • We also considered the audit procedures performed in relation to the impairment assessments prepared by the Group and Company over the carrying value of vessels, and testing as performed where indicators of impairment were identified, as outlined in the key audit matter above. • As a result of our audit work performed, we found that the Company's assessment of the valuation of investments in subsidiary undertakings to be appropriate.

Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements and Company financial statements as a whole was set at €2.95m (2022: €2.85m) and €1.3m (2022: €1.5m) respectively, determined with reference to benchmarks of forecasted profit before tax for the Group and total assets Company (of which it represents 5% (2022: 5%) and 0.8% (2022: 0.9%) respectively.

In applying our judgement to determine the most appropriate benchmark, the factor, which had the most significant impact was our understanding that the principal item on which the attention of the users of the Group's financial

Independent Auditor's Report to the Members on the Non-Statutory Financial Statements of Irish Continental Group plc
Continued

statements tends to be focused on is, profit before tax. Profit before tax is the principal item used by Management in assessing performance. In applying our judgement in determining the percentage to be applied to the benchmark, we considered that the Group has a high public profile and operates in a regulated environment and has debt arrangements which include covenants linked to operating results.

In applying our judgement in determining the most appropriate benchmark for Company materiality, we considered the elements of the financial statements and the nature of the Company and the fact that the Company is an investment holding company for the Group.

In applying our judgement in determining the percentage to be applied to the benchmark, we considered that the Company is listed and has a high public profile.

Performance materiality for the Group financial statements and Company financial statements as a whole was set at 75% (2022: 75%) of materiality for the financial statements as a whole, which equates to €2.2m (2022: €2.1m) and €0.97m (2022: €1.25m) respectively. We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. In applying our judgement in determining performance materiality, we considered a number of factors including; the low number and value of misstatements detected and the low number and severity of deficiencies in control activities identified in the prior year financial statement audit.

We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding €150,000 (2022: €150,000) for the Group and €64,000 (2022: €75,000) for the Company, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the Group's 11 reporting components, we subjected all to full scope audits for group purposes. The structure of the Group's finance function is such that certain transactions and balances are accounted for by the central Group finance team, with the remainder audit procedures, including those in relation to the key audit matters as set out above, on those transactions accounted for at Group and component level. Our audits covered 100% of total Group revenue and 100% of Group total assets, including 100% of the Company's revenue and total assets. The work on all components was performed by the Group team. The audits undertaken for Group reporting purposes at the key reporting components were all performed to component materiality levels. These component materiality levels were set individually for each component and ranged from €30,000 to €2.2 million. The Group audit team were also auditors to all of the Group's significant components.

Our audit was undertaken to the materiality and performance materiality level specified above and was all performed by a single engagement team in Dublin.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report, the Strategic Report, the Corporate Governance Report and the Investor and Other Information. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements, and;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

Corporate governance statement

We have reviewed the directors' statement in relation to going concern, longer-term viability, that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code and the Irish Corporate Governance Annex specified for our review by the Listing Rules of Euronext Dublin and the UK Listing Authority.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified;
- Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate;
- Director's statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities;
- Directors' statement on fair, balanced and understandable and the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks and the disclosures in the annual report that

describe the principal risks and the procedures in place to identify emerging risks and explain how they are being managed or mitigated;

- Section of the annual report that describes the review of effectiveness of risk management and internal control systems; and;
- Section describing the work of the Audit Committee.
-

The Listing Rules of Euronext Dublin also requires us to review certain elements of disclosures in the report to shareholders by the Board of Directors' remuneration committee.

We have nothing to report in this regard.

In addition as required by the Companies Act 2014, we report, in relation to information given in the Corporate Governance Statement that:

- based on the work undertaken for our audit, in our opinion, the description of the main features of internal control and risk management systems in relation to the financial reporting process and information relating to voting rights and other matters required by the European Communities (Takeover Bids (Directive 2004/EC) Regulations 2006 and specified for our consideration, is consistent with the financial statements and has been prepared in accordance with the Act;
- based on our knowledge and understanding of the Company and its environment obtained in the course of our audit, we have not identified any material misstatements in that information; and
- the Corporate Governance Statement contains the information required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017.

We also report that, based on work undertaken for our audit, the information required by the Act is contained in the Corporate Governance Statement.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

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

We have nothing to report on other matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion:

- the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made;
- the Company has not provided the information required by Section 1110N in relation to its remuneration report for the financial year 31 December 2023.

We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A fuller description of our responsibilities is provided on IAASA's website at https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/.

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

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

Colm O'Sé
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03

7 March 2024

Consolidated Income Statement
for the year ended 31 December 2023

	Notes	2023 €m	2022 €m
Revenue	4	572.0	584.9
Depreciation and amortisation	9	(64.2)	(60.5)
Employee benefits expense	5	(26.2)	(26.8)
Other operating expenses	9	(413.2)	(430.9)
Operating profit		**68.4**	**66.7**
Finance income	6	1.4	0.1
Finance costs	7	(6.5)	(4.3)
Profit before tax		**63.3**	**62.5**
Income tax expense	8	(1.7)	(2.7)
Profit for the financial year: all attributable to equity holders of the parent	9	**61.6**	**59.8**
Earnings per share – expressed in euro cent per share			
Basic	11	36.2	33.6
Diluted	11	35.7	33.2

Consolidated Statement of Comprehensive Income
for the year ended 31 December 2023

	Notes	2023 €m	2022 €m
Profit for the financial year		61.6	59.8
Items that may be reclassified subsequently to profit or loss:			
Currency translation adjustment		1.1	(2.5)
Items that will not be reclassified subsequently to profit or loss:			
Actuarial gain on defined benefit obligations	31 viii	4.9	29.4
Deferred tax on defined benefit obligations	24	(0.4)	(2.4)
Other comprehensive income for the financial year		5.6	24.5
Total comprehensive income for the financial year: all attributable to equity holders of the parent		**67.2**	**84.3**

Consolidated Statement of Financial Position
as at 31 December 2023

	Notes	2023 €m	2022 €m
Assets			
Non-current assets			
Property, plant and equipment	12	368.7	362.3
Intangible assets	13	2.1	1.9
Right-of-use assets	14	36.1	41.4
Retirement benefit surplus	31 iv	39.4	33.6
Finance lease receivable	15	7.3	10.5
Deferred tax asset	24	0.3	0.1
		453.9	**449.8**
Current assets			
Inventories	16	4.0	5.2
Trade and other receivables	17	68.6	79.9
Cash and cash equivalents	18	46.8	39.0
		119.4	**124.1**
Total assets		**573.3**	**573.9**
Equity and liabilities			
Equity			
Share capital	19	10.8	11.1
Share premium	20	20.9	20.5
Other reserves	20	(6.1)	(8.2)
Retained earnings		256.7	237.4
Equity attributable to equity holders of the parent		**282.3**	**260.8**
Non-current liabilities			
Borrowings	21	41.1	160.4
Lease liabilities	22	25.4	30.7
Deferred tax liabilities	24	4.5	3.6
Provisions	26	0.9	1.1
Retirement benefit obligation	31 iv	0.5	0.4
		72.4	**196.2**
Current liabilities			
Borrowings	21	112.4	7.3
Lease liabilities	22	11.6	11.7
Trade and other payables	25	93.7	96.2
Provisions	26	0.9	1.7
		218.6	**116.9**
Total liabilities		**291.0**	**313.1**
Total equity and liabilities		**573.3**	**573.9**

The Financial Statements were approved by the Board of Directors on 6 March 2024 and signed on its behalf by:

Eamonn Rothwell
Director

David Ledwidge
Director

Consolidated Statement of Changes in Equity
For the year ended 31 December 2023

	Share Capital €m	Share Premium €m	Undenominated Capital Reserves €m	Share Options Reserve €m	Translation Reserve €m	Retained Earnings €m	Total €m
Balance at 1 January 2023	**11.1**	**20.5**	**8.6**	**6.3**	**(23.1)**	**237.4**	**260.8**
Profit for the financial year	-	-	-	-	-	61.6	61.6
Other comprehensive income	-	-	-	-	1.1	4.5	5.6
Total comprehensive income for the financial year	**-**	**-**	**-**	**-**	**1.1**	**66.1**	**67.2**
Employee share-based payments expense	-	-	-	2.8	-	-	2.8
Share issue	-	0.4	-	-	-	-	0.4
Dividends	-	-	-	-	-	(24.4)	(24.4)
Share buyback	(0.3)	-	0.3	-	-	(21.4)	(21.4)
Settlement of employee equity plans through market purchase	-	-	-	-	-	(3.1)	(3.1)
Transferred to retained earnings on exercise of share options	-	-	-	(2.1)	-	2.1	-
Transactions with shareholders	**(0.3)**	**0.4**	**0.3**	**0.7**	**1.1**	**19.3**	**21.5**
Balance at 31 December 2023	**10.8**	**20.9**	**8.9**	**7.0**	**(22.0)**	**256.7**	**282.3**

Consolidated Statement of Changes in Equity
For the year ended 31 December 2022

	Share Capital €m	Share Premium €m	Undenominated Capital Reserves €m	Share Options Reserve €m	Translation Reserve €m	Retained Earnings €m	Total €m
Balance at 1 January 2022	**11.9**	**20.4**	**7.8**	**4.7**	**(20.6)**	**225.5**	**249.7**
Profit for the financial year	-	-	-	-	-	59.8	59.8
Other comprehensive income	-	-	-	-	(2.5)	27.0	24.5
Total comprehensive income for the financial year	**-**	**-**	**-**	**-**	**(2.5)**	**86.8**	**84.3**
Employee share-based payments expense	-	-	-	3.0	-	-	3.0
Share issue	-	0.1	-	-	-	-	0.1
Dividends	-	-	-	-	-	(24.2)	(24.2)
Share buyback	(0.8)	-	0.8	-	-	(49.2)	(49.2)
Settlement of employee equity plans through market purchase	-	-	-	-	-	(2.9)	(2.9)
Transferred to retained earnings on exercise of share options	-	-	-	(1.4)	-	1.4	-
Transactions with shareholders	**(0.8)**	**0.1**	**0.8**	**1.6**	**(2.5)**	**11.9**	**11.1**
Balance at 31 December 2022	**11.1**	**20.5**	**8.6**	**6.3**	**(23.1)**	**237.4**	**260.8**

Consolidated Statement of Cash Flows
for the financial year ended 31 December 2023

	Notes	2023 €m	2022 €m
Profit for the financial year		**61.6**	**59.8**
Adjustments for:			
Finance costs (net)		5.1	4.2
Income tax expense		1.7	2.7
Retirement benefit scheme movements	33	0.6	1.1
Depreciation of property, plant and equipment		45.1	38.5
Amortisation of intangible assets		0.4	0.4
Depreciation of right-of-use assets		18.7	21.6
Share-based payment expense		2.8	3.0
Decrease in provisions		(1.0)	(0.5)
Working capital movements	33	1.7	1.2
Cash generated from operations		**136.7**	**132.0**
Income taxes paid		(2.2)	(1.7)
Interest paid		(5.9)	(4.0)
Net cash inflow from operating activities		**128.6**	**126.3**
Cash flow from investing activities			
Proceeds on disposal of property, plant and equipment		3.1	3.0
Lease inception costs		(1.4)	-
Purchases of property, plant and equipment and intangible assets	33	(41.9)	(75.7)
Net cash outflow from investing activities		**(40.2)**	**(72.7)**
Cash flow from financing activities			
Share buyback		(21.4)	(49.2)
Dividends		(24.4)	(24.2)
Repayments of leases liabilities	33	(18.0)	(21.0)
Repayments of bank loans		(40.0)	(7.6)
Drawdown of bank loans		25.6	52.0
Settlement of employee equity plans through market purchases		(3.1)	(2.9)
Proceeds on issue of ordinary share capital		0.4	0.1
Net cash outflow from financing activities		**(80.9)**	**(52.8)**
Net increase in cash and cash equivalents		7.5	0.8
Cash and cash equivalents at beginning of year		39.0	38.5
Effect of foreign exchange rate changes		0.3	(0.3)
Cash and cash equivalents at end of year	18	**46.8**	**39.0**

Notes Forming Part of the Consolidated Financial Statements
for the financial year ended 31 December 2023

1. General information

Irish Continental Group plc (ICG) is a public limited company incorporated in Ireland (Company registration number: 41043) and listed on Euronext Dublin and the London Stock Exchange. The addresses of its registered office and principal places of business are disclosed on the inside back cover of the Annual Report.

The Group carries passengers and cars, RoRo freight and container LoLo freight, on routes between Ireland, Britain and Continental Europe. The Group also operates container terminals in the ports of Dublin and Belfast.

The Company charters vessels and is the holding Company of a number of subsidiary companies.

2. Summary of accounting policies

Statement of Compliance
The consolidated and the Company financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFR Interpretations Committee (IFRIC) as adopted by the EU and those parts of the Companies Act 2014 applicable to companies reporting under IFRS and Article 4 of the IAS Regulation. The Company has availed of the exemption in Section 304 of the Companies Act 2014 and has not presented the Company Income Statement, which forms part of the Company's financial statements, to its members and the Registrar of Companies.

Basis of preparation
The Financial Statements have been prepared on the going concern basis and the historical cost convention, as modified by:

- measurement at fair value of share based payments at initial date of award;
- recognition of the defined benefit surplus as plan assets at fair value less the present value of the defined benefit obligation

All figures presented in the Financial Statements are in euro and are rounded to the nearest one hundred thousand except where otherwise indicated.

These printed financial statements are non-statutory financial statements having not been prepared in accordance with Commission Delegated Regulation 2019/818 regarding the single electronic reporting format (ESEF). Other than the addition of page references these non-statutory financial statements represent a true copy of the human readable layer of the statutory financial statements which were prepared in accordance with ESEF and are available on the Group's website.

Basis of consolidation
The Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved where the Company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its return.

In assessing control, potential voting rights that are currently exercisable or convertible are taken into account.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the Consolidated Income Statement from the date the Company gains control until the date the Company ceases to control the subsidiary.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

New standards and interpretations
New and revised accounting standards and interpretations have been issued which are set out below. These have been adopted by the Group from the effective dates.

2. Summary of accounting policies (continued)

Standards effective for the Group from 1 January 2023

Standard	Description	Effective date for periods commencing
IFRS 17	Insurance Contracts	1 January 2023
IAS 1 (amendments)	Disclosure of Accounting Policies	1 January 2023
IAS 8 (amendments)	Definition of Accounting Estimates	1 January 2023
IAS 12 (amendments)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The above amended standards have been applied in the preparation of the financial statements for the year ended 31 December 2023.
On adoption of IFRS 17: Insurance Contracts the prior year classification of certain financial guarantee contracts as insurance contracts for accounting purposes was reviewed.

In the Company financial statements certain guarantees provided to subsidiaries in connection with borrowing previously treated as financial guarantee contracts and classified as insurance contracts were reclassified as financial instruments and remeasured at fair value. There was no financial effect on the prior or current year Company financial statements arising from this reclassification.

In the Consolidated financial statements, there were no guarantees outstanding in favour of third parties, other than inter group cross guarantees in relation to group borrowings which are eliminated on consolidation. The Company has also provided guarantees under certain loan facility arrangements in favour of its subsidiaries. However, the fair value of such guarantees are immaterial. Consequently, there was no effect on the financial statements from the first time adoption of IFRS 17.

The Group has adopted Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) from 1 January 2023. The Group is now required to recognise the associated deferred tax assets and liabilities arising from the recognition of right-of-use assets and their related lease liabilities from the beginning of the comparative period.

The Group previously recognised these deferred tax assets and liabilities on a net basis. Following the amendment, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and deferred liability in relation to its right-of-use assets. There was no impact on opening retained earnings on 1 January 2022 or 1 January 2023 as a result of the change. There is a €0.2 million credit to the Consolidated Income Statement in respect of FY23. The Group has exercised the right to offset qualifying balances in accordance with paragraph 74 of IAS 12. For further details on the amended disclosure see note 24.

Other than noted above the new standards and interpretations did not have any material impact on the results or financial position of the Group.

Standards effective for the Group from 1 January 2024 or later

Standard	Description	Effective date for periods commencing
IAS 1 (amendments)	Non-current Liabilities with Covenants	1 January 2024
IFRS 16 (amendments)	Lease Liability in a Sale and Leaseback	1 January 2024
IAS 7 and IFRS 7 (amendments)	Supplier Finance Arrangements	1 January 2024*
IAS 21 (amendments)	Lack of Exchangeability	1 January 2025*
IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date has been deferred indefinitely

*Not yet endorsed by the EU

The above standards and amendments to standards have not been applied in the preparation of the financial statements for the year ended 31 December 2023. They are not expected to have a material impact on the results or financial position of the Group when applied in future periods.

Notes Forming Part of the Consolidated Financial Statements
Continued

2. Summary of accounting policies (continued)

Accounting policies applied in the preparation of the Financial Statements for the financial year ended 31 December 2023

Revenue recognition
Revenue is measured based on the consideration specified in a contract concluded with a customer and excludes any amounts collected on behalf of third parties including taxes.

The principal activities from which the Group generates its revenue are set out below.

Ferries Division

Product or Service	Nature and satisfaction of performance obligation
Passenger Transport	Passenger revenue is recognised over time as services are provided. Contracts are concluded during the booking process with a high degree of probability of collection of the sales proceeds. Sales proceeds are recognised as deferred revenue where the single performance obligation from the departure point to destination point are subsequently released to revenue over the elapsed time taken to complete the single performance obligation being the provision of transport between the departure point and destination point. The price is fixed at the time of booking. Where a customer is eligible to participate in loyalty programmes, the price is allocated based on the relative stand-alone selling price or expected selling price based on company data. Deferred revenue is reduced for any refund paid to a customer where the Company is unable to complete the performance obligation. Ticket breakage, i.e. deferred untravelled revenue for no shows, is recognised in full once the original booked travel date has expired based on a no refund policy.
RoRo Freight	RoRo freight revenue is recognised over time as services are provided. Contracts are concluded during the booking process with a high degree of probability of collection of the sales proceeds. Sales proceeds are recognised as deferred revenue which are subsequently released to revenue over the elapsed time taken to complete the single performance obligation being the provision of transport between the departure point and destination point. The price is fixed at the time of booking or is otherwise variable if the customer has an active rebate arrangement. The contract price less the estimates of the most probable rebate amount is allocated to the performance obligation with the rebate amount retained in deferred revenue until paid.
Onboard Sales	Revenue from sales in bars and restaurants is recognised at the time of sale. The Group recognises a single contract for all goods and services in a transaction basket at the time of transaction with payment received at the same time. There is a single identifiable obligation to transfer title with the price fixed at the time of transaction.
Retail Concessions	Revenues earned from retail concessions is recognised over time based on declarations received up to the reporting date. For each concession the Group recognises a single contract involving the grant of a licence or creation of a right to provide services onboard vessels creating a single identifiable obligation. The price is variable being based on a profit share model.

