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