2. Summary of accounting policies (continued)

Container and Terminal Division

Product or Service	Nature and satisfaction of performance obligation
Container Shipping	LoLo container shipping revenue is recognised over time as services are provided. Contracts are concluded during the booking process with a high degree of probability of collection of the sales proceeds. Sales proceeds are recognised as deferred revenue which are subsequently released to revenue over the time based on effort expended on each activity (collection, shipping and delivery) undertaken in fulfilment of the single performance obligation being the provision of transport between the departure point and destination point. The price is fixed at the time of booking.
Stevedoring	Stevedoring revenue is recognised over time in line with the number of containers loaded or discharged onto vessels in fulfilment of obligations. Contracts are concluded with customers covering services to be provided over time with a high degree of probability of collection of the sales proceeds. Sales proceeds are recognised once the performance obligations are satisfied i.e. the loading or discharge of a vessel. The price is fixed at the time of contract or is otherwise variable if the customer has an active rebate arrangement. The contract price less the best estimate of the most probable rebate amount is allocated to the performance obligation with the rebate amount retained in deferred revenue. As rebates are paid to customers, amounts included in deferred revenue are released with experience adjustments included as revenue.

Leasing
Identifying a lease
Where a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration it is treated as a lease.

a) As Lessee
Where the Group acts as a lessee, the Group recognises a right-of-use asset and lease liability at the lease commencement date, which is the date the underlying asset is available for our use.

Right-of-use assets are initially measured at cost plus initial direct costs incurred in arranging a lease, and subsequently measured at cost less any accumulated depreciation and impairment losses (if any) and adjusted for certain remeasurement of lease liabilities. The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful lives and the lease term. Right-of-use assets are subject to impairment under IAS 36 Impairment of assets. Right-of-use assets are presented as a separate line item in the Statement of Financial Position.

Lease liabilities are initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate if the interest rate implicit in the lease is not readily determinable. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. In the Consolidated Statement of Cash Flows the payments made are separated into the principal portion (presented within financing activities), and interest (presented in operating activities). Lease liabilities are remeasured and a corresponding adjustment is made to right of use assets if there is a change in future lease payments, a change in the lease term, or as appropriate, a change in the assessment of whether an extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date. The Group also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the term of the lease. The Group also avails of practical expedients permitted under IFRS 16 Leases. The portfolio approach is applied to both leases of containers where a master leasing agreement exists and also in relation to the time charter of vessels where the Group does not separate non-lease components from lease components, recognising each time charter as a single component.

b) As Lessor
The Group treats bareboat hire purchase sale agreements in relation to the disposal of vessels as finance leases where it transfers substantially all the risks and rewards incidental to ownership of the underlying vessel to the charterer. The sales proceeds recognised at the commencement of the lease term by the Group are that implied by the fair value of the asset, which together with any initial direct costs equal to the net investment in the lease and are presented as a finance lease receivable in the Statement of Financial Position. Loss allowances on the finance lease receivables are estimated at

Notes Forming Part of the Consolidated Financial Statements
Continued

2. Summary of accounting policies (continued)

an amount equal to lifetime expected credit losses. Following initial measurement finance lease income is recognised in revenue and is allocated to accounting periods so as to reflect a constant periodic rate of return on the outstanding net investment.

Lease payments receivable arising from the grant of a right-of-use vessel which do not meet the requirement of a finance lease are recognised as revenue on a straight-line basis over the term of the relevant charter. The provision of operation and maintenance services is recognised on a daily basis at the applicable daily rate under the terms of the charter.

Concession and Licence agreements
Payments made under concession arrangements, where the Group benefits from the use of an asset or right and the obligation to make the payments has not been recognised in the Statement of Financial Position as a lease obligation, are charged to the Consolidated Income Statement as the rights conferred under the terms of the arrangement are consumed.

Benefits received and receivable as an incentive to enter into a concession agreement are also spread on a straight-line basis over the agreement term as a reduction of the expense.

The Group does not recognise that element of a contract as a lease in the Statement of Financial Position where the right to control the use of an identified asset for a period of time is based on variable consideration based on activity levels. In these circumstances any variable consideration is expensed to the Income Statement as the right is consumed.

Non-trading items
The Group treats material items either individually or, if of a similar type, in aggregate, that derive from events or transactions that fall outside the ordinary activities of the Group as non-trading items. Non-trading items are presented separately on the face on the Consolidated Income Statement, separately disclosing any tax effects.

Foreign currencies
The individual financial statements of each Group entity are prepared in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the Consolidated Financial Statements, the results and financial position of each entity are expressed in euro, which is the functional currency of the Company, and the presentation currency for the Consolidated Financial Statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising on the settlements of monetary items and on the retranslation of monetary items, are included in the Consolidated Income Statement for the financial year and presented in euro.

For the purpose of presenting Consolidated Financial Statements, the assets and liabilities of the Group's foreign operations are expressed in euro using exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case the exchange rates at the date of transactions are used.

Exchange differences arising on the translation of foreign currency subsidiaries, if any, are recognised in the Consolidated Statement of Comprehensive Income and accumulated in equity in the translation reserve. On disposal of a foreign subsidiary the cumulative translation difference for that foreign subsidiary is transferred to the Consolidated Income Statement as part of the gain or loss on disposal.

Finance costs
Finance costs comprises interest expense on borrowings, negative interest on bank deposits, interest on lease obligations and interest on net defined benefit pension scheme liabilities. All borrowing costs are recognised in the Consolidated Income Statement under finance costs using the effective interest method.

Finance income
Finance income comprises interest income on bank deposits, interest earned on finance lease receivables, interest on the net defined benefit pension scheme assets and interest on any other interest bearing financial assets. Interest income is recognised in the Consolidated Income Statement under finance income using the effective interest method.

2. Summary of accounting policies (continued)

Retirement benefit schemes

Defined benefit obligations

For defined benefit obligations, the cost of providing the benefits and the liabilities of the schemes are determined using the projected unit credit method with assets valued at bid price and actuarial valuations being carried out by independent and professionally qualified actuaries at each reporting date. Current service costs, past service cost, or credit, and net interest expense or income are recognised in the Consolidated Income Statement. Adjustments in respect of a settlement, a curtailment and past service cost, or credit, are recognised in the Consolidated Income Statement in the period of a plan amendment. Remeasurement comprising actuarial gains and losses is reflected in the Statement of Financial Position with a charge or credit recognised in the Consolidated Statement of Comprehensive Income in the period in which they occur.

The net interest income on defined benefit obligations has been recorded in the Consolidated Income Statement under finance income. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

In addition to the pension schemes operated by the Group, certain former employees are members of the Merchant Navy Officers Pension Fund (MNOPF). As the Group has no control over the calls for contributions made from the MNOPF, it has determined that the fund should be accounted for as a defined benefit obligation and its liability recognised accordingly. The Group's share of the MNOPF deficit as advised by the trustees is included with the other Group schemes.

The retirement benefit obligation recognised in the Consolidated Statement of Financial Position represents the deficit or surplus in the Group's defined benefit obligations. Any surplus resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

Defined contribution pension schemes

Payments to defined contribution pension schemes are recognised as an expense as they fall due. Any contributions outstanding at the period end are included as an accrual in the Consolidated Statement of Financial Position.

Employee benefits expense

Wages, salaries, bonuses, social security contributions, paid annual leave and sick leave are accrued in the period in which the associated services are rendered by the employees of the Group. A liability for a termination benefit is recognised at the earlier of when an entity can no longer withdraw the offer of the termination benefit and the entity recognises any related restructuring costs.

Share-based payments

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the shares expected to vest as a result of the effect of non-market based vesting conditions.

For awards where vesting will be determined by market based vesting conditions, those granted prior to 1 January 2019 were fair value measured using a binomial pricing model. Monte-Carlo modelling was used for awards granted after 1 January 2019.

The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Consolidated Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date. A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

Notes Forming Part of the Consolidated Financial Statements
Continued

2. Summary of accounting policies (continued)

A proportion of the Group's profits fall within the charge to tonnage tax, under which regime taxable profits are relieved to an amount based on the tonnage of vessels employed during the year. In accordance with the IFRIC guidance on IAS 12 Income Taxes, the tonnage tax charge is included within other operating expenses in the Consolidated Income Statement.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit and does not give rise to equal taxable and deductible temporary difference.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset realised based on tax laws and rates that have been enacted or substantively enacted at the statement of financial position date. Deferred tax is charged or credited to the Consolidated Income Statement, except when it relates to items charged or credited directly to the Consolidated Statement of Comprehensive Income or is dealt with in equity.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Property, plant and equipment
Vessels
Vessels are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on vessels is charged so as to write off the cost less residual value over the estimated economic useful life on a straight-line basis. The amount initially recognised in respect of Ropax vessels less estimated residual value, is allocated between hull and machinery and hotel and catering elements for depreciation purposes. In respect of LoLo vessels, all value is attributed to hull and machinery.

In considering residual values of vessels, the Directors have taken into account the valuation of the scrap value of the ships per light displacement tonne. Residual values are reviewed annually and updated if required. Estimations of economic life of vessels are a key accounting judgement and estimate in the financial statements. Any change in estimates are accounted for prospectively.

The estimated economic useful lives of vessels are as follows:

Hull and Machinery	
• Conventional Ropax vessels	30 - 35 years
• Fast ferries	15 - 25 years
• LoLo	25 years
Hotel and Catering	10 years

For conventional ferries, hull and machinery components are depreciated over an initial estimated useful life of 30 years but this is reviewed on a periodic basis for vessels remaining in service 25 years after original construction.

2. Summary of accounting policies (continued)

Drydocking
Costs incurred in renewing the vessel certificate are capitalised as a separate component under vessels in property, plant and equipment and depreciated over the period to the next expected drydocking required for certificate renewal. Costs and accumulated depreciation relating to expired certificates are treated as disposals. The estimated useful lives for drydock assets are as follows:

Passenger vessels	1 – 2 years
Container vessels	1 – 5 years

Estimations of economic life and residual values are reassessed at each reporting date. Any change in estimates are accounted for prospectively.

Other assets
Property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any accumulated impairment losses. Freehold land is stated at cost and is not depreciated. Cost comprises purchase price and directly attributable costs.

The amount initially recognised in respect of an item of other assets is allocated to its significant parts and each such part is depreciated separately. In respect of stevedoring equipment related costs are allocated between superstructure and plant.

With the exception of freehold land and assets under construction, depreciation on property, plant and equipment is charged so as to write off the cost over the estimated economic useful lives, using the straight-line method, on the following bases:

Buildings	10 – 100 years
Plant, equipment and vehicles	4 – 25 years
Plant superstructure	12 – 20 years

Assets under construction, the construction of which takes a substantial period of time are recorded at the cost incurred to date less any impairment loss and no depreciation is charged on these amounts. Depreciation commences when the assets are ready for their intended use. Cost includes borrowing costs capitalised in accordance with the Group's accounting policies. Borrowing costs directly attributable to the construction of property, plant and equipment are capitalised as part of the cost of the assets up to the date of substantial completion.

Gains or losses on the disposal of property, plant and equipment represent the difference between the net proceeds and the carrying value at the date of sale. Income is accounted for when there is an unconditional exchange of contracts, or when all necessary terms and conditions have been fulfilled.

Intangible assets
Costs incurred on the acquisition and commissioning of computer software are capitalised, as are costs directly associated with developing computer software programmes, if it is probable that the expected future economic benefits that are attributable to these assets will flow to the Group and the cost of these assets can be measured reliably. Computer software costs recognised as assets are written off on a straight-line basis over their estimated useful lives, which is normally between five and ten years.

Impairment of property, plant and equipment and intangible assets
At each reporting date, the Group performs a review to ascertain whether there are any indications of impairment which may affect carrying amounts of its property, plant and equipment and intangible assets. If any such indications exist, the recoverable amount of the asset is estimated in order to determine whether the affected assets have actually suffered an impairment loss. Where an asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Notes Forming Part of the Consolidated Financial Statements
Continued

2. Summary of accounting policies (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash generating unit is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the assets (cash generating units) in prior years. A reversal of an impairment loss is recognised as income immediately.

Inventories
Inventories are stated at the lower of cost and net realisable value. Cost represents suppliers' invoiced cost net of any related discounts etc. determined on a first in, first out basis. Net realisable value represents the estimated selling price less all costs to be incurred in marketing, selling and distribution.

Treasury shares
Consideration paid to purchase the Company's equity share capital is deducted from the total shareholders' equity and classified as treasury shares until such shares are cancelled. No gain or loss is recognised on the purchase, sale, issue or cancellation of the treasury shares. Where such shares are subsequently sold or reissued, any consideration received is included in total shareholders' equity.

Where shares are cancelled an amount equivalent to the nominal value of the cancelled shares is transferred from retained earnings to the undenominated capital reserve.

Financial instruments
Financial assets and financial liabilities are recognised on the Group and Company's Statement of Financial Position when the Group and Company becomes a party to the contractual provisions of the instrument.

Trade receivables
Trade and other receivables are initially recognised at transaction price and subsequently carried at amortised cost, net of allowance for expected credit losses. Any trade and other receivables included in non-current assets are carried at amortised cost in accordance with the effective interest rate method.

The Group applies the simplified approach to providing for expected credit losses (ECL) under IFRS 9 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the trade receivables. The Group uses an allowance matrix to measure the ECL of trade receivables based on its credit loss rates. Expected loss rates are based on historical payment profiles of sales and the corresponding historical credit loss experience. The historical loss rates are adjusted to reflect current and forward economic factors if there is evidence to suggest these factors will affect the ability of the customer to settle receivables. The Group has determined the ECL default rate using market default risk probabilities with regards to its key customers. Balances are written off when the probability of recovery is assessed as being remote.

Trade receivables are derecognised when the Group no longer controls the contractual rights that comprise the receivables, which is normally the case when the asset is sold or the rights to receive cash flows from the asset have expired, and the Group has not retained substantially all the credit risks and control of the receivable has transferred.

2. Summary of accounting policies (continued)

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and on demand deposits.

Financial liabilities and equity
Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Borrowings
Interest-bearing loans and overdrafts are initially recorded at fair value, net of transaction costs incurred. Overdrafts are set off against cash balances in accordance with the contractual terms of any set off agreement. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are expensed in the Consolidated Income Statement using the effective interest rate method and any unamortised costs at the reporting date are deducted from the carrying amount of the instrument. Borrowings are classified as financial liabilities and are measured subsequently at amortised cost using the effective interest rate method.

Trade payables
Trade payables are classified as other financial liabilities, are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Equity instruments
Equity instruments issued by the Company are recorded at the proceeds received in share capital with any premium over nominal value recorded in the share premium account. Any associated issue costs are deducted from retained earnings.

Contingent liability
A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Provisions
Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the statement of financial position date and are discounted to present value where the effect is material.

Distributions
Distributions are accounted for when they are paid, through retained earnings. Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably). Dividends received from fellow subsidiaries are eliminated on consolidation.

Operating profit
Operating profit is stated after non-trading items arising from continuing operations.

Notes Forming Part of the Consolidated Financial Statements
Continued

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's and Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these amounts. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key sources of estimation uncertainty and critical accounting judgements are as follows:

Estimates
Post-employment benefits
The Group's and Company's total obligation in respect of defined benefit pension obligations is calculated by independent, qualified actuaries, updated at least annually. The size of the obligation is sensitive to actuarial assumptions. These include demographic assumptions covering mortality and longevity, and economic assumptions covering price inflation, benefit and salary increases together with the discount rate used. The size of the scheme assets is also sensitive to asset return levels and the level of contributions from the Group and Company. Further details are set out in note 31. Many of the actuarial assumptions are dependent on market developments and are outside the control of the Company and Group and movements may give rise to material adjustments in future estimates of post-employment obligations.

The Group and Company is a participating employer in the Merchant Navy Officer Pension Fund (MNOPF), a multi-employer defined benefit pension scheme. The MNOPF was in surplus at the most recent valuation date of 31 March 2021. Under the rules of the fund, all employers are jointly and severally liable for any deficit. The deficit included in the financial statements for the Group and Company represents an apportionment of the overall scheme deficit based on the most recent notification received from the trustees dated May 2013 and which was 1.04% for the Group and 0.33% for the Company, less any deficit payments made. Should other participating employers' default on their obligations, the Group and Company will be required to absorb a larger share of the scheme deficit calculated in the same manner as the current apportionment.

Useful lives for property, plant and equipment
Long lived assets comprising primarily of property, plant and equipment represent a significant portion of total assets. The annual depreciation and amortisation charge depends primarily on the estimated useful lives of each type of asset. Management regularly reviews these useful lives and change them, if necessary, to reflect current conditions. In determining these useful lives, management considers regulatory and technological changes, patterns of consumption, physical condition and expected economic utilisation of the asset. Changes in the useful lives may have a significant impact on the annual depreciation and amortisation charge. Details of the useful lives are included in the accounting policy headed property, plant and equipment. Further details are set out in note 12.

Critical accounting judgements
Impairment
The Group does not hold any assets, including goodwill, which require an annual assessment of recoverable amount.

In line with the requirements of IAS36: Impairment of assets, the Group assessed its property, plant and equipment and intangible assets to determine if there were any indications of impairment. Factors considered in carrying out this assessment included the economic performance of assets, technological developments, new rules and regulations including environmental regulation, shipbuilding costs and carrying value versus market capitalisation of the Group.

The Group revenues are generated from passenger traffic, including tourism, and freight movements between Ireland and Britain, Ireland and continental Europe and Britain and Continental Europe. The performance of these markets are in turn dependent to a significant degree on macro-economic factors including economic growth both local and global, inflation, interest rates and exchange rates. These same factors feed into our input costs. Current geopolitical issues including the war in Ukraine and Middle East tensions together with post-pandemic recovery have resulted in continuing high energy costs, leading to higher general inflation, with policy makers maintaining higher interest rates than in prior years. The Group also notes the progress of trade negotiations on movement of goods between the United Kingdom and the European Union and between mainland Britain and Northern Ireland. These have created uncertainty around the short-term economic growth rates in the markets in which the Group operates and hence the likely growth rates to be achieved in our businesses. While the Group acknowledges that it cannot control macro-economic factors, it views current macro-economic uncertainty as a normal part of conducting business. The Group has demonstrated as part of its business model its capacity to pass increased costs through the logistics chain.

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

The Directors also considered known and expected environmental regulation, particularly those which are anticipated over the remaining life of its existing fleet. While the Group has mapped known requirements against the current status of its fleet, it is not in a position to cost compliance as in many cases technological solutions are currently not commercially available or developed. Given the current low rate of renewal of global fleets, partially related to the absence of proven pathways to compliance with future changes in regulation, the directors consider that the additional regulation will not lead to accelerated obsolescence of its fleet but may result in increased costs. The most significant item in the short term is the introduction by the EU of an Emissions Trading System applicable to vessel operators, with a similar scheme expected to be endorsed by the United Kingdom at a future point. The EU system was recently introduced and is effective for CO2 emissions from 1 January 2024. This requires the payment of a levy based on the volume of emissions. Similar to the actions taken in relation to the IMO2020 regulations which required the consumption of more expensive fuel oils, the maritime sector has been signalling to the market that the costs of the Emission Trading Systems will be passed through to customers. The Group has introduced additional charges to customers effective from 1 January 2024 to recover the increased cost of these regulations. The Group continues to expect that the costs arising from further regulation will be recovered in a similar manner.

During 2023, the IMO increased their longer term CO2 reduction targets to equate to near net zero by 2050. This will be an ambitious target for shipowners to achieve, and the pathway to compliance is not clear and again will require significant advances in new technologies of scale and supply to be made before that deadline. However, we do not see this change increasing the obsolescence risk of our existing vessels, as due to their age, they will be expected to be replaced in the ordinary course of business with vessels incorporating newer technologies.

In relation to our ferry fleet, we note that the Ferries Division delivered record levels of activity, revenue and profitability in the year. Given our engagement with the market during 2023, where we maintain fluid dialogue with market makers and transacted two ferry charters, there was no evidence of declining charter rates or vessel values generally. As further evidence we sought valuations of our ferry fleet at 31 December 2023 from independent shipbroker Simsonship AB, which indicated that there was no decline in value more than expected from normal operational use and passage of time since their last valuation. We further sought to ground these valuations with our own discounted cashflow models. Following this review, it was concluded that there were no indicators of impairment at 31 December 2023.

In the second half of 2022, container vessel charter rates plateaued and subsequently declined in the last quarter, a trend which continued throughout 2023, with some evidence of recovery in the early part of 2024. While many of our vessels had been chartered out at fixed rates for 2023, certain of our vessels were renewed at rates less than previously anticipated. The uncertainty around future renewal rates and consequently likely future market value of container vessels was identified as an indicator of impairment for fleet assets at 31 December 2022. This uncertainty is again identified as an indicator of impairment at 31 December 2023, but is confined to the container vessel fleet.

The Group has undertaken an impairment test to assess the recoverable value of its container vessel fleet assets based on the conditions and information available at the reporting date.

<u>Recoverable Value Estimates Container Vessel Fleet</u>
The Group engaged independent shipbroker Ernst Russ Shipbrokers GMBH& Co KG to provide valuations on its fleet. These valuations are prepared on standard market terms on the assumption of assets being encumbrance free with a willing buyer and seller. The Group adjusted these valuations for an estimate of disposal costs to arrive at a fair value less cost of disposal (FVLCOD) valuation of the fleet. The Group was satisfied that the carrying value of the fleet as a whole was strongly supported by the FVLCOD estimate at 31 December 2023, but noted that two vessels had carrying values which were higher than the valuations received.

Notwithstanding the headroom over carrying value indicated by the FVLCOD estimate for the six other vessels, the Group acknowledges the potential shortcoming limitations of such valuation estimates where there are limited transactions and true value can only be assessed if offered for sale to one or more willing purchasers. Against that background, the Group sought to derive its own valuations through performance of a value in use exercise for each of the eight owned vessels, which are each identified as individual cash-generating units as there is no interdependence between vessels.

Notes Forming Part of the Consolidated Financial Statements
Continued

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

The value in use exercise involved projecting cash flows over a ten year period and discounting these to a present value using an estimate of the weighted average cost of capital. Vessels were assigned a terminal value at the end of the projection period based on the unexpired portion of the year end broker valuations based on a straight line write down of those valuations over the remaining useful life of the vessel. Estimation of charter rates from the expiration of current charter terms was based on the long term charter rate on the estimated cost of building a comparable vessel informed by discussions with shipbrokers, discounted for age and technological efficiencies versus the older vessels in the Group's fleet. The cash flows included an allowance for maintenance capital principally comprising estimated drydock costs based on each vessel's maintenance plan. Operating costs, including crewing and technical management costs, were assumed at current pricing plus annual inflation. The cashflow projections for years one to five were consistent with the base scenario used in the viability assessment.

Sensitivity on this base scenario was performed for a number of downside scenarios flexing the charter rates, the discount rate and terminal values. The Directors are satisfied that the value in use projections supported the carrying value of the fleet at 31 December 2023. The Directors have reviewed the methodology, key assumptions and the results of the impairment testing as described above.

Consequently, the Directors concluded that the recoverability assessment described above, supported the carrying value of the Group's container fleet assets and that no provision for impairment was required at 31 December 2023.

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 at the reporting date, the principal risks and uncertainties facing the Group, the Group's 2024 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.

In the financial year the Group generated cash from operations of €136.7 million (2022: €132.0 million), with free cash flow after maintenance capital expenditure of €107.1 million (2022: €108.0 million). The Group retained liquidity reserves comprising cash balances and committed undrawn facilities at 31 December 2023 of €82.2 million (2022: €67.4 million). The leverage covenant under the Group's loan facilities at 31 December 2023, was 1.0 times EBITDA, within the maximum permitted levels of 3.0 times.

At 31 December 2023, the Group had drawn €112.4 million in borrowings which are due to be repaid during 2024 and are classified as current liabilities. Subsequent to the year end, the Group refinanced its €75.0 million revolving credit facility with a new five-year €100.0 million revolving credit facility, maturing during 2029. This new facility, together with retained cash balances have been factored into the going concern scenario assessments. The lending arrangements at the date of approval of the financial statements also include uncommitted facilities of approximately €254.0 million.

In making their going concern assessment, the Directors have considered a number of scenarios, The base scenario assumptions assume trading patterns in line with conditions existing at the date of approval. A downside scenario was also prepared based on lower activity levels across our businesses having considered current macro-economic risks in the economies in which we provide services, including continuing inflationary and interest rate pressures, together with geo-political tensions in Europe and middle east and global demand risks generally. Notwithstanding this lower activity assumption, the downside modelling assumed a full schedule of services being maintained by the Group. Based on this modelling, the Directors believe the Group retains sufficient liquidity to operate for at least the period up to March 2025.

Leases – determination of lease term
The Group has applied judgement in determining the lease term of vessel leases, taking into consideration the non-cancellable period of the lease together with any periods covered by options to extend the lease and/or purchase the vessel if these are reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

4. Segmental information

Business segments
The Executive Board is deemed the chief operating decision maker within the Group. For management purposes, the Group is currently organised into two operating segments; Ferries and Container and Terminal. These segments are the basis on which the Group reports internally and are the only two revenue generating segments of the Group.

The Ferries segment derives its revenue from the operation of combined RoRo passenger ferries and the chartering of vessels. The Container and Terminal segment derives its revenue from the provision of door-to-door and feeder LoLo freight services, stevedoring and other related terminal services.

Segment information about the Group's operations is presented below.

	Ferries	Container & Terminal	Inter- segment	Total
	€m	€m	€m	€m
Revenue				
2023				
External revenue	379.1	192.9	-	572.0
Inter-segment revenue	33.2	1.2	(34.4)	-
Total	**412.3**	**194.1**	**(34.4)**	**572.0**
2022				
External revenue	364.6	220.3	-	584.9
Inter-segment revenue	35.3	1.2	(36.5)	-
Total	**399.9**	**221.5**	**(36.5)**	**584.9**

Inter-segment revenue is at best estimates of prevailing market prices. The inter-segment revenue in the Ferries Division in 2023 of €33.2 million (2022: €35.3 million) primarily relates to container vessels which are on time charter to the Group's container shipping subsidiary, Eucon.

Revenue has been disaggregated into categories which reflect how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. As revenues are recognised over short time periods, a key determinant to categorising revenues is whether they principally arise from a business to customer (passenger contracts) or a business to business relationship (freight and charter contracts) as this impacts directly on the uncertainty of cash flows.

	Ferries		Container & Terminal		Total	
	2023	2022	2023	2022	2023	2022
	€m	€m	€m	€m	€m	€m
Revenue						
Passenger	181.1	162.7	-	-	181.1	162.7
Freight	180.8	184.7	192.9	220.3	373.7	405.0
Chartering	17.2	17.2	-	-	17.2	17.2
Total	**379.1**	**364.6**	**192.9**	**220.3**	**572.0**	**584.9**

For the year ended 31 December 2023, €530.6 million was recognised over time (2022: €553.3 million) and €41.4 million was recognised at a point in time (2022: €31.6 million). No single external customer in the current or prior financial year amounted to 10 per cent or more of the Group's revenues. Of total Group revenues of €572.0 million (2022: €584.9 million), €16.7 million (2022: €16.6 million), all of which relates to the Ferries Division, is recognised under IFRS 16 with the remainder being recognised as revenue under IFRS 15.

Notes Forming Part of the Consolidated Financial Statements
Continued

4. Segmental information (continued)

	Ferries		Container & Terminal		Total	
	2023	2022	2023	2022	2023	2022
	€m	€m	€m	€m	€m	€m
Result						
Operating profit	52.1	46.4	16.3	20.3	68.4	66.7
Finance income	1.4	0.1	-	-	1.4	0.1
Finance costs	(5.1)	(3.1)	(1.4)	(1.2)	(6.5)	(4.3)
Profit before tax	48.4	43.4	14.9	19.1	63.3	62.5
Income tax expense	(0.9)	(1.3)	(0.8)	(1.4)	(1.7)	(2.7)
Profit for the financial year	**47.5**	**42.1**	**14.1**	**17.7**	**61.6**	**59.8**
Statement of Financial Position						
Assets						
Segment assets	420.3	422.5	106.2	112.4	526.5	534.9
Cash and cash equivalents	39.5	34.5	7.3	4.5	46.8	39.0
Consolidated total assets	**459.8**	**457.0**	**113.5**	**116.9**	**573.3**	**573.9**
Liabilities						
Segment liabilities	66.2	66.7	34.4	36.3	100.6	103.0
Borrowings and lease liabilities	158.6	174.6	31.8	35.5	190.4	210.1
Consolidated total liabilities	**224.8**	**241.3**	**66.2**	**71.8**	**291.0**	**313.1**
Consolidated net assets	**235.0**	**215.7**	**47.3**	**45.1**	**282.3**	**260.8**
Other segment information						
Capital additions	34.3	68.1	17.0	6.7	51.3	74.8
Right-of-use asset additions	15.4	3.0	0.3	3.2	15.7	6.2
Depreciation and amortisation	54.8	49.3	9.4	11.2	64.2	60.5

	Ferries		Container & Terminal		Total	
	2023	2022	2023	2022	2023	2022
	€m	€m	€m	€m	€m	€m
Other operating expenses						
Fuel	92.7	104.6	14.1	19.4	106.8	124.0
Labour	52.6	48.3	12.8	12.6	65.4	60.9
Port costs	80.3	69.0	33.2	35.2	113.5	104.2
Haulage	-	-	51.4	56.6	51.4	56.6
Other	58.7	61.3	51.8	60.4	110.5	121.7
Inter-segment	(1.2)	(1.2)	(33.2)	(35.3)	(34.4)	(36.5)
Total other operating expenses	**283.1**	**282.0**	**130.1**	**148.9**	**413.2**	**430.9**

4. Segmental information (continued)

Geographic analysis of revenue by origin of booking

	2023 €m	2022 €m
Revenue		
Ireland	186.6	202.4
United Kingdom	154.2	142.2
Netherlands	96.1	99.7
Belgium	38.0	47.7
France	23.5	20.2
Poland	16.0	18.8
Germany	9.3	7.9
Austria	9.0	10.8
Other	39.3	35.2
Total	**572.0**	**584.9**

For the year ended 31 December 2023, the 'other' revenue balance of €39.3 million did not contain revenue attributable to any single country in excess of €9.0 million.

Geographic location of non-current assets

	2023 €m	2022 €m
At Sea and in transit		
Vessels	324.8	327.9
Containers	7.7	9.9
	332.5	337.8
On Shore		
Ireland	67.1	60.2
Other	7.3	7.6
	74.4	67.8
Carrying amount at 31 December	**406.9**	**405.6**

Non-current assets set out above exclude finance lease receivable, retirement benefit assets and deferred tax assets. Due to the mobile nature of certain assets in property, plant and equipment, their geographic location is not always fixed.

5. Employee benefits expense

The average number of employees during the financial year was as follows:

	2023	2022
Ferries	204	202
Container and Terminal	86	86
	290	288
The number of employees at financial year-end was	**288**	**288**

Notes Forming Part of the Consolidated Financial Statements
Continued

5. Employee benefits expense (continued)

Aggregate costs of employee benefits were as follows:

	2023 €m	2022 €m
Wages and salaries	20.0	19.7
Social insurance costs	1.8	2.0
Defined benefit obligations – current service cost (note 31 vii)	0.8	1.7
Defined benefit obligations – past service cost (note 31 vii)	0.2	-
Defined contribution pension scheme – pension cost (note 31)	0.6	0.4
Share-based payment expense (note 30)	2.8	3.0
Total employee benefit costs incurred	**26.2**	**26.8**

There were no staff costs capitalised during the financial year (2022: €nil) in relation to management and supervision of the contracts for the construction of new vessels.

6. Finance income

	2023 €m	2022 €m
Net interest income on defined benefit assets (note 31 vii)	1.3	0.1
Interest on bank deposits	0.1	-
Total finance income	**1.4**	**0.1**

7. Finance costs

	2023 €m	2022 €m
Interest on bank overdrafts and loans	5.0	3.0
Interest on lease obligations	1.5	1.3
Total finance costs	**6.5**	**4.3**

8. Income tax expense

	2023 €m	2022 €m
Current tax	1.5	2.7
Deferred tax (note 24)	0.2	-
Total income tax expense for the financial year	**1.7**	**2.7**

The Company and its Irish tax resident subsidiaries have elected to be taxed under the Irish tonnage tax scheme. Under the tonnage tax scheme, taxable profit on eligible activities is calculated on a specified notional profit per day related to the tonnage of the vessels utilised. In accordance with the IFRIC clarification of tonnage taxes issued May 2009, the tonnage tax charge is not considered an income tax expense under IAS 12 Income Taxes, and has been included in other operating expenses in the Consolidated Income Statement.

Domestic income tax is calculated at 12.5% of the estimated assessable profit for the year for all activities which do not fall to be taxed under the tonnage tax scheme. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. The income tax expense for the year includes a current tax charge of €1.5 million (2022: €2.7 million) and a deferred tax charge of €0.2 million (2022: €nil).

The total tax expense for the financial year is reconciled to the accounting profit as follows:

	2023 €m	2022 €m
Profit before tax	63.3	62.5
Tax at the domestic income tax rate of 12.5% (2022: 12.5%)	7.9	7.8
Effect of tonnage relief	(6.9)	(6.6)
Difference in effective tax rates	0.5	0.3
Other items	0.2	1.2
Income tax expense recognised in the Consolidated Income Statement	**1.7**	**2.7**

Notes Forming Part of the Consolidated Financial Statements
Continued

9. Profit for the year

	2023 €m	2022 €m
Profit for the year arrived at after charging:		
Depreciation of property, plant and equipment (note 12)	45.1	38.5
Amortisation of intangible assets (note 13)	0.4	0.4
Depreciation of right-of-use assets (note 14)	18.7	21.6
Depreciation and amortisation costs	**64.2**	**60.5**
Fuel	106.8	124.0
Labour	65.4	60.9
Port costs	113.5	104.2
Haulage	51.4	56.6
Other	76.1	85.2
Other operating expenses	**413.2**	**430.9**
Foreign exchange (gains) / losses	**(0.1)**	**1.9**
Expenses relating to lease payments not included in the measurement of the lease liability		
Short-term leases	1.9	0.9
Variable lease payments	1.9	2.4
Group Auditor's remuneration:	**€'000**	**€'000**
The audit of the Group financial statements	290.0	275.0
Other assurance services	40.0	40.0
Tax advisory and compliance	70.0	105.0
	400.0	**420.0**

The portion of the above audit fees attributable to the Company financial statements payable to KPMG was €83,000 (2022: €79,000).

10. Dividends

	2023 €m	2022 €m
Final dividend of 9.45c per ICG Unit RE: financial year ended 31 December 2022 (2021: 9.00c)	16.1	16.1
Interim dividend of 4.87c per ICG Unit RE: the financial year ended 31 December 2023 (2022: 4.64c)	8.3	8.1
	24.4	**24.2**

The Board is proposing a final dividend of 9.93 cent per ordinary share amounting to €16.4 million out of the distributable reserves of the Company.

11. Earnings per share

	2023 '000	2022 '000
Shares in issue at the beginning of the year	170,823	182,795
Effect of shares issued during the year	70	23
Effect of share buybacks and cancellation in the year	(960)	(5,044)
Weighted average number of ordinary shares for the purpose of basic earnings per share	**169,933**	**177,774**
Dilutive effect of employee equity plans where vesting conditions not met	2,645	2,363
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**172,578**	**180,137**

Denominator for earnings and diluted earnings per share calculations
Share option awards under the ICG Performance Share Plan are treated as contingently issued shares because any shares which may in future be issued are contingent on the satisfaction of performance conditions set at the date of grant, in addition to the passage of time. Where the performance conditions have been met at the end of the performance period and the options remain unexercised, they are no longer treated as contingently issuable and are treated as issued shares from the end of the performance period and included in the weighted average number of ordinary shares for the purpose of basic earnings per share.

Those contingently issuable shares for which the performance period has not yet expired, are included in the weighted average number of ordinary shares for the purposes of diluted earnings per share unless the performance conditions governing their exercisability have not been met at the reporting date.

A total of 838,954 (2022: 664,484) unvested share options outstanding at the reporting date have been excluded from the weighted average number of ordinary shares for the purposes of diluted earnings per share as they were either antidilutive or had not met the performance conditions governing their exercisability.

The earnings used in both the adjusted basic and adjusted diluted earnings per share are adjusted to take into account the net interest on defined benefit obligations and the effect of non-trading items after tax. The calculation of the basic and diluted earnings per share attributable to ordinary equity holders of the parent is based on the following data:

	2023 €m	2022 €m
Earnings		
Earnings for the purposes of basic and diluted earnings per share -		
Profit for the financial year attributable to equity holders of the parent	61.6	59.8
Net interest income on defined benefit assets (note 31 vii)	(1.3)	(0.1)
Earnings for the purposes of adjusted basic and adjusted diluted earnings per share	**60.3**	**59.7**

	2023 Cent	2022 Cent
Basic earnings per share	36.2	33.6
Diluted earnings per share	35.7	33.2
Adjusted basic earnings per share	35.5	33.6
Adjusted diluted earnings per share	34.9	33.1

Notes Forming Part of the Consolidated Financial Statements
Continued

12. Property, plant and equipment

	Assets under Construction	Vessels	Plant, Equipment and Vehicles	Land and Buildings	Total
	€m	€m	€m	€m	€m
Cost					
At 1 January 2022	0.6	481.3	61.6	26.2	569.7
Additions	4.5	62.6	5.2	2.1	74.4
Reclassification	(0.5)	-	0.5	-	-
Disposals	-	(7.4)	(1.6)	-	(9.0)
Currency adjustment	-	(2.4)	(0.2)	-	(2.6)
At 31 December 2022	4.6	534.1	65.5	28.3	632.5
Additions	6.1	24.8	18.2	1.6	50.7
Reclassification	(10.7)	10.7	-	-	-
Disposals	-	(16.1)	(4.8)	-	(20.9)
Currency adjustment	-	1.0	0.1	-	1.1
At 31 December 2023	**-**	**554.5**	**79.0**	**29.9**	**663.4**
Accumulated depreciation					
At 1 January 2022	-	187.2	43.9	10.4	241.5
Depreciation charge for the financial year	-	34.7	3.3	0.5	38.5
Eliminated on disposals	-	(7.4)	(1.6)	-	(9.0)
Currency adjustment	-	(0.7)	(0.1)	-	(0.8)
At 31 December 2022	-	213.8	45.5	10.9	270.2
Depreciation charge for the financial year	-	40.8	3.7	0.6	45.1
Eliminated on disposals	-	(16.1)	(4.8)	-	(20.9)
Currency adjustment	-	0.3	-	-	0.3
At 31 December 2023	**-**	**238.8**	**44.4**	**11.5**	**294.7**
Carrying amount					
At 31 December 2023	**-**	**315.7**	**34.6**	**18.4**	**368.7**
At 31 December 2022	4.6	320.3	20.0	17.4	362.3

In accordance with IAS 16, the property, plant and equipment of the Group and Company has been reviewed in relation to the residual values used for the purpose of depreciation calculations. In considering residual values of passenger vessels, the Directors have taken into consideration the valuation of the scrap value of the vessels per light displacement tonne. Residual values are reviewed annually and updated where the Directors consider the latest estimates of residual value estimates would lead to a significant change in depreciation charges.

12. Property, plant and equipment (continued)

Estimations of economic life of vessels are a key judgemental estimate in the financial statements and further details are set out in note 3. In relation to the remaining estimated economic life of the vessels, a one year increase/ decrease would have a €2.6 million (2022: €2.1 million) decrease/ €3.7 million (2022: €2.7 million) increase in depreciation in the Consolidated Income Statement, and a €2.6 million (2022: €2.1 million) increase/ €3.7 million (2022: €2.7 million) decrease on the carrying value of property, plant and equipment in the Statement of Financial Position.

During the years ended 31 December 2023 and 2022, no staff costs or interest costs were included in additions. Assets under construction at 31 December 2023 of €nil million (2022: €4.6 million) relate to construction completed on assets not in operation at the prior year end.

13. Intangible assets

	2023 €m	2022 €m
Cost		
At 1 January	12.9	12.5
Additions	0.6	0.4
At 31 December	**13.5**	**12.9**
Amortisation		
At 1 January	11.0	10.6
Charge for the financial year	0.4	0.4
At 31 December	**11.4**	**11.0**
Carrying amount		
At 31 December	**2.1**	**1.9**
At 1 January	1.9	1.9

The intangible assets included above, all computer software, have finite useful lives of five years over which the assets are amortised. Amortisation is on a straight-line basis.

Notes Forming Part of the Consolidated Financial Statements
Continued

14. Right-of-use assets

	Vessels €m	Plant and Equipment €m	Land and Buildings €m	Total €m
Cost				
At 1 January 2022	49.2	12.1	35.1	96.4
Additions	2.8	3.2	0.2	6.2
Derecognition on lease expiry	(2.8)	(0.1)	(0.4)	(3.3)
Currency adjustment	-	-	(0.8)	(0.8)
At 31 December 2022	49.2	15.2	34.1	98.5
Additions	15.5	0.2	-	15.7
Lease remeasurement	-	-	(2.4)	(2.4)
Derecognition on lease expiry	(49.3)	(0.8)	-	(50.1)
Currency adjustment	-	-	0.3	0.3
At 31 December 2023	**15.4**	**14.6**	**32.0**	**62.0**
Accumulated depreciation				
At 1 January 2022	27.5	5.0	6.7	39.2
Charge for the period	17.0	2.2	2.4	21.6
Derecognition on lease expiry	(2.8)	(0.1)	(0.4)	(3.3)
Currency adjustment	-	-	(0.4)	(0.4)
At 31 December 2022	41.7	7.1	8.3	57.1
Charge for period	13.8	2.3	2.6	18.7
Derecognition on lease expiry	(49.3)	(0.8)	-	(50.1)
Currency adjustment	-	-	0.2	0.2
At 31 December 2023	**6.2**	**8.6**	**11.1**	**25.9**
Carrying amount				
At 31 December 2023	**9.2**	**6.0**	**20.9**	**36.1**
At 31 December 2022	7.5	8.1	25.8	41.4

Right-of-use assets are depreciated on a straight-line basis over the lease term. Where a lease contract contains extension options, the Group includes such option periods in its valuation of right-of-use assets where it is reasonably certain to exercise the option. Initial direct costs incurred in the period relating to the acquisition of leases and included in additions amounted to €1.4 million (2022: €nil).

Plant and equipment mainly relates to containers used in the Group's container fleet leased under various master agreements with an average remaining term of 3.1 years (2022: 2.8 years). Land and buildings comprised (i) leased land at Dublin Port from which the Group operates a container terminal where the average remaining lease term was 91 years (2022: 92 years); (ii) a concession agreement at Belfast Harbour from which the Group operates a container terminal where the average remaining lease term was 2.7 years (2022: 3.7 years) and (iii) land leased during 2021 at Dublin Inland Port from which the Group operates a container depot where the average remaining lease term was 18.0 years (2022: 19.0 years).

Related lease liabilities of €37.0 million (2022: €42.4 million) are disclosed in note 22 to the Consolidated Financial Statements.

15. Finance lease receivable

	2023 €m	2022 €m
At 1 January	13.6	16.6
Amounts received	(3.6)	(3.6)
Net benefit recognised in revenue	0.5	0.6
At 31 December	**10.5**	**13.6**

In 2019, the Group entered into a bareboat hire purchase sale agreement for the disposal of a vessel. Legal title to the vessel transfers to the lessor only on payment of the final instalment. The deferred consideration has been treated as a finance lease receivable at an amount equivalent to the net investment in the lease.

Amounts received less the net benefit recognised in revenue, a total of €3.1 million (2022: €3.0 million) has been recognised in the Consolidated Statement of Cash Flows as proceeds on disposal of property, plant and equipment.

The amounts receivable under the agreement at 31 December were as follows:

	2023 €m	2022 €m
Within one year	3.6	3.6
Between one and two years	7.3	3.6
Between two and three years	-	7.3
Between three and four years	-	-
Between four and five years	-	-
Greater than five years	-	-
Undiscounted payments receivable	10.9	14.5
Unearned income	(0.4)	(0.9)
Present value of payments receivable / Net investment in the lease	10.5	13.6
Analysed as:		
Current finance lease receivable	3.2	3.1
Non-current finance lease receivable	7.3	10.5
	10.5	**13.6**

The Group is not exposed to foreign currency risk as a result of the lease arrangement, as it is denominated in euro. Residual value risk on the vessel under lease is not significant, because of the existence of a secondary market in vessels.

The Directors of the Company estimate the loss allowance on the finance lease receivable at 31 December at an amount equal to lifetime expected credit losses. None of the finance lease receivable at 31 December 2023 was past due. Taking into account the historical payment experience up to the date of approval of these financial statements has been in line with the agreed contractual arrangement together with the retention of legal title, the Directors of the Group consider that the allowance for expected credit losses is immaterial.

Notes Forming Part of the Consolidated Financial Statements
Continued

16. Inventories

	2023 €m	2022 €m
Fuel and lubricating oil	3.5	4.7
Catering and other stocks	0.5	0.5
	4.0	**5.2**

The Directors consider that the carrying amount of inventories approximates their replacement value.

Cost of inventories recognised as an expense in the Consolidated Income Statement amounted to €118.4 million during the financial year (2022: €135.1 million).

17. Trade and other receivables

	2023 €m	2022 €m
Trade receivables	60.6	65.0
Allowance for expected credit losses	(2.3)	(2.6)
	58.3	62.4
Prepayments		
Deposits relating to other property, plant and equipment	0.1	9.5
Other prepayments	4.1	3.1
Finance lease receivable (note 15)	3.2	3.1
Other receivables	2.9	1.8
	68.6	**79.9**

The Group and Company extend credit to certain trade customers after conducting a credit risk assessment. Year-end trade receivables represent 39 days sales at 31 December 2023 (2022: 41 days). Deposits paid relating to other property, plant and equipment include advance payments for services or goods where title has not transferred at the period end.

The Group's trade receivables are analysed as follows:

	Gross value 2023 €m	Expected credit losses 2023 €m	Net value 2023 €m	Gross value 2022 €m	Expected credit losses 2022 €m	Net value 2022 €m
Not past due						
Within terms	55.2	(1.4)	53.8	57.9	(1.4)	56.5
Past due						
Within 3 months	4.7	(0.5)	4.2	6.2	(0.6)	5.6
After 3 months	0.7	(0.4)	0.3	0.9	(0.6)	0.3
	60.6	**(2.3)**	**58.3**	**65.0**	**(2.6)**	**62.4**

17. Trade and other receivables (continued)

Expected credit losses

The Group has applied the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component. The concentration of credit risk is limited due to the exposure being spread over a large number of counterparties and customers. In measuring the expected credit losses, the trade receivables have been grouped by shared credit risk characteristics and by days past due. The expected loss rates are heavily influenced by the past rate of actual credit losses. Trade receivables are written off when there is no reasonable expectation of recovery. The Group also considers expected credit losses in relation to prepaid capital purchases such as vessel building deposits as there is a risk of non-delivery. The Group has a limited history of credit losses.

	2023 €m	2022 €m
Movement in the allowance for expected credit losses		
Balance at beginning of the financial year	2.6	1.8
(Decrease) / increase in allowance during the financial year	(0.3)	0.8
Balance at end of the financial year	**2.3**	**2.6**

18. Cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks. There were no bank overdrafts outstanding at 31 December which met the offsetting conditions under IAS 32 Financial Instruments. Cash and cash equivalents at the end of the reporting period as shown in the Statement of Cash Flows were:

	2023 €m	2022 €m
Cash and cash equivalents	46.8	39.0

Cash and cash equivalents comprise cash held by the Group and Company and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value. 95 per cent of the cash and cash equivalents were on deposit in institutions rated A2 or above by Moodys. The Directors consider the credit risk of these counterparties to be compatible with the Group's credit policy and operational requirements.

The geographic spread by deposit institution for the Group was as follows:

	2023 €m	2022 €m
Ireland	44.4	36.8
United Kingdom	2.3	1.4
Europe	0.1	0.8
Total	**46.8**	**39.0**

The cash and cash equivalents figure of €46.8 million (2022: €39.0 million) at 31 December 2023 includes a deposit of €3.5 million (2022: €3.5 million) over which the Group has granted a charge in favour of the Irish Ferries Pension Trustee Limited as continuing security for amounts due under a deficit funding agreement concluded with the Trustee on behalf of the Irish Ferries Limited Pension Scheme. At 31 December 2023, the Group had satisfied the conditions under which the lien was granted and the charge on the €3.5 million balance was released post year end.

Notes Forming Part of the Consolidated Financial Statements
Continued

19. Share capital

Group and Company

Authorised	2023 Number	2023 €m	2022 Number	2022 €m
Ordinary shares of par value €0.065 each	450,000,000	29.3	450,000,000	29.3
Redeemable shares of par value				
€0.00001 each	4,500,000,000	-	4,500,000,000	-
		29.3		**29.3**

Allotted, called up and fully paid	2023 Number	2023 €m	2022 Number	2022 €m
Ordinary shares				
At beginning of the financial year	170,823,142	11.1	182,794,567	11.9
Share issue	146,065	-	34,978	-
Share buyback	(4,752,000)	(0.3)	(12,006,403)	(0.8)
At end of the financial year	**166,217,207**	**10.8**	**170,823,142**	**11.1**

There were no redeemable shares in issue at 31 December 2022 or 31 December 2023.

The Company has one class of share unit, an ICG Unit, which at 31 December 2023 comprised one ordinary share and nil redeemable shares. The share unit, nor any share therein, does not carry any right to fixed income.

The number of ICG Units issued during the year was 146,065 (2022: 34,978) and total consideration received amounted to €0.4 million (2022: €0.1 million). These ICG Units were issued under the Group's and Company's share option plans.

During the year, the Company bought back 4,752,000 (2022: 12,006,403) ICG Units on the market at prices ranging between €4.30 and €4.55 and at a weighted average price of €4.45 per ICG Unit. Total consideration paid of €21.4 million (2022: €49.2 million) was charged against retained earnings. The nominal value of the shares cancelled of €309,000 (2022: €780,000) was retained in a undenominated capital redemption reserve. The buybacks were conducted in line with the Group's capital management policy at prices which the Directors considered were in the best interests of the remaining shareholders.

Holders of ordinary shares are entitled to such dividends that may be declared from time to time on such shares and are entitled to attend, speak and vote at the Annual General Meeting of the Company. On return of capital on a winding up, the holder of ordinary shares is entitled to participate in a distribution of surplus assets of the Company.

Redeemable shares do not entitle holders to any dividend nor any right to participate in the profit or assets of the Company other than to the repayment of a sum equal to the nominal value of 0.001 cent per share on a winding up of the Company. Redeemable shares do not entitle the holder to attend, speak or vote at the Annual General Meeting.

20. Analysis of Equity

Group and Company
Share premium
The share premium account comprises the excess of monies received in respect of share capital over the nominal value of shares issued.

Capital reserves
This consists of reserves arising on consolidation and the undenominated capital redemption reserve.

Reserves arising on consolidation relate to the acquisition of a subsidiary. At 31 December 2023, the reserve balance was €0.1 million. The balance is unchanged from 31 December 2022, 1 January 2023 and 1 January 2022.

The undenominated capital redemption reserve represents the nominal value of share capital repurchased. During the year, €0.3 million was transferred from retained earnings representing the nominal value of shares cancelled. At 31 December 2023, the reserve balance stands at €8.8 million (2022: €8.5 million).

Share options reserve
The share options reserve represents the cumulative charge to the Consolidated Income Statement of share options issued which are not yet exercised.

Translation reserve
Exchange differences relating to the translation of the net assets and results of the Group's foreign currency denominated subsidiaries, from their functional currency into the Group's presentational currency, being euro, are recognised directly in the translation reserve.

21. Borrowings

	2023 €m	2022 €m
Bank loans	103.8	118.2
Private placement loan notes	50.0	50.0
Origination fees	(0.3)	(0.5)
	153.5	167.7
On demand or within one year	112.4	7.3
In the second year	7.4	119.4
In the third year	7.5	7.4
In the fourth year	7.5	7.5
Fifth year and after	18.7	26.1
	153.5	167.7
Less: Amount due for settlement within 12 months	(112.4)	(7.3)
Amount due for settlement after 12 months	**41.1**	**160.4**

Notes Forming Part of the Consolidated Financial Statements
Continued

21. Borrowings (continued)

Obligations under the Group borrowing facilities have been cross guaranteed by Irish Continental Group plc and certain subsidiaries within the Group but are otherwise unsecured.

The currency profile of the Group's borrowings is set out in note 23 (iii).

Borrowing facilities

	2023 €m	2022 €m
Overdraft and trade guarantee facilities		
Amounts utilised – trade guarantee (note 35)	0.6	0.6
Amounts undrawn	15.4	15.4
Total committed overdraft facilities	**16.0**	**16.0**
Committed loan facilities		
Amounts drawn	153.8	168.2
Amounts undrawn	20.0	13.0
Total committed loan facilities	**173.8**	**181.2**
Uncommitted facilities	**248.9**	**258.0**

At 31 December 2023, the Group had total committed loan and overdraft facilities of €189.8 million (2022: €197.2 million) which comprised of amounts utilised (including trade guarantees of €0.6 million (2022: €0.6 million)) of €154.2 million (2022: €168.8 million) and amounts undrawn of €35.4 million (2022: €28.4 million). Uncommitted facilities relate to bank and private placement shelf agreements which are available for drawing at the discretion of the relevant lender. All borrowings at 31 December 2023 were denominated in euro.

The Group's borrowing facilities comprise of the following;
i) A bank overdraft and trade guarantee facility with permitted drawing amounts of €16.0 million. At 31 December 2023, €0.6 million (2022: €0.6 million) was utilised on this facility by way of trade guarantees and €nil (2022: €nil) was utilised as an overdraft. Interest rates are calculated by reference to the lender's prime rate plus a fixed margin. This facility, available for drawing by the Company and certain subsidiaries, is reviewed annually and is repayable on demand.

ii) A multicurrency revolving credit facility with permitted drawing amounts of €75.0 million, which may be increased to €125.0 million in total at the discretion of the lenders on application. At 31 December 2023, €55.0 million (2022: €62.0 million) was drawn under this facility. Interest rates are arranged at floating rates for an interest period of up to six months, calculated by reference to EURIBOR or other reference rate depending on the currency drawn plus an agreed margin which varies with the Group's net debt to EBITDA ratio, which creates a cash flow interest rate risk. This facility is available for drawing by the Company and certain subsidiaries and had a maturity date of 30 September 2024.

Subsequent to the year end, this facility was cancelled and replaced with a new revolving credit facility with permitted drawing amounts of €100.0 million. The drawing amount may be increased to €150.0 million on application, at the discretion of the lenders. This new facility expires in March 2029 but is extendable for up to two years at the lenders' discretion. Borrowings under the existing facility were rolled over into the new facility on the commencement date.

iii) Amortising term loan facility totalling €48.8 million (2022: €56.2 million) made available by the European Investment Bank to fund the construction of a new cruise ferry which was delivered in December 2018. This facility had been drawn in full and is repayable in equal instalments over a ten year period commencing December 2020 and ending during 2030. Interest rates were fixed for the duration of the term at a rate of 1.724%.

iv) Multicurrency private placement loan note shelf agreements agreed with a number of investors with a potential drawing amount of €248.9 million. Loan notes for a total amount of €50.0 million with a maturity of 30 November 2024 at an interest rate of 1.40% have been issued under this facility. The remaining balance of €198.9 million total is available for drawing at the discretion of investors up to 6 October 2026, having been extended during 2023 for an additional 3 years. Interest rates are set at each drawing date and the maturity of any loan note issued may extend for up to 15 years from the date of issue.

21. Borrowings (continued)

The weighted average interest rates paid during the financial year were as follows:

	2023	2022
Bank overdrafts	4.24%	1.05%
Borrowings	2.82%	1.80%

The average interest rates reflect the terms of the refinancing arrangements concluded in prior periods. There was €25.6 million (2022: €52.0 million) worth of bank loans drawn during 2023 from an existing loan facility. Interest rates on all bank loans drawn in prior periods were fixed at date of drawdown with resetting occurring every three to six months. The Group's financing facilities contain provisions that where there is a change in control of the Company, lenders may cancel the facilities and declare all utilisations immediately due and payable. A change of control is where any person or group of persons acting in concert becomes the owner of more than 50 per cent of the voting share capital of the Company.

The borrowing agreements contain a range of undertakings and negative pledges including conduct of business in compliance with laws and regulations, maintenance of assets, insurance and take-on of additional borrowing facilities. In certain circumstances, proceeds from the disposal of key assets must be applied towards repayment of borrowings. In the opinion of the Directors, the Group and Company are in compliance with the covenants contained in its borrowing agreements as of 31 December 2023.

The two key financial covenants cover leverage which is borrowings expressed as times EBITDA and interest cover which is EBITDA expressed as times interest on borrowings. The calculation of these ratios and reconciliation to IFRS measures is set out below.

EBITDA for covenant purposes

	2023 €m	2022 €m
Operating profit	68.4	66.7
Depreciation and amortisation	64.2	60.5
EBITDA	132.6	127.2
Movement in lease receivable (note 15)	3.1	3.0
Lease payments (note 22)	(19.5)	(22.3)
EBITDA for covenant purposes	**116.2**	**107.9**

Net debt for covenant purposes

	2023 €m	2022 €m
Cash (note 18)	(46.8)	(39.0)
Bank deposits subject to lien (note 18)	3.5	3.5
Borrowings (note 21)	153.5	167.7
Origination fees (note 21)	0.3	0.5
Trade guarantees (note 35)	0.6	0.6
Net debt for covenant purposes	**111.1**	**133.3**

Notes Forming Part of the Consolidated Financial Statements
Continued

21. Borrowings (continued)

Bank loan interest expense

	2023 €m	2022 €m
Finance income (note 6)	(1.4)	(0.1)
Finance costs (note 7)	6.5	4.3
Net finance costs	5.1	4.2
Interest income on defined benefit assets (note 6)	1.3	0.1
Interest expense on lease liabilities (note 7)	(1.5)	(1.3)
Bank loan interest expense	**4.9**	**3.0**

		Times	Times
Covenant	**Covenant Level**		
Leverage ratio	Max 3.0x	1.0x	1.2x
Interest service ratio	Min 4.0x	23.7x	36.0x

22. Lease liabilities

	2023 €m	2022 €m
At 1 January	42.4	57.6
Additions	14.3	6.2
Payments	(19.5)	(22.3)
Lease interest expense recognised in period	1.5	1.3
Lease remeasurement	(1.8)	-
Currency adjustment	0.1	(0.4)
At 31 December	**37.0**	**42.4**
Analysed as:		
Current liabilities	11.6	11.7
Non-current liabilities	25.4	30.7
	37.0	**42.4**

22. Lease liabilities (continued)

The maturity profile of lease liabilities is set out below:

	2023 €m	2022 €m
Committed lease obligations		
Within one year	11.6	11.7
Between one and two years	3.6	4.1
Between two and three years	3.1	3.7
Between three and four years	1.0	2.5
Between four and five years	0.9	1.0
Between five and 10 years	1.9	2.5
Greater than 10 years	14.9	16.9
	37.0	**42.4**

Outstanding lease terms vary from one month to eight years except in the case of leasehold land where the terms vary between 18 and 98 years. At 31 December 2023, the average incremental borrowing rate applying to lease liabilities was 3.8% (2022: 3.2%) for periods of between one month and 98 years. These rates were based on the incremental borrowing rate ("IBR") which in the case of lease liabilities recognised on application of IFRS 16 was estimated at 1 January 2019 and in all other cases at the date of commencement of the lease. Leases are remeasured at the existing IBR estimate where there are changes to rentals previously contemplated based on changes in an index or market rate. Leases are also remeasured at latest IBR estimates where modifications to the lease are made which were not previously contemplated. The incremental borrowing rate is estimated as that rate of interest available to the Group for borrowings over a similar term as the obligation to acquire a similar asset. The Group's obligations are secured by lessors' title to the leased assets.

All lease contracts relating to land and property contain market review clauses. The leases for land and property in Dublin contain seven yearly upward only rent reviews based on market rates. The next review was due on 1 January 2024. The lease contract relating to land and property in Belfast includes an annual review based on UK Retail Price Inflation.

The above lease liabilities do not include any variable payments based on throughput of leased facilities, short term leases of less than one year or leases relating to low value assets. These are expensed as incurred and disclosed at note 9.

Related right-of-use assets of €36.1 million (2022: €41.4 million) are disclosed in note 14 to the Consolidated Financial Statements. Expenses of €3.8 million (2022: €3.3 million) relating to short-term leases, variable lease payments and leases of low-value assets were recognised in the income statement and are disclosed in note 9 to the Consolidated Financial Statements.

Notes Forming Part of the Consolidated Financial Statements
Continued

23. Financial instruments and risk management

The Group's activities expose it to a variety of financial risks including market risk (such as interest rate risk, foreign currency risk, commodity price risk), liquidity risk and credit risk. The Group's funding, liquidity and exposure to interest and foreign exchange rate risks are assessed within the Group's risk management systems and included on the Group's risk register. Risk mitigation measures may include use of financial derivatives, foreign currency forward contracts, interest rate swaps and cash flow matching.

i) Categories of financial instruments
Financial assets and liabilities

2023	Loans and receivables at amortised cost	Financial liabilities at amortised cost	Carrying value	Fair value
	€m	€m	€m	€m
Finance lease receivable	10.5	-	10.5	10.5
Trade and other receivables	61.2	-	61.2	61.2
Cash and cash equivalents	46.8	-	46.8	46.8
Borrowings	-	153.5	153.5	148.4
Trade and other payables	-	80.5	80.5	80.5

2022	Loans and receivables at amortised cost	Financial liabilities at amortised cost	Carrying value	Fair value
	€m	€m	€m	€m
Finance lease receivable	13.6	-	13.6	13.6
Trade and other receivables	64.2	-	64.2	64.2
Cash and cash equivalents	39.0	-	39.0	39.0
Borrowings	-	167.7	167.7	169.0
Trade and other payables	-	79.7	79.7	79.7

Fair value hierarchy
The Group does not have any financial assets or financial liabilities that are carried at fair value in the Consolidated Statement of Financial Position at 31 December 2023 and 31 December 2022. In relation to those financial assets and financial liabilities where fair value is required to be disclosed in the Notes to the Consolidated Financial Position, these financial assets and financial liabilities are classified within Level 3 (2022: Level 3) of the fair value hierarchy as market observable inputs (forward rates and yield curves) which are used in arriving at fair values.

The Group has adopted the following fair value measurement hierarchy for financial instruments:

- Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities;
- Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: techniques that use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following are the significant methods and assumptions used to estimate fair values of financial assets and financial liabilities:

Finance lease receivable
Finance lease recognised based on the estimated net investment in the lease being the present value of the contractual future cash flows discounted at the rate implicit in the lease. The final lease payment is due within 16 months of the FY23 year end, and as such it was determined that the fair value of the lease approximates carrying value.

23. Financial instruments and risk management (continued)

Trade and other receivables / payables
For trade receivables and trade payables, with average settlement periods of 39 days (2022: 41 days) and 71 days (2022: 67 days) respectively, the carrying value less allowance for expected credit losses, where appropriate, is estimated to reflect fair value due to their short-term nature.

Cash and cash equivalents
For cash and cash equivalents, all with a maturity of three months or less, the nominal amount is estimated to reflect fair value.

Borrowings
The fair value of bank loans has been determined based on a discounted cash flow analysis with the most significant input being the discount rate reflecting the Group's own credit risk. For leases, the incremental borrowing rates applicable in the majority of the Group's leases has been recently set, therefore the carrying value approximates fair value.

Derivative financial instruments
There are no derivative financial instruments outstanding at 31 December 2023 and 31 December 2022 and none were entered into in either 2023 or 2022.

Financial guarantee contracts
Financial guarantee contracts issued by the Group in favour of third parties are measured initially at fair value and thereafter at the higher of (i) any expected credit loss allowance and (ii) the initial fair value amount recognised less any cumulative amount recognised as income. There were no such contracts outstanding at 31 December 2023 and 2022, other than cross group guarantees which are eliminated on consolidation.

ii) Interest rate risk
At 31 December 2023, interest rates on short-term bank deposits were contracted for terms of less than three months at average effective rates of 2.0% (2022: 0.3%).

As referenced in note 21, Group borrowings at 31 December 2023 comprise loan notes (with a fixed interest rate) and two term loans, of which one is on a fixed rate. The second term loan is arranged at floating rates for an interest period of up to six months, calculated by reference to EURIBOR or other reference rate depending on the currency drawn plus an agreed margin which varies with the Group's net debt to EBITDA ratio, which creates a cash flow interest rate risk. The average interest rate at 31 December 2023 was 2.96% (2022: 2.40%) for remaining terms of between 0.8 and 6.5 years.

The interest rates on all lease liabilities at 31 December 2023 were fixed at the incremental borrowing rate at the later of the IFRS 16 effective application date of 1 January 2019 or lease commencement date.

Sensitivity to interest rates
As outlined in note 21, the Group has a multicurrency revolving credit facility of which €55.0 million (2022: €62.0 million) was drawn at 31 December 2023. Interest rates are arranged at floating rates for an interest period of up to six months, calculated by reference to EURIBOR or other reference rate depending on currency drawn plus an agreed margin which varies with the Group's net debt to EBITDA ratio. Based on the average amounts drawn during the year ended 31 December 2023, a one percentage point (100 basis points) change in average floating interest rates would have had a €0.7 million (2022: €0.4 million) impact on the Group's profit before tax. Aside from its overdraft facility, the Group's other facilities are on fixed rates.

iii) Foreign currency risk management
The Group publishes its consolidated financial statements in euro and conducts business in different foreign currencies. As a result, it is subject to foreign exchange risk due to exchange rate movements which will affect the Group's transaction costs and the translation of the results and underlying net assets of its foreign operations.

Sterling denominated profits are translated to euro at the average rate of exchange for the financial year. The average rate at which sterling profits were translated during the year was €1:£0.8698 (2022: €1:£0.8528).

Exchange rate exposures are managed within approved policy parameters. The Group did not utilise forward foreign exchange contracts during the year ended 31 December 2023 or 31 December 2022.

Notes Forming Part of the Consolidated Financial Statements
Continued

23. Financial instruments and risk management (continued)

Sensitivity
The currency risk sensitivity analysis is set out below:

Under the assumptions; (i) a 10% strengthening in euro exchange rates against all currencies, profit before tax would have increased by €5.8 million (2022: increase of €5.2 million) and equity (before tax effects) would have increased by €1.8 million (2022: increase of €1.0 million); (ii) a 10% weakening in euro exchange rates against all currencies, profit before tax would have decreased by €6.4 million (2022: decrease of €6.3 million) and equity (before tax effects) would have decreased by €1.5 million (2022: decrease of €1.2 million).

The Group's exposure to transactional foreign currency risk is as follows:

2023	Euro	Sterling	US Dollar	Total
	€m	€m	€m	€m
Trade receivables (net)	-	5.4	0.1	5.5
Cash and cash equivalents	1.9	10.3	-	12.2
Total assets	1.9	15.7	0.1	17.7
Trade and other payables	-	14.1	7.4	21.5
Lease liabilities	-	-	0.9	0.9
Total liabilities	-	14.1	8.3	22.4
Net assets / (liabilities)	**1.9**	**1.6**	**(8.2)**	**(4.7)**

2022	Euro	Sterling	US Dollar	Total
	€m	€m	€m	€m
Trade receivables (net)	-	3.7	0.1	3.8
Cash and cash equivalents	1.1	12.3	1.0	14.4
Total assets	1.1	16.0	1.1	18.2
Trade and other payables	-	14.0	8.1	22.1
Lease liabilities	-	-	1.1	1.1
Total liabilities	-	14.0	9.2	23.2
Net assets / (liabilities)	**1.1**	**2.0**	**(8.1)**	**(5.0)**

iv) Commodity price risk
In terms of commodity price risk, the Group's vessels consume heavy fuel oil (HFO), marine diesel / gas oil (MDO / MGO) and lubricating oils, all of which continue to be subject to price volatility. The Group must also manage the risks inherent in changes to the specification of fuel oil which are introduced under international and EU law from time to time.

The Group's policy has been to purchase these commodities in the spot markets and to remain unhedged. In the Container and Terminal Division, movements in fuel costs are offset to a large extent by the application of pre-arranged price adjustments with our customers. Similar arrangements are in place with freight customers in the Ferries Division. In the passenger sector, changes in fuel costs are included in the ticket price to the extent that market conditions will allow.

23. Financial instruments and risk management (continued)

v) Liquidity risk

The Group and Company are exposed to liquidity risk which arises primarily from the maturing of short-term and long-term debt obligations. There were no open derivative contracts at 31 December 2023 or 31 December 2022. The Group and Company's policy is to ensure that sufficient resources are available either from cash balances, cash flows or undrawn committed bank facilities, to ensure all obligations can be met as they fall due. To achieve this objective, the Group and Company:

- monitor credit ratings of institutions with which the Group and Company maintain cash balances;
- limit maturity of cash balances; and
- borrow the bulk of its debt needs under committed bank lines or other term financing and by policy maintains a minimum level of undrawn committed facilities.

At each year-end, the Group's rolling liquidity reserve (which comprises cash and undrawn committed facilities and which represents the amount of available cash headroom in the Group funding structure) was as follows:

	2023 €m	2022 €m
Cash and cash equivalents	46.8	39.0
Committed undrawn facilities	35.4	28.4
Liquidity reserve	**82.2**	**67.4**

Management monitors rolling cash flow forecasts on an ongoing basis to determine the adequacy of the liquidity position of the Group. This process also incorporates a longer term liquidity review to ensure refinancing risks are adequately catered for as part of the Group's strategic planning.

Liquidity analysis

The following table sets out the maturity and liquidity analysis of the Group's financial liabilities into the relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date:

Liquidity Table 2023	Weighted average period until maturity Years	Carrying amount €m	Contractual amount €m	Less than 1 year €m	Between 1 – 2 years €m	Between 2 – 5 years €m	Between 5 – 10 years €m	More than 10 years €m
Liabilities								
Trade and other payables	-	84.5	84.5	84.5	-	-	-	-
Borrowings	1.6	153.5	157.9	114.7	8.1	23.7	11.4	-
Lease liabilities	32.3	37.0	84.3	13.8	4.5	7.0	5.3	53.7
Total liabilities		**275.0**	**326.7**	**213.0**	**12.6**	**30.7**	**16.7**	**53.7**

Liquidity Table 2022	Weighted average period until maturity Years	Carrying amount €m	Contractual amount €m	Less than 1 year €m	Between 1 – 2 years €m	Between 2 – 5 years €m	Between 5-10 years €m	More than 10 years €m
Liabilities								
Trade and other payables	-	84.2	84.2	84.2	-	-	-	-
Borrowings	2.5	167.7	178.4	11.9	123.3	24.0	19.2	-
Lease liabilities	35.6	42.4	86.8	12.8	5.1	9.5	5.9	53.5
Total liabilities		**294.3**	**349.4**	**108.9**	**128.4**	**33.5**	**25.1**	**53.5**

Notes Forming Part of the Consolidated Financial Statements
Continued

23. Financial instruments and risk management (continued)

Included in the borrowings amount of €153.5 million (2022: €167.7 million) is a multicurrency revolving credit facility. At 31 December 2023, €55.0 million (2022: €62.0 million) was drawn under this facility. Subsequent to the year end, this facility was cancelled and replaced with a new revolving credit facility with permitted drawing amounts of €100.0 million. The drawing amount may be increased to €150.0 million on application, at the discretion of the lenders. This new facility expires in March 2029 but is extendable for up to two years at the lenders' discretion. Borrowings under the existing facility were rolled over into the new facility on the commencement date.

vi) Credit risk
The Group and Company monitors its credit exposure to its counterparties via their credit ratings (where applicable) and where possible limits its exposure to any one party to ensure that there are no significant concentrations of credit risk. Notwithstanding the foregoing, due to the nature of the underlying transaction there is a material exposure to a single counterparty in relation to the lease receivable. Mitigation of this exposure to finance lease receivables is explained at note 15. Credit risk in relation to trade and other receivables and cash and cash equivalents has been discussed in notes 17 and 18 respectively. The maximum exposure to credit risk is represented by the carrying amounts in the Statement of Financial Position.

vii) Capital management
The objective when managing capital is to safeguard the Group's ability to continue in business and provide returns for shareholders together with maintaining the confidence of all stakeholders. No changes were made in the objectives, policies or processes for managing capital during the financial years ended 31 December 2023 and 31 December 2022.

The capital structure of the Group consists of net debt (borrowings as detailed in note 21 offset by cash and cash equivalents) and equity of the Group (comprising issued capital, reserves and retained earnings as detailed in notes 19 and 20). The Group seeks to maintain an optimal capital structure to reduce the overall cost of capital while balancing the benefits of different capital sources. Within this framework the Group considers the amount and tenor of borrowings and distributions to shareholders either through dividends or buybacks.

During the year, the Company bought back 4.8 million ICG units at a cost of €21.4 million. The Group reduced bank borrowings (net of drawdowns) by €14.2 million), lease liabilities decreased by €5.4 million and cash and cash equivalents increased by €7.8 million.

The Group actively monitors the externally imposed capital requirements contained in our debt facilities which set a maximum leverage ratio of net debt to earnings before interest tax depreciation and amortisation. Having agreed a temporary increase in this leverage ratio against the background of the Covid-19 pandemic to 4 times which applied during the financial year ended 2021, this reverted to 3 times for testing dates after 1 January 2022. At 31 December 2023, the leverage ratio under covenant definitions was 1.0 times (2022: 1.2 times).

At 31 December 2023, the net debt position of the Group was €143.7 million (2022: net debt of €171.1 million) and total equity balances amounted to €282.3 million (2022: €260.8 million).

24. Deferred tax

Companies within the Group where appropriate, have elected to be taxed under the Irish tonnage tax scheme in respect of all eligible shipping activities. Certain activities will not fall within the tonnage tax scheme and will continue therefore to be subject to standard rates of corporation tax. These activities give rise to deferred tax assets and liabilities and the impact of these is shown below.

Deferred tax assets arise where taxable losses in excess of expected future reversing taxable temporary differences have been incurred that are available for offset against future taxable profits. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. A deferred tax asset of €0.1 million (2022: €0.1 million) has not been recognised in respect of tax losses as suitable taxable profits are not expected to arise. The Group estimates the probable amount of future taxable profits, using assumptions consistent with those employed in the Group's financial planning process, and taking into consideration applicable tax legislation in the relevant jurisdiction. These calculations require the use of estimates.

24. Deferred tax liabilities (continued)

The Group has not provided deferred tax in relation to temporary differences applicable to investments in subsidiaries on the basis that the Group can control the timing and realisation of these temporary differences and it is probable that the temporary difference would be immaterial and will not reverse in the foreseeable future.

The following are the deferred tax liabilities and assets recognised by the Group, and the movements thereon, during the current and prior reporting periods:

2023	Net balance at 1 January	Recognised in Income Statement	Recognised in SOCI	Currency translation adjustment	Net balance at 31 December	Non-current deferred tax assets	Non-current deferred tax liabilities
	€m	€m	€m	€m	€m	€m	€m
Accelerated tax depreciation (including ROU assets)	(3.8)	0.4	-	-	(3.4)	0.1	(3.5)
Lease liabilities	3.3	(0.3)	-	-	3.0	3.0	-
Retirement benefit obligation	(3.0)	(0.3)	(0.4)	(0.1)	(3.8)	-	(3.8)
Tax assets / (liabilities) before set-off	(3.5)	(0.2)	(0.4)	(0.1)	(4.2)	3.1	(7.3)
Set-off tax	-	-	-	-	-	(2.8)	2.8
Net tax assets / (liabilities)	**(3.5)**	**(0.2)**	**(0.4)**	**(0.1)**	**(4.2)**	**0.3**	**(4.5)**

2022 (Restated)	Net balance at 1 January	Recognised in Income Statement	Recognised in SOCI	Currency translation adjustment	Net balance at 31 December	Non-current deferred tax assets	Non-current deferred tax liabilities
	€m	€m	€m	€m	€m	€m	€m
Accelerated tax depreciation (including ROU assets)	(4.6)	0.8	-	-	(3.8)	0.1	(3.9)
Lease liabilities	4.1	(0.8)		-	3.3	3.3	-
Retirement benefit obligation	(0.7)	-	(2.4)	0.1	(3.0)	-	(3.0)
Tax assets / (liabilities) before set-off	(1.2)	-	(2.4)	0.1	(3.5)	3.4	(6.9)
Set-off tax	-	-	-	-	-	(3.3)	3.3
Net tax assets / (liabilities)	**(1.2)**	**-**	**(2.4)**	**0.1**	**(3.5)**	**0.1**	**(3.6)**

The Group applied Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) from 1 January 2023. Following the amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. The comparative balances for the prior reporting period have been restated in the analysis above to reflect the amendments. In line with IAS 12, the Group has offset deferred tax assets and liabilities where they meet the qualifying conditions in the Consolidated Statement of Financial Position. The impact of the amended standard was to increase both deferred tax assets and deferred tax liabilities at the end of the prior period by €3.3 million. However, these balances were offset in accordance with the Standard.

Deferred tax is recognised in the Consolidated Statement of Comprehensive Income to the extent it arises on profits or losses recognised in that statement.

Notes Forming Part of the Consolidated Financial Statements
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25. Trade and other payables

	2023 €m	2022 €m
Within one year		
Trade and other payables	52.3	37.1
Accruals	28.2	42.6
	80.5	**79.7**
Deferred revenue	9.2	11.8
Payroll taxes	1.4	1.3
Social insurance cost	0.4	0.3
Corporation tax	0.3	1.0
Value-added tax	1.9	2.1
	93.7	**96.2**

Trade payables and accruals comprise amounts outstanding for trade purchases and ongoing costs and are non-interest bearing. They also include deferred revenue amounts of €9.2 million (2022: €11.8 million) relating to cash received in respect of performance obligations outstanding not yet complete by the Group. Movements in deferred revenue balances during the period were as follows:

	2023 €m	2022 €m
At 1 January	11.8	15.3
Passenger revenue	(181.7)	(162.7)
Cash received	179.1	159.2
At 31 December	**9.2**	**11.8**

The average trade credit period outstanding was 71 days at 31 December 2023 (2022: 67 days). Certain suppliers reserve the right to charge interest on balances past their due date.

The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

26. Provisions

	2023 €m	2022 €m
Claims provision		
At beginning of the financial year	2.8	3.3
Utilisation of provision	-	(0.3)
Decrease in provision	(1.0)	(0.2)
At end of the financial year	**1.8**	**2.8**
Analysed as follows:		
Current liabilities	0.9	1.7
Non-current liabilities	0.9	1.1
	1.8	**2.8**

26. Provisions (continued)

The claims provision comprises;
(i) the insurance excess payable by the Group and Company in a number of potential compensation claims, arising in the normal course of business. Provision is made for incidents reported prior to the reporting date but for which no claim has been received. No provision has been recognised for incidents that may have occurred prior to the reporting date, but which had not been reported to the Group, as based on past experience these are not expected to be material;

(ii) provisions relate to claims lodged and expected to be lodged with the Group based on events which have occurred prior to the reporting date, where a future cash flow is expected to occur.

27. Commitments

	2023 €m	2022 €m
Commitments for the acquisition of property, plant and equipment – approved and contracted for, but not accrued		
Approved and contracted	5.5	30.8
Less accrued at 31 December	(3.9)	(18.4)
Approved and contracted for not accrued	**1.6**	**12.4**

28. Short-term lease obligations

	2023 €m	2022 €m
Within one year	2.1	-

There was €1.9 million of outstanding commitments at 31 December 2023 (2022: €nil) relating to a short-term vessel charter. An expense of €3.8 million (2022: €3.3 million) was recognised in the period where the related rights were not recognised as a right-of-use asset. The 2023 expense is analysed in note 9.

29. Operating lease income

The aggregate future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2023 €m	2022 €m
Within one year	4.8	13.2
Between one and two years	-	3.7
	4.8	**16.9**

The lease payments receivable relate to the charter of container vessels.

30. Share-based payments

The Group operates two equity-settled share option schemes under which certain employees have been issued with share options as described below.

The Performance Share Plan (PSP) is the active plan under which option awards may be granted. Details of the award and vesting conditions are set out in the Report of the Remuneration Committee (pages 104-105). Vesting is contingent on a market condition based on total shareholder return and non-market conditions including earnings per share, free cash flow and return on average capital employed. During the year, 1,293,500 (2022: 1,552,500) options were granted under the PSP with vesting measured over a performance period of three years.

Notes Forming Part of the Consolidated Financial Statements
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30. Share-based payments (continued)

The 2009 Share Option Plan remains in place with respect to outstanding grants made prior to 2016 but no new grants will be made following the adoption of the PSP. The number of shares over which options may be granted may not exceed 10 per cent of the shares of the Company in issue.

Options are forfeited where the grantee ceases employment with the Group unless retention, is permitted by the Remuneration Committee under good leaver rules. The Scheme Rules allow for the early exercise of outstanding options upon a change in control of the Company.

The number and weighted average exercise price of share options granted under the above plans is as follows:

	2023		2022	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
		€		€
Outstanding at 1 January	5,529,536	1.257	5,646,854	1.470
Granted during the year	1,293,500	0.065	1,552,500	0.065
Exercised during the year	(841,477)	0.536	(1,060,856)	1.250
Forfeited during the year	(359,572)	0.065	(608,962)	0.350
Outstanding at 31 December	**5,621,987**	**1.167**	**5,529,536**	**1.257**
Exercisable at 31 December	1,780,000	3.546	1,910,000	3.516
Weighted average share price at date of exercise of options		4.495		3.509
Weighted average remaining contractual life of options outstanding at year-end		1.2 years		1.6 years

In settlement of the options exercised during the year, the Company issued 93,979 (2022: 34,978) new ICG units with the balance of 747,498 (2022: 1,025,878) settled through market purchase.

The exercise prices of options outstanding at 31 December are as follows:

	2023	2022	Price
	Options	Options	€
Exercisable:			
2009 Share Option Plan			
Vested Options	100,000	200,000	2.97
Vested Options	1,680,000	1,710,000	3.58
Exercisable at 31 December	**1,780,000**	**1,910,000**	
Not Exercisable:			
Performance Share Plan	3,841,987	3,619,536	0.065
Outstanding at 31 December	**5,621,987**	**5,529,536**	

Options issued under the 2009 Share Option Plan were market priced options with a maximum life of 10 years. These had been measured at fair value using a binomial option pricing model. All options issued under the 2009 Option Plan have vested to participants and the fair value of these has been expensed to the Income Statement over the period from date of grant to date of vesting determination.

30. Share-based payments (continued)

Options granted under the PSP are priced at the nominal price of the shares comprised in an ICG unit. Vesting of options under the PSP are contingent on the achievement of certain market and non-market performance hurdles. The fair value of options subject to market conditions is estimated using Monte-Carlo simulation. The fair value of options subject to non-market conditions is estimated based on the market value at date of grant adjusted for the effects of non-transferability, exercise restrictions and behavioural considerations. The fair value is expensed to the Income Statement evenly over the performance period of three years with an adjustment made at each reporting period for the estimated vesting rate for those options subject to non-market vesting conditions.

Outstanding options had been granted on 1 September 2014, 5 March 2015, 6 March 2020, 12 March 2021, 11 March 2022 and 10 March 2023. The estimated fair values of the options are as follows:

Year of Grant	2023	2022	2021	2020	2015	2015	2014	2014
Share Plan	PSP	PSP	PSP	PSP	2009 Plan	2009 Plan	2009 Plan	2009 Plan
		-	-	-	Basic Tier	Second Tier	Basic Tier	Second Tier
Fair value of option at grant date:								
Options subject to market performance conditions	€2.04	€1.29	€2.15	€0.96	€0.4528	€0.5581	€0.2992	€0.4449
Options subject to non-market performance conditions	€3.34	€2.30	€3.63	€3.07	-	-	-	-

The inputs into the valuation model in the respective years of grant were as follows:

Year of Grant	2023	2022	2021	2020	2015	2015	2014	2014
					Basic Tier	Second Tier	Basic Tier	Second Tier
At date of grant:								
Weighted average share price	€4.71	€3.36	€4.26	€3.77	€3.580	€3.580	€2.970	€2.970
Weighted average exercise price	€0.065	€0.065	€0.065	€0.065	€3.580	€3.580	€2.970	€2.970
Expected volatility	35%	45%	43%	29%	29%	31%	27%	30%
Expected life	3 years	3 years	3 years	3 years	7 years	9 years	7 years	9 years
Risk free rate	2.90%	(0.141%)	(0.562%)	(0.462%)	0.090%	0.299%	0.439%	0.765%
Expected dividend yield	3.32%	4.41%	2.15%	3.70%	5.16%	4.72%	5.83%	4.89%

Expected volatility was determined by calculating the historical volatility of the Company's share price.

In 2023, the share-based payment expense recognised in the Consolidated Income Statement was €2.8 million (2022: €3.0 million).

The share-based payment expense has been classified in the Consolidated Income Statement as follows:

	2023	2022
	€m	€m
Employee benefits expense	2.8	3.0

Share-based payment expense of €1.0 million (2022: €1.1 million) relates to the Directors of the Company. The balance on the share option reserve in the Consolidated Statement of Financial Position at 31 December 2023 is €7.0 million (2022: €6.3 million).

Notes Forming Part of the Consolidated Financial Statements
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31. Retirement benefit schemes

The Group operates defined contribution pension schemes in all of its main operating locations. The Group also has defined benefit obligations as set out below. Scheme assets are held in separate trustee administered funds.

Defined Contribution Scheme
The Group operates a defined contribution pension scheme, which provides retirement and death benefits for all recently hired employees. The total cost charged in the Consolidated Income Statement of €0.6 million (2022: €0.4 million) represents employer contributions payable to the externally administered defined contribution pension scheme at rates specified in the rules of the scheme. There was €nil in outstanding contributions included in trade and other payables at 31 December 2023 (2022: €nil).

Defined Benefit Obligations
i) Group sponsored schemes
The Group operates contributory defined benefit obligations, which provide retirement and death benefits for other employees who are not members of the defined contribution pension scheme. The defined benefit obligations provide benefits to members in the form of a guaranteed level of pension payable for life, where the level of the benefits depend on the member's length of service and salary.

The assets of these schemes are held separately from those of the Group in schemes under the control of trustees. The trustees are responsible for ensuring the schemes are run in accordance with the applicable trust deed and the pension laws of the relevant jurisdiction. The trustees invest the funds in a range of assets with the objective of maximising the fund return whilst minimising the cost of funding the scheme at an acceptable risk profile. In assessing the risk profile, the trustees take account of the nature and duration of the liabilities and review investment strategy regularly.

The pension charges and payments in respect of the schemes are in accordance with the advice of professionally qualified actuaries. The latest actuarial valuation reports for these schemes, which are not available for public inspection, are dated between 31 March 2021 and 31 October 2021. The valuations employed for disclosure purposes have been based on the most recent funding valuations for each scheme adjusted by the independent actuaries to allow for the accrual of liabilities up to 31 December 2023 and to take account of financial conditions at this date. The present value of the defined benefit obligation, and the related current service cost and past service credit, were measured using the projected unit credit method and assets have been valued at bid value.

The pension contributions paid in the year ended 31 December 2023 amounted to €0.4 million (2022: €0.6 million) while the current service cost charged to the Consolidated Income Statement amounted to €0.8 million (2022: €1.7 million). A past service cost of €0.2 million (2022: €nil) was also charged to the Consolidated Income Statement.

The profile of membership across all schemes at 31 December was as follows;

	2023	2022
Current employees	91	130
Members with deferred benefits	466	476
Pensioners	183	163
Total	**740**	**769**

Netherlands Scheme
The Group operates a defined benefit pension scheme for certain employees based in The Netherlands. All the liabilities of this scheme are matched by insurance contracts other than for inflation adjustment to accrued benefits for current employees.

31. Retirement benefit schemes (continued)

The Irish Ferries Limited (Ex MNOPF) Pension Scheme
The Group operated a small defined benefit scheme for certain former employees which was subject to an annuity buyout during the year ended 31 December 2023. At the time of the buyout, the scheme held assets of €1.8 million. It paid a sum of €0.8 million to an insurance company in order to discharge the pensioner liabilities in full. The Group recognised a settlement cost of €0.2 million in respect of this transaction.

The Irish Ferries (UK) Limited Pension Scheme
During the year ended 31 December 2023, 30 active members of the scheme ceased future accrual and voluntarily opted to take up a different contract of employment with the Group, a condition of which was the provision of a defined contribution pension going forward. As such, these employees became deferred members of the scheme. The impact was to increase the defined benefit obligation by €0.3 million which was treated as an actuarial loss due to experience.

ii) Merchant Navy Officers Pension Fund (MNOPF)
In addition to the pension schemes operated by the Group, the Group has obligations in respect of past service of certain former employees who are members of the MNOPF, an industry wide multi-employer scheme and which is closed to future accrual. The latest actuarial valuation of the scheme, which is available for public inspection, is dated 31 March 2021 and disclosed a net past service surplus of £55.0 million, equivalent to a gross funding level of 102%. The Group's share of the MNOPF obligations, as most recently advised by the trustees, is 1.04% (2022: 1.04%). The obligation valuation in these financial statements at 31 December 2023 is based on the actuarial deficit contribution demands notified to the Group and which remain outstanding at the reporting date. The last deficit demand received by the Group was dated May 2013 and has been fully paid.

On this basis, the share of the overall deficit in the MNOPF estimated to be attributable to the Group at 31 December 2023 is €nil (2022: €nil). During the year, the Group made payments of €nil (2022: €nil) to the trustees.

iii) Principal risks and assumptions
The Group is exposed to a number of actuarial risks as set out below:

Investment risk
The pension schemes hold investments in asset classes such as equities which are expected to provide higher returns than other asset classes over the long term, but may create volatility and risk in the short term. The present value of the defined benefit obligations liability is calculated using a discount rate by reference to high quality corporate bond yields; if the future achieved return on scheme assets is below this rate, it will create a deficit. IAS 19 Employee Benefits provides that the discount rate used to value retirement benefits should be determined by reference to market yields on high quality corporate bonds consistent with the duration of the liabilities. Due to a narrow bond universe, the Group defines high quality bonds in the Eurozone as those rated AA or higher by at least one rating agency. In respect of sterling schemes, corporate bonds must be rated AA, or higher, by at least two rating agencies.

Salary risk
The present value of the defined benefit liability is calculated by reference to the projected salaries of scheme participants at retirement based on salary inflation assumptions. As such, any variation in salary versus assumption will vary the schemes' liabilities.

Life expectancy risk
The present value of the defined benefit obligations liability is calculated by reference to the best estimate of the mortality of scheme participants both during and after their employment. An increase in the life expectancy of the scheme participants will change the scheme liabilities.

Notes Forming Part of the Consolidated Financial Statements
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31. Retirement benefit schemes (continued)

Inflation risk
A significant proportion of the benefits under the plans are linked to inflation with higher inflation leading to higher liabilities.

The Directors have taken independent actuarial advice on the key judgements used in the estimate of retirement benefit scheme assets and liabilities.

The principal assumptions used for the purpose of the actuarial valuations were as follows:

	Sterling liabilities		Euro liabilities	
	2023	2022	2023	2022
Discount rate	4.50%	4.75%	3.15%	3.65%
Inflation rate	2.75%	2.90%	2.30%	2.50%
Rate of annual increase of pensions in payment	2.15% - 3.20%	2.20% - 3.30%	1.30%	1.50%
Rate of increase of pensionable salaries	1.10%	1.15%	0.00% - 1.30%	0.00% - 1.40%

The euro and sterling discount rates have been determined in consultation with the Group's independent actuary, who has devised proprietary models referencing market yields at the balance sheet date on high quality corporate bonds consistent with the duration of the liabilities. For 31 December 2023, the high quality corporate bond population include those rated AA or higher by at least two rating agencies.

Sterling obligations include the effects of the UK GMP equalisation court decisions, which has the effect of increasing the estimate of the UK scheme obligations by 0.1%.

The average life expectancy used in the principal Group schemes at age 60 is as follows:

	2023		2022	
	Male	Female	Male	Female
Irish Schemes:				
Current retirees	26.8 years	29.7 years	26.7 years	29.6 years
Future retirees	29.2 years	31.7 years	29.1 years	31.6 years
UK Schemes:				
Current retirees	27.8 years	29.6 years	27.7 years	29.5 years
Future retirees	29.3 years	31.1 years	29.2 years	30.9 years

Assumptions regarding life expectancies are set based on actuarial advice in accordance with published statistics and experience in each jurisdiction.

Sensitivity of pension liability judgemental assumptions
The Group's total obligation in respect of defined benefit obligations is calculated by independent, qualified actuaries, updated at least annually and totals €96.9 million at 31 December 2023 (2022: €91.6 million). At 31 December 2023, the Group also has scheme assets totalling €135.8 million (2022: €124.8 million), giving a net pension surplus of €38.9 million (2022: surplus of €33.2 million). The size of the obligation is sensitive to actuarial assumptions. The sensitivity analyses below are based on a change in an assumption while holding all other assumptions constant with the exception of the rate of inflation assumption which impacts other inflation linked assumptions. The sensitivity analysis intends to provide assistance in understanding the sensitivity of the valuation of pension liabilities to market movements on discount rates, inflation rates and mortality assumptions for scheme beneficiaries. The analyses are for illustrative purposes only as in practice assumptions rarely change in isolation.

31. Retirement benefit schemes (continued)

There has been no change from the prior year in the methods and assumptions used in preparing the sensitivity analyses below.

2023

Assumption	Change in assumption	Impact on euro schemes liabilities	Impact on sterling scheme liabilities	Combined impact on liabilities
Discount rate	0.5% increase in discount rate	8.4% decrease in liabilities	6.4% decrease in liabilities	8.0% decrease in liabilities
Rate of inflation*	0.5% increase in price inflation	8.6% increase in liabilities	4.9% increase in liabilities	7.9% increase in liabilities
Rate of mortality	Members assumed to live one year longer	2.9% increase in liabilities	3.1% increase in liabilities	2.9% increase in liabilities

2022

Assumption	Change in assumption	Impact on euro schemes liabilities	Impact on sterling scheme liabilities	Combined impact on liabilities
Discount rate	0.5% increase in discount rate	9.5% decrease in liabilities	7.2% decrease in liabilities	9.1% decrease in liabilities
Rate of inflation*	0.5% increase in price inflation	8.5% increase in liabilities	4.7% increase in liabilities	7.8% increase in liabilities
Rate of mortality	Members assumed to live one year longer	3.0% increase in liabilities	3.1% increase in liabilities	3.0% increase in liabilities

* The rate of inflation sensitivity includes its impact on the rate of annual increase of pensions in payment assumption and the rate of increase of pensionable salaries assumption as they are both inflation linked assumptions.

The size of the scheme assets which are also sensitive to asset return levels and the level of contributions from the Group are analysed by asset class in part (iv) of this note.

iv) Retirement benefit assets and liabilities

The amount recognised in the Consolidated Statement of Financial Position in respect of the Group's defined benefit obligations is as follows:

	Scheme with liabilities in sterling		Schemes with liabilities in euro		Total	
	2023	2022	2023	2022	2023	2022
	€m	€m	€m	€m	€m	€m
Equities	10.4	10.8	57.6	63.2	68.0	74.0
Bonds	21.5	14.6	33.7	22.3	55.2	36.9
Property	-	-	-	0.1	-	0.1
Insurance contracts	-	-	7.9	7.4	7.9	7.4
Other	0.3	2.9	4.4	3.5	4.7	6.4
Fair value of scheme assets	32.2	28.3	103.6	96.5	135.8	124.8
Present value of scheme liabilities	(18.2)	(16.5)	(78.7)	(75.1)	(96.9)	(91.6)
Surplus in schemes	**14.0**	**11.8**	**24.9**	**21.4**	**38.9**	**33.2**

Notes Forming Part of the Consolidated Financial Statements
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31. Retirement benefit schemes (continued)

Three of the defined benefit obligation schemes accounted for by the Group are in a net surplus position and are shown in non-current assets in the Consolidated Statement of Financial Position. One of the defined benefit obligation schemes accounted for by the Group is in a net deficit position and is shown in non-current liabilities.

The overall weighted average duration of the Group's defined benefit obligations is 16.4 years (2022: 16.5 years). The weighted average duration of euro scheme obligations was 17.0 years (2022: 17.0 years) and of sterling scheme obligations was 13.9 years (2022: 14.5 years).

The split between the amounts shown in each category is as follows:

	2023 €m	2022 €m
Non-current assets – retirement benefit surplus	39.4	33.6
Non-current liabilities – retirement benefit obligation	(0.5)	(0.4)
Net surplus in pension schemes	**38.9**	**33.2**

v) Movements in retirement benefit assets
Movements in the fair value of scheme assets in the current year were as follows:

2023	Schemes in sterling €m	Schemes in euro €m	Total €m
At beginning of the financial year	28.3	96.5	124.8
Interest income	1.3	3.5	4.8
Actuarial gain	2.7	7.6	10.3
Exchange difference	0.5	-	0.5
Employer contributions	0.2	0.2	0.4
Contributions from scheme members	-	0.2	0.2
Benefits paid	(0.8)	(4.4)	(5.2)
At end of the financial year	**32.2**	**103.6**	**135.8**

2022	Schemes in sterling €m	Schemes in euro €m	Total €m
At beginning of the financial year	32.0	113.8	145.8
Interest income	0.5	1.4	1.9
Actuarial loss	(2.2)	(16.5)	(18.7)
Exchange difference	(1.6)	-	(1.6)
Employer contributions	0.3	0.3	0.6
Contributions from scheme members	0.1	0.2	0.3
Benefits paid	(0.8)	(2.7)	(3.5)
At end of the financial year	**28.3**	**96.5**	**124.8**

31. Retirement benefit schemes (continued)

vi) Movement in retirement benefit liabilities

Movements in the present value of defined benefit obligations in the year were as follows:

2023	Schemes in sterling €m	Schemes in euro €m	Total €m
At beginning of the financial year	16.5	75.1	91.6
Service cost	-	1.0	1.0
Interest cost	0.8	2.7	3.5
Contributions from scheme members	-	0.2	0.2
Actuarial loss	1.3	4.1	5.4
Exchange difference	0.4	-	0.4
Benefits paid	(0.8)	(4.4)	(5.2)
At end of the financial year	**18.2**	**78.7**	**96.9**

2022	Schemes in sterling €m	Schemes in euro €m	Total €m
At beginning of the financial year	28.3	112.2	140.5
Service cost	0.4	1.3	1.7
Interest cost	0.5	1.3	1.8
Contributions from scheme members	0.1	0.2	0.3
Actuarial gain	(10.9)	(37.2)	(48.1)
Exchange difference	(1.1)	-	(1.1)
Benefits paid	(0.8)	(2.7)	(3.5)
At end of the financial year	**16.5**	**75.1**	**91.6**

vii) Amounts recognised in the Consolidated Income Statement

Amounts recognised in the Consolidated Income Statement in respect of the defined benefit obligations are as follows:

	2023 €m	2022 €m
Charges to employee benefits expense		
Current service cost	0.8	1.7
Past service cost	0.2	-
	1.0	**1.7**

Notes Forming Part of the Consolidated Financial Statements
Continued

31. Retirement benefit schemes (continued)

	2023 €m	2022 €m
Recognised in finance income		
Interest income on scheme assets	(4.8)	(1.9)
Interest on scheme liabilities	3.5	1.8
Net interest income on defined benefit obligations (note 6)	**(1.3)**	**(0.1)**

The estimated amounts of employer contributions expected to be paid to the schemes during 2024 is €0.3 million based on current funding agreements.

viii) Amounts recognised in the Consolidated Statement of Comprehensive Income
Amounts recognised in the Consolidated Statement of Comprehensive Income in respect of the defined benefit obligations are as follows:

	2023 €m	2022 €m
Actuarial gains and losses		
Actual total return on scheme assets	15.1	(16.8)
Interest income on scheme assets	(4.8)	(1.9)
Return on scheme assets (excluding amounts included in net interest cost)	10.3	(18.7)
Remeasurement adjustments on scheme liabilities:		
Losses arising from changes in demographic assumptions	-	-
(Losses) / gains arising from changes in financial assumptions	(4.8)	46.9
(Losses) / gains arising from experience adjustments	(0.6)	1.2
Actuarial gain recognised in the Consolidated Statement of Comprehensive Income	**4.9**	**29.4**

	2023 €m	2022 €m
Exchange movement		
Exchange gain / (loss) on scheme assets	0.5	(1.6)
Exchange (loss) / gain on scheme liabilities	(0.4)	1.1
Net exchange gain / (loss) recognised in the Consolidated Statement of Comprehensive Income	**0.1**	**(0.5)**

32. Related party transactions

During the financial year, Group entities incurred costs of €0.5 million (2022: €0.2 million) through provision of administration and accounting services to Irish Ferries Limited Pension Scheme and Irish Ferries (UK) Limited Pension Scheme, related parties that are not members of the Group. These related parties provide pension benefits to employees of the Group.

Compensation of key management personnel
The Group's key management comprise the Board of Directors and senior management having authority and responsibility for planning, directing and controlling the activities of the Group.

The remuneration of key management, including Directors, during the financial year was as follows:

	2023	2022
	€m	€m
Short-term benefits	6.1	6.1
Post-employment benefits	0.3	0.3
Share-based payment expense	2.0	2.2
	8.4	**8.6**

Short-term benefits comprise salary, performance pay and other short-term employee benefits.

Post-employment benefits comprise the past and current service cost calculated in accordance with IAS 19 Employee Benefits.

Share-based payment expense represents the cost charged in respect of equity-settled share-based payments.

The remuneration of Directors and key management is determined by the Remuneration Committee having regard to the performance of individuals, market trends and the performance of the Group and Company.

Details of the remuneration of the Group's individual Directors, together with the number of ICG shares owned by them and their outstanding share options are set out in the Report of the Remuneration Committee (page 101) and the Report of the Directors (page 111).

Dividends
The Company paid a final dividend in respect of 2022 on 9 June 2023 and an interim dividend in respect of 2023 on 6 October 2023. The total amounts received by key management including Directors in respect of these dividend payments was €4.7 million (2022: €4.3 million).

Share options
Share options exercised by the Company's Directors are set out in the Report of the Remuneration Committee (page 105).

Notes Forming Part of the Consolidated Financial Statements
Continued

33. Cash flow components

	2023 €m	2022 €m
Retirement benefit scheme movements		
Retirement benefit obligations – current service cost	0.8	1.7
Retirement benefit obligations – past service cost	0.2	-
Retirement benefit obligations – payments	(0.4)	(0.6)
Total retirement benefit scheme movements	**0.6**	**1.1**
Repayments of lease liabilities		
Lease payments (note 22)	(19.5)	(22.3)
Interest element of lease payments (note 7 & 22)	1.5	1.3
Capital element of lease payments	**(18.0)**	**(21.0)**
Purchases of property, plant and equipment and intangible assets		
Purchases of property, plant and equipment (note 12)	(50.7)	(74.4)
Purchases of intangible assets (note 13)	(0.6)	(0.4)
Decrease / (increase) in capital asset prepayments (note 17)	9.4	(0.9)
Total purchases of property, plant and equipment and intangible assets	**(41.9)**	**(75.7)**
Changes in working capital		
Decrease / (increase) in inventories	1.2	(1.4)
Decrease / (increase) in receivables	2.0	(17.0)
(Decrease) / increase in payables	(1.5)	19.6
Total working capital movements	**1.7**	**1.2**

34. Change in financing liabilities

The changes in liabilities arising from financing activities during the year ended 31 December 2023 were as follows:

	Bank loans €m	Loan notes €m	Origination fees €m	Lease liabilities €m	Total €m
At 1 January 2023	118.2	50.0	(0.5)	42.4	210.1
Changes from cash flows					
Repayment of borrowings	(40.0)	-	-	-	(40.0)
Lease payments	-	-	-	(19.5)	(19.5)
Interest on lease liabilities	-	-	-	1.5	1.5
Loan drawdown	25.6	-	-	-	25.6
Non-cash flow changes					
Amortisation	-	-	0.2	-	0.2
Lease liabilities recognised	-	-	-	14.3	14.3
Lease remeasurement	-	-	-	(1.8)	(1.8)
Currency adjustment	-	-	-	0.1	0.1
At 31 December 2023	**103.8**	**50.0**	**(0.3)**	**37.0**	**190.5**

Bank loans comprise amounts drawn under the revolving credit and amortising facilities The loan notes have bullet payment terms with repayment due in 2024.

35. Contingent liabilities

The Group has issued counter indemnities to Allied Irish Banks plc in relation to bonds required by regulatory authorities and suppliers amounting to €0.6 million (2022: €0.6 million). The Group has classified these as financial guarantee contracts and are treated as financial instruments (note 23). No claims have been notified to the Group in respect of these contracts.

The Group is a participating employer in the Merchant Navy Officer Pension Fund (MNOPF), a multi-employer defined benefit pension scheme. The MNOPF is closed to future accrual. Under the rules of the fund, all employers are jointly and severally liable for any past service deficit of the fund. The last notification from the trustees showed that the Group's share of any deficit would be 1.46%. Should other participating employers' default on their obligations, the Group will be required to absorb a larger share of the scheme deficit. If the Group were to terminate their obligations to the fund, voluntarily or otherwise, the Group may incur a statutory debt under Section 75 of the United Kingdom Pensions Act 1995 amended by the Pensions Act 2004. The calculation of such statutory debt is prescribed in legislation and is on a different basis from the current deficit calculations. This would likely be a greater amount than the net position included in these financial statements and the Directors consider that this amount is not quantifiable unless and until such an event occurs.

In the ordinary course of business, the Group is exposed to legal proceedings from various sources including employees, customers, suppliers and regulatory authorities. It is the opinion of the Directors that losses, if any, arising in connection with these matters will not be materially in excess of provisions made in the financial statements.

36. Events after the reporting period

The Group agreed a new revolving credit facility with lenders, with a permitted drawing amount of €100.0 million, expiring in March 2029 as a replacement for the existing revolving credit facility with a maturity date of September 2024.

The Board is proposing a final dividend of 9.93 cent per ordinary share amounting to €16.4 million out of the distributable reserves of the Company.

There have been no other material events affecting the Group since 31 December 2023.

Company Statement of Financial Position
as at 31 December 2023

	Notes	2023 €m	2022 €m
Assets			
Non-current assets			
Property, plant and equipment	39	133.3	139.1
Intangible assets	40	0.2	0.3
Investments in subsidiaries	41	16.0	16.5
Retirement benefit surplus	46 iv	1.0	1.0
		150.5	**156.9**
Current assets			
Trade and other receivables	42	28.2	1.4
Cash and cash equivalents		15.9	4.7
		44.1	**6.1**
Total assets		**194.6**	**163.0**
Equity and liabilities			
Equity			
Share capital	43	10.8	11.1
Share premium		20.9	20.5
Other reserves		15.8	14.8
Retained earnings		142.3	111.0
Equity attributable to equity holders		**189.8**	**157.4**
Current liabilities			
Trade and other payables	45	4.8	5.6
		4.8	5.6
Total liabilities		**4.8**	**5.6**
Total equity and liabilities		**194.6**	**163.0**

The Company reported a profit for the financial year ended 31 December 2023 of €78.0 million (2022: €45.7 million).

The financial statements were approved by the Board of Directors on 6 March 2024 and signed on its behalf by:

Eamonn Rothwell
Director

David Ledwidge
Director

Company Statement of Changes in Equity
For the financial year ended 31 December 2023

	Share Capital €m	Share Premium €m	Capital Reserve €m	Share Options Reserve €m	Retained Earnings €m	Total €m
Balance at 1 January 2023	**11.1**	**20.5**	**8.5**	**6.3**	**111.0**	**157.4**
Profit for the financial year	-	-	-	-	78.0	78.0
Other comprehensive income	-	-	-	-	0.1	0.1
Total comprehensive income for the financial year	-	-	-	-	**78.1**	**78.1**
Share issue	-	0.4	-	-	-	0.4
Share buyback	(0.3)	-	0.3	-	(21.4)	(21.4)
Dividends	-	-	-	-	(24.4)	(24.4)
Movement related to share options granted to employees in subsidiaries (note 41)	-	-	-	2.8	-	2.8
Settlement of employee equity plans through market purchase	-	-	-	-	(3.1)	(3.1)
Transferred to retained earnings on exercise of share options	-	-	-	(2.1)	2.1	-
Transactions with shareholders	**(0.3)**	**0.4**	**0.3**	**0.7**	**31.3**	**32.4**
Balance at 31 December 2023	**10.8**	**20.9**	**8.8**	**7.0**	**142.3**	**189.8**

Company Statement of Changes in Equity
For the financial year ended 31 December 2022

	Share Capital €m	Share Premium €m	Capital Reserve €m	Share Options Reserve €m	Retained Earnings €m	Total €m
Balance at 1 January 2022	**11.9**	**20.4**	**7.7**	**4.7**	**140.3**	**185.0**
Profit for the financial year	-	-	-	-	45.7	45.7
Other comprehensive income	-	-	-	-	(0.1)	(0.1)
Total comprehensive income for the financial year	-	-	-	-	**45.6**	**45.6**
Share issue	-	0.1	-	-	-	0.1
Share buyback	(0.8)	-	0.8	-	(49.2)	(49.2)
Dividends	-	-	-	-	(24.2)	(24.2)
Employee share-based payments expense	-	-	-	0.1	-	0.1
Movement related to share options granted to employees in subsidiaries (note 41)	-	-	-	2.9	-	2.9
Settlement of employee equity plans through market purchase	-	-	-	-	(2.9)	(2.9)
Transferred to retained earnings on exercise of share options	-	-	-	(1.4)	1.4	-
Transactions with shareholders	**(0.8)**	**0.1**	**0.8**	**1.6**	**(29.3)**	**(27.6)**
Balance at 31 December 2022	**11.1**	**20.5**	**8.5**	**6.3**	**111.0**	**157.4**

Notes Forming Parts of the Company Financial Statements

37. Company Statement of Accounting Policies

Basis of preparation
The Company Financial Statements of Irish Continental Group plc (the Company) were prepared under the historical cost convention, in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). In preparing these Financial Statements, the Company applies the recognition, measurement and presentation requirements of International Financial Reporting Standards as adopted by the EU (Adopted IFRSs), but makes amendments where necessary in order to comply with the Companies Act 2014 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these Financial Statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Presentation of Company Statement of Cash Flows;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of key management personnel.

As the Consolidated Financial Statements of the Group are prepared in accordance with IFRS as adopted by the EU and include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 2 Share-based Payments and;
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instruments: disclosures.

The accounting policies used in the preparation of the Company Financial Statements are consistent with the accounting policies used in the preparation of the Consolidated Financial Statements set out in the Summary of Accounting Policies at note 2. Unless otherwise stated, these have been applied consistently to all periods presented in these Company Financial Statements. The Financial Statements have been prepared in euro and are rounded to the nearest hundred thousand.

These printed financial statements are non-statutory financial statements having not been prepared in accordance with Commission Delegated Regulation 2019/818 regarding the single electronic reporting format (ESEF). Other than the addition of page references these non-statutory financial statements represent a true copy of the human readable layer of the statutory financial statements which were prepared in accordance with ESEF and are available on the Group's website.

Accounting policies applying only to the Company Financial Statements
Investments in subsidiaries
Investments in subsidiaries held by the Company are carried at cost less any accumulated impairment losses. Equity-settled share-based payments granted by the Company to employees of subsidiary companies are accounted for as an increase or decrease in the carrying value of the investment in subsidiary companies and the share options reserve.

Financial guarantee contracts
Where the Company guarantees the borrowings of subsidiaries it treats these guarantees as financial guarantee contracts and classifies them as financial instruments. The carrying value of these financial guarantee contracts are initially measured at fair value and thereafter at the higher of (i) any expected credit loss allowance and (ii) the initial fair value amount recognised less any cumulative amount recognised in income. The impact of this guarantee is not considered significant and no amounts have been recognised.

Notes Forming Part of the Company Financial Statements
Continued

38. Company profit for the period

The profit attributable to equity shareholders dealt with in the Financial Statements of the Company was €78.0 million (2022: €45.7 million). In accordance with Section 304 of the Companies Act 2014, the Company is availing of the exemption from presenting its individual Income Statement to the Annual General Meeting and from filing it with the Registrar of Companies.

Disclosure of Directors' remuneration paid in the reporting period ended 31 December 2023 and 2022 as required by Section 305 of the Companies Act 2014, is set out below.

	2023 €'000	2022 €'000
Directors remuneration:		
Emoluments	3,367	3,307
Pension contributions paid – Defined benefit	-	29
Pension contributions paid – Defined contribution	32	31
Gains from the exercise of options	1,254	307
	4,653	**3,674**

There were no employees in the Company during the financial year ended 31 December 2023 (2022: nil). Costs of €5.5 million (2022: €4.6 million) were recharged to the Company from subsidiary companies in relation to management services.

39. Property, plant and equipment

Company	Assets under Construction €m	Vessels €m	Plant, Equipment and Vehicles €m	Land and Buildings €m	Total €m
Cost					
At 1 January 2022	-	161.2	3.6	0.1	164.9
Additions	-	0.1	0.4	-	0.5
At 31 December 2022	-	161.3	4.0	0.1	165.4
Additions	-	0.1	0.2	-	0.3
At 31 December 2023	**-**	**161.4**	**4.2**	**0.1**	**165.7**
Accumulated depreciation					
At 1 January 2022	-	16.8	3.4	0.1	20.3
Depreciation charge for the financial year	-	5.7	0.3	-	6.0
At 31 December 2022	-	22.5	3.7	0.1	26.3
Depreciation charge for the financial year	-	5.8	0.3	-	6.1
At 31 December 2023	**-**	**28.3**	**4.0**	**0.1**	**32.4**
Carrying amount					
At 31 December 2023	**-**	**133.1**	**0.2**	**-**	**133.3**
At 31 December 2022	-	138.8	0.3	-	139.1

40. Intangible assets

	2023 €m	2022 €m
Cost		
At 1 January	10.4	10.4
Additions	-	-
At 31 December	**10.4**	**10.4**
Amortisation		
At 1 January	10.1	10.0
Charge for the financial year	0.1	0.1
At 31 December	**10.2**	**10.1**
Carrying amount		
At 31 December	**0.2**	**0.3**
At 1 January	0.3	0.4

The intangible assets included above, all computer software, have finite useful lives of five years, over which the assets are amortised. Amortisation is on a straight-line basis.

41. Investment in subsidiaries

	2023 €m	2022 €m
Investment in subsidiaries at beginning of the financial year	16.5	14.4
Movement related to share options allocated to employees in subsidiaries	2.8	2.9
Payments received on exercise of options	(3.3)	(0.8)
Investment in subsidiaries at end of the financial year	**16.0**	**16.5**

The Company's principal subsidiaries at 31 December 2023 are as follows:

Name of subsidiary	Country of incorporation and operation	Principal activity
Irish Ferries Limited*	Ireland	Ferry operator
Eucon Shipping & Transport Limited*	Ireland	Container shipping services
Irish Continental Line Limited*	Ireland	Ship leasing
Irish Ferries Services Limited*	Ireland	Administration services
Belfast Container Terminal (BCT) Limited	Northern Ireland	Container handling
Irish Ferries (U.K.) Limited	United Kingdom	Shipping & forwarding agents
Eurofeeders Limited	United Kingdom	Non-trading

Notes Forming Part of the Company Financial Statements
Continued

Name of subsidiary	Country of incorporation and operation	Principal activity
Irish Ferries (U.K.) Services Limited	United Kingdom	Administration services
Zatarga Limited	Isle of Man	Ship leasing
Contarga Limited*	Ireland	Ship leasing
Irish Ferries Finance DAC*	Ireland	Administration services
ICG Shipping (W. B. Yeats) Limited	Ireland	Non-trading
Irish Ferries International Limited*	Ireland	Ferry operator

*Companies availing of Companies Act 2014 exemption under S357

The Company in all instances owns 100 per cent of the issued ordinary share capital and voting rights attaching thereto in respect of all subsidiary companies.

The registered office for Irish Ferries Limited, Eucon Shipping & Transport Limited, Irish Continental Line Limited, Contarga Limited, Irish Ferries Services Limited, Irish Ferries Finance DAC, ICG Shipping (W.B. Yeats) Limited, and Irish Ferries International Limited is Ferryport, Alexandra Road, Dublin 1.

The registered office for Belfast Container Terminal (BCT) Limited is 1 Lanyon Place, The Soloist Building, Belfast BT1 3LP, Northern Ireland. The registered office for Irish Ferries (U.K.) Limited and Irish Ferries (U.K.) Services Limited is The Plaza Suite 4D, 100 Old Hall Street, Liverpool L3 9QJ, England. The registered office for Eurofeeders Limited is Collins House, Rutland Square, Edinburgh, Midlothian EH1 2AA, Scotland. The registered office for Zatarga Limited is 2nd Floor, St Mary's Court, 20 Hill Street, Douglas, Isle of Man, IM1 1EU.

42. Trade and other receivables

	2023 €m	2022 €m
Amounts due from subsidiary companies (note 47)	27.9	1.1
Other receivables	0.3	0.3
	28.2	**1.4**

Amounts due from subsidiary companies are repayable on demand. The Company has assessed credit losses as if the receivable had been demanded at the statement of financial position date. As all amounts are due from subsidiaries which were in a net asset position at the reporting date, the Company concluded that no allowance for credit losses was required as it would be immaterial.

43. Share capital

Details of the Company's equity share capital are set out at note 19 to the Consolidated Financial Statements.

44. Deferred tax liabilities

There are no deferred tax liabilities and assets recognised by the Company during the current and prior reporting periods. The Company's taxable income was fully taxable within the Irish tonnage tax system.

The estimated value of deferred tax assets not recognised is €0.1 million (2022: €0.1 million). Deferred tax assets are not recognised as it is not probable that taxable profits will be available against which deductible temporary differences can be utilised.

45. Trade and other payables

	2023 €m	2022 €m
Within 1 year		
Amounts due to subsidiary companies (note 47)	3.1	3.4
Other payables	1.7	2.2
	4.8	**5.6**

Other payables include provisions of €0.4 million at 31 December 2023 (2022: €1.2 million).

The amounts owed by the Company to its subsidiaries is represented as follows:

	2023 €m	2022 €m
Trading balances	3.1	3.4
Financing balances	-	-
	3.1	**3.4**

Trading balances owed to subsidiary companies are subject to normal credit terms. The reduction in financing balances was due to repayment of loans to a subsidiary which were financed through repayment of amounts owed to the Company by other subsidiaries (Note 42).

Interest is payable on financing balances at agreed fixed rates comprising funding cost and a margin. The average interest rate paid on borrowings advanced during the year was 3.23% (2022: 1.83%). There were no financing balances outstanding at 31 December 2023 (2022: €nil).

46. Retirement benefit schemes

i) Company sponsored / Group affiliated schemes
Certain former employees of the Company were members of a defined benefit scheme which is sponsored by another Group Company, Irish Ferries Limited. The stated policy between the sponsoring entity and the Company does not require the Company to recognise the net defined benefit in its individual financial statements. Detailed information in respect of this scheme is given in note 31 to the Consolidated Financial Statements. Other former employees were members of the Ex Merchant Navy Officers Pension Fund (Ex MNOPF), of which the Company is the sponsoring employer.

The contributory defined benefit schemes sponsored by the Company and the Group companies provide retirement and death benefits for former employees. The defined benefit schemes provide benefits to members in the form of a guaranteed level of pension payable for life, the level of the benefits depend on the member's length of service and salary. The assets of these schemes are held separately from those of the Company and Group in schemes under the control of trustees. The trustees are responsible for ensuring the schemes are run in accordance with the applicable trust deeds and the pension laws of the relevant jurisdiction. The pensions charge and payments in respect of the schemes are in accordance with the advice of professionally qualified actuaries.

The latest actuarial valuation report for the Ex MNOPF Scheme, which is not available for public inspection, is dated 29 June 2021. The valuation employed for disclosure purposes has been based on the most recent funding valuations for the schemes adjusted by the independent actuaries to allow for the accrual of liabilities up to 31 December 2023 and to take account of financial conditions at this date. During the year ended 31 December the obligations to existing pensioners were exchanged for insurance annuities whereby the insurance company assumed the obligations for payment of the pensioner benefits. A premium of €1.0 million was paid and a settlement loss of €0.2 million was recognised. The scheme retains obligations towards a small number of members with deferred benefits.

The present value of the defined benefit obligation, and the related current service cost and past service credit, were measured using the projected unit credit method and assets have been valued at bid value.

Notes Forming Part of the Company Financial Statements
Continued

46. Retirement benefit schemes (continued)

ii) Merchant Navy Officers Pension Fund (MNOPF)
In addition to the pension schemes operated by the Company, certain former employees are members of the MNOPF, an industry wide multi-employer scheme. The latest actuarial valuation of the scheme, which is available for public inspection, is dated 31 March 2021 and disclosed a net past service surplus of £55.0 million, equivalent to a gross funding level of 102%. The Company's share of the MNOPF obligations, as most recently advised by the trustees, is 0.33% (2022: 0.33%). The obligation valuation in these financial statements at 31 December 2023 is based on the actuarial deficit contribution demands notified to the Company and which remain outstanding at the reporting date. The last deficit demand received by the Company was dated May 2013 which has been fully paid.

The share of the overall deficit in the MNOPF apportioned to the Company is €nil at 31 December 2023 (2022: €nil). During the year the Company made payments of €nil (2022: €nil) to the trustees.

iii) Principal risks and assumptions
The principal risks and assumptions used for the purpose of the actuarial valuations are set out in note 31 (iii) of the Consolidated Financial Statements.

The Company's total obligation in respect of the defined benefit schemes is calculated by independent, qualified actuaries, updated at least annually and totals €nil million at 31 December 2023 (2022: €0.7 million). At 31 December 2023, the Company also has scheme assets totalling €1.0 million (2022: €1.7 million) giving a net pension surplus of €1.0 million (2022: €1.0 million). The size of the obligation is sensitive to actuarial assumptions.

iv) Retirement benefit assets and liabilities
The amount recognised in the Statement of Financial Position in respect of the Company's defined benefit schemes, is as follows:

	2023 €m	2022 €m
Equities	-	1.2
Bonds	-	0.3
Property	-	0.1
Other	1.0	0.1
Fair value of scheme assets	1.0	1.7
Present value of scheme liabilities	-	(0.7)
Surplus in schemes	**1.0**	**1.0**

The retirement benefit scheme sponsored by the Company is in a net surplus position. In addition, the Company's share of the deficit in the industry wide scheme, the MNOPF, based on the last actuarial valuation as at 31 March 2021 is €nil (2022: €nil). The total surplus of €1.0 million (2022: €1.0 million) is shown under non-current assets in the Statement of Financial Position.

The Company is exposed to a number of actuarial risks, these include demographic assumptions covering mortality and longevity, and economic assumptions covering price inflation, benefit and salary increases together with the discount rate used. The size of the scheme assets is also sensitive to asset return levels and the level of contributions from the Company.

46. Retirement benefit schemes (continued)

v) Movement in retirement benefit assets
Movements in the fair value of scheme assets in the financial year were as follows:

	€m
2023	
At beginning of the financial year	1.7
Benefits paid	(0.8)
Actuarial gain	0.1
At end of the financial year	**1.0**
2022	
At beginning of the financial year	2.0
Actuarial loss	(0.3)
At end of the financial year	**1.7**

vi) Movement in retirement benefit liabilities
Movements in the present value of defined benefit obligations in the financial year were as follows:

	€m
2023	
At beginning of the financial year	0.7
Benefits paid	(0.8)
Settlement loss	0.2
Actuarial gain	(0.1)
At end of the financial year	**-**
2022	
At beginning of the financial year	0.9
Actuarial loss	(0.2)
At end of the financial year	**0.7**

The present value of scheme liabilities at the financial year ended 31 December 2023 and 31 December 2022 relate to wholly funded plans.

vii) Amounts recognised in the Company Income Statement
There were no amounts recognised in the Company Income Statement in respect of defined benefit obligations in the period (2022: €nil).

The estimated amounts of contributions expected to be paid by the Company to the schemes during 2024 is €nil based on current funding agreements.

Notes Forming Part of the Company Financial Statements
Continued

46. Retirement benefit schemes (continued)

viii) Amounts recognised in the Company Statement of Comprehensive Income
Amounts recognised in the Company Statement of Comprehensive Income in respect of defined benefit obligations are as follows:

Actuarial gains and losses:

	2023 €m	2022 €m
Actual return on scheme assets	-	-
Interest income on scheme assets	-	-
Return on scheme assets (excluding amounts included in net interest cost)	-	-
Remeasurement adjustments on scheme liabilities:		
Losses arising from experience adjustments	0.1	(0.3)
Gains arising from changes in financial assumptions	0.1	0.2
Actuarial gain / (loss) recognised in Statement of Comprehensive Income	**0.2**	**(0.1)**

47. Related party transactions

The Company's profit for the year includes transactions with subsidiary companies comprising principally comprising of charter income of €18.6 million (2022: €18.6 million), dividends received of €71.2 million (2022: €38.0 million) and interest payable of €0.1 million (2022: €0.1 million). Details of loan balances to / from subsidiaries are provided in the Company Statement of Financial Position in note 45 'Trade and other payables', in note 42 'trade and other receivables' and in the table below.

The Company has provided Letters of Financial Support for certain of its other subsidiaries.

At 31 December the following amounts were due to or from the Company by its subsidiaries:

	2023 €m	2022 €m
Amounts due from subsidiary companies (note 42)	27.9	1.1
Amounts due to subsidiary companies (note 45)	(3.1)	(3.4)
	24.8	**(2.3)**

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. Certain of the balances are trading balances and will be settled on normal credit terms. Other balances are repayable on demand.

48. Financial instruments

Where the Company participates in a cross guarantee arrangement acting as guarantor on borrowings advanced by third parties to its subsidiaries, the guarantee is classified as a financial guarantee contract and is treated as a financial instrument. These are measured initially at fair value and thereafter at the higher of (i) any expected credit loss allowance and (ii) the initial fair value amount recognised less any cumulative amount recognised in income. The guaranteed borrowings have not been secured against any assets of the Company and the significant majority of the Group's consolidated earnings and cashflows are generated by the Company's subsidiaries. The Company has therefore estimated that the guarantee has a negligible effect on the cost of borrowing by its subsidiaries and therefore initial fair value has been estimated at €nil. Expected credit losses have also been estimated at €nil.

49. Contingent liabilities

The Company is a participating employer in the Merchant Navy Officer Pension Fund (MNOPF), a multi-employer defined benefit pension scheme. The MNOPF is closed to future accrual. Under the rules of the fund all employers are jointly and severally liable for any past service deficit of the fund. The last notification from the trustees showed that the Company's share of any deficit would be 0.47%. Should other participating employers default on their obligations, the Company will be required to absorb a larger share of the scheme deficit. If the Company were to terminate their obligations to the fund, voluntarily or otherwise, the Company may incur a statutory debt under Section 75 of the United Kingdom Pensions Act 1995 amended by the Pensions Act 2004. The calculation of such statutory debt is prescribed in legislation and is on a different basis from the current deficit calculations. This would likely be a greater amount than the net position included in these financial statements and the Directors consider that this amount is not quantifiable unless and until such an event occurs.

The Company acts as guarantor to lending arrangements concluded by certain of its subsidiaries. The Group has classified these arrangements as financial guarantee contracts and are treated as financial instruments (note 48). No claims have been notified to the Group in respect of these contracts.

The Company has also guaranteed the liabilities and commitments of certain of its Irish subsidiaries for the financial year ended 31 December 2023 pursuant to the provision of Section 357 of the Companies Act 2014. The Company has treated these guarantees as a contingent liability until as such time it becomes probable that the Company will be required to make a payment under the guarantee. The Company has carried out a review based on the latest financial information available regarding these subsidiaries and assessed that as at 31 December 2023 it was not probable that the Company would be required to make a payment under any of these guarantees. Details of the Group's principal subsidiaries have been included in note 41.

50. Events after the reporting period

The Company together with certain of its subsidiaries agreed a new revolving credit facility with lenders, with a permitted drawing amount of €100.0 million, expiring in March 2029 as a replacement for the existing revolving credit facility with a maturity date of September 2024.

The Board is proposing a final dividend of 9.93 cent per ordinary share amounting to €16.4 million out of the distributable reserves of the Company.

There have been no other material events affecting the Group since 31 December 2023.

51. Approval of financial statements

The Financial Statements were approved by the Board of Directors and authorised for issue on 6 March 2024.

INVESTOR AND OTHER INFORMATION


IRISH FERRIES
W.B. YEATS

Investor Information

ICG Units

An ICG Unit consists of one ordinary share and nil redeemable shares at 31 December 2023 and 31 December 2022. The shares comprising a unit are not separable for sale or transfer purposes.

The number of redeemable shares comprised in an ICG Unit at any particular time will be displayed on the Irish Continental Group plc. website www.icg.ie. The redemption of redeemable shares is solely at the discretion of the Directors.

At 6 March 2024, an ICG Unit consisted of one ordinary share and nil redeemable shares.

Payments to shareholders

Shareholders are offered the option of having any distributions paid in euro or sterling and made by way of cheque payment or electronic transfer. Shareholders should contact the Company's Registrar for further information.

The Company is obliged to deduct Dividend Withholding Tax (DWT) at a rate of 25% from dividends paid to its shareholders, unless a shareholder is entitled to an exemption from DWT and has returned a declaration form to the Company's Registrar claiming such entitlement.

ICG Unit price data (€)

	High	Low	Year end
Year ended 31 December 2023	4.90	4.20	4.33
Year ended 31 December 2022	4.75	3.20	4.28

Share listings

ICG Units are quoted on the official lists of both Euronext Dublin and the UK Listing Authority.

ICG's ISIN code is IE00BLP58571.

Investor Relations

Please address investor enquiries to:
Irish Continental Group plc
Ferryport
Alexandra Road
Dublin 1
Telephone: +353 1 607 5628
Email: investorrelations@icg.ie

Registrar

The Company's Registrar deals with all administrative queries about the holding of ICG Units.
Shareholders should contact the Registrar in order to:

- Register to receive shareholder information electronically;
- Elect to receive any distributions from the Company by bank transfer; and
- Amalgamate accounts where shareholders have multiple accounts in their name, to avoid duplicate sets of Company mailings being sent to one shareholder.

The Company's Registrar is:
Computershare Investor Services (Ireland) Limited
3100 Lake Drive
Citywest Business Campus
Dublin 24
D24 AK82
Telephone: +353 1 447 5483
Fax: +353 1 447 5571
Email: webqueries@computershare.ie

Financial calendar 2024

Announcement of Preliminary Statement of Results to 31 December 2023	7 March 2024
Annual General Meeting	9 May 2024
Half year results announcement	29 August 2024

Travel discounts for shareholders

Registered shareholders of 1,000 or more ICG shares can avail of a discount when travelling with Irish Ferries. The availability of the discount, the conditions applicable and the level of discount are subject to review and are varied from time to time. The principal features of the scheme at 6 March 2024 are:

- 20% discount on passenger and car ferry services between Ireland and Britain, and Britain and France;
- 10% discount on passenger and car ferry services between Ireland and France (direct sailings only); and
- 5% discount on Irish Ferries inclusive package holidays (incorporating travel with Irish Ferries).

To qualify for the discount the person travelling must be the registered holder of the shares, book online at www.irishferries.com, and apply for the discount at the time of booking. The discount is not available in conjunction with any other discount scheme.

Full details and terms and conditions are available at www.icg.ie. For further information please contact Irish Ferries Customer Support in Dublin on + 353 1 607 5700 or email shareholders@irishferries.com.

Investor Information
Continued

Other information

Registered office	Ferryport Alexandra Road Dublin 1, Ireland.
Solicitors	A&L Goodbody, Dublin
Auditors	KPMG Chartered Accountants, Statutory Audit Firm 1 Stokes Place, St. Stephen's Green, Dublin 2
Principal bankers	AIB Group plc, Dublin Bank of Ireland Group plc, Dublin
Stockbrokers	Goodbody Stockbrokers, Dublin
Registrars	Computershare Investor Services (Ireland) Limited 3100 Lake Drive Citywest Business Campus Dublin 24 D24 AK82
Website	www.icg.ie
Email	info@icg.ie

	Euronext Dublin	London Stock Exchange
Reuters	IR5B_u.I	ICG_u.L
Bloomberg	IR5B	ICGC
ISE Xetra	IR5B	

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