

## CODE PRINCIPLE: REMUNERATION REMUNERATION COMMITTEE REPORT

# Remuneration Committee Report

Chair, Remuneration Committee  
Pat McCann



### Committee members and attendance

Name	Position	Attendance
Pat McCann	Chair	👤👤👤👤👤
Cara Ryan	Member	👤👤👤👤👤
Camilla Hughes	Member	👤👤👤👤👤
Richard Cherry	Member	👤👤

### Quick facts

- > Pat McCann has chaired the Remuneration Committee since April 2022.
- > All committee members are Independent Non-executive Directors, in line with the Code.
- > The committee met six times during the year ended 31 December 2022.

### Link to terms of reference

[remuneration-committee-terms-of-reference \(glenveagh.ie\)](https://www.glenveagh.ie/remuneration-committee-terms-of-reference)

On behalf of the committee, I am pleased to present our Remuneration Committee report for the financial year ended 31 December 2022, which contains:

- > The current Directors' remuneration policy, which was approved at the AGM on 28 April 2022; and
- > The annual remuneration report, describing how the policy has been put into practice in 2022 and how it will be implemented in 2023.

### Committee's key roles and responsibilities

The principal responsibilities and duties of the Remuneration Committee include:

- > Setting the remuneration policy for the Executive Directors including pension rights and any other compensation payments;
- > Recommending and monitoring the level and structure of remuneration for senior management;
- > Reviewing the ongoing appropriateness and relevance of the remuneration policy, taking into account all factors which it deems necessary, including the risk appetite of the Group and alignment to the Group's long-term strategic goals and culture;
- > Reviewing the total individual remuneration package of each Executive Director and other designated senior executives including any bonuses, incentive payments and share options or other share awards; and
- > Overseeing any major changes in employee benefits structures throughout the Group.

### Performance during 2022

As explained throughout this Annual Report, Glenveagh performed strongly in 2022 across all segments of the business, with our highest suburban unit deliveries to date and significant progress achieved in the monetisation of our urban land portfolio.

This performance did not happen by accident as it relies on good leadership and strong operational teams to deliver a highly consistent quality product. The Remuneration Committee pays close attention to the retention and rewards for the entire workforce. While the committee's remit is to focus on senior management, we feel it is important to look at the rewards for the wider workforce in making our decisions on senior management total remuneration. We recognise that there needs to be alignment across the entire workforce and we set out to be fair and reasonable in all our deliberations. I am delighted to report that there is a wide range

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### REMUNERATION COMMITTEE REPORT CONTINUED

#### Committee activities in 2022

January 2022	March 2022	April 2022	September 2022	October 2022	December 2022
<ul style="list-style-type: none"> <li>&gt; Concluded shareholder consultation on the proposed new remuneration policy for 2022.</li> <li>&gt; Finalised 2021 bonus pay-out level.</li> <li>&gt; Approved 2022 Bonus Metrics.</li> <li>&gt; Approved targets for the 2022 LTIP award.</li> <li>&gt; Reviewed remuneration for the new ExCo members and the Company Secretary.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Authorised the issue and allotment of shares to satisfy the exercise of vested LTIP option awards.</li> <li>&gt; Authorised the application to Euronext Dublin and the London Stock Exchange for a block listing of shares to satisfy LTIP options at exercise.</li> <li>&gt; Approved the establishment of a restricted share trust for the purpose of holding shares that are subject to restrictions on disposal.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Approved and adopted the amended LTIP Rules, following shareholder approval at the AGM.</li> <li>&gt; Approved the 2022 LTIP award grants.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Initiated a formal RFP process for the committee's external remuneration adviser.</li> <li>&gt; Received an update on the work of employee share plan providers in Ireland to try and find an alternative savings carrier for the Revenue-approved SAYE Scheme following Ulster Bank's decision to leave the Irish market.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Considered the external remuneration adviser RFP presentations.</li> <li>&gt; Approved the appointment of Ellason as external remuneration adviser to the committee.</li> <li>&gt; Authorised the issue and allotment of shares to satisfy the exercise of SAYE options.</li> <li>&gt; Authorised the application to Euronext Dublin and the London Stock Exchange for a block listing of shares to satisfy SAYE options at exercise.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Considered the projected vesting outcome of the 2020 LTIP based on the performance period ending 31 December 2022. Received advice from Ellason in relation to the potential adjustment of the 2020 LTIP vesting outcome.</li> <li>&gt; Reviewed current progress of 2022 bonus metrics versus target.</li> <li>&gt; Annual review of committee terms of reference.</li> </ul>

of benefits available to all the workforce. Glenveagh pays competitive basic salaries with bonus structures for performance, in addition to providing pension schemes, private health insurance, employee assistance programs, access to the Laya wellbeing studio and a host of other benefits including further education to help our people grow. The committee has been unable to roll out a Save As You Earn ('SAYE') share scheme to employees for a number of years due to the absence of a savings carrier in the Irish market, however we are committed to reviving the SAYE as soon as a new savings carrier is in place. The SAYE scheme has proven to be extremely popular in previous years and the committee looks forward to rolling it out to employees again in the future. The committee's deliberations in 2022 focused on the retention of the truly fantastic team in place within Glenveagh. The market for talent is very competitive and the committee is very aware of what is happening in the sector. Glenveagh is not just competing for talent with Irish companies, as many international companies are also recruiting in Ireland. The committee is firmly of the belief that the Group has a great team of people in place to deliver the future growth strategies for Glenveagh, and that it is therefore essential that the Group continues to grow and nurture all its people.

#### Remuneration outcomes for 2022

##### 2022 annual bonus outcome

Given the level of business performance during the year, the Executive Directors were successful in achieving the maximum annual bonus for 2022. The committee was very pleased with management's execution and delivery during the year to ensure that Glenveagh finished 2022 with a strong set of results.

Bonuses for 2022 were payable to the Executive Directors at 100% of maximum as a result, which the committee believes was wholly appropriate in light of the performance throughout the year. Full details of the specific bonus targets, the outcomes achieved and the resulting level of bonus payments are provided on page 99 of this report. In line with the new remuneration policy, the 2022 annual bonus payments to the Executive Directors were subject to one-third deferral into shares, which must be held for a minimum of two years.

##### 2019 LTIP outcome

The performance period for the 2019 long-term incentive plan ('LTIP'), in which Michael Rice, the CFO, was a participant, ended in April 2022. Following assessment of performance against the 2019 LTIP targets, the vesting outcome for the awards was 100% of maximum for all participants, including the CFO.

#### Conclusion of the founder share scheme

The final testing period for the legacy founder share scheme, in which the Chairman and the CEO participated, ended in June 2022. The final performance condition related to the Company's share price was not satisfied and therefore no founder shares were converted to ordinary shares during 2022. Further details in relation to the winding up of the expired founder share scheme can be found on page 103.

##### 2020 LTIP outcome

The performance period for the 2020 LTIP, in which the CFO was a participant, ended on 31 December 2022. The 2020 LTIP award was granted in February 2020 and had a three-year vesting period. The award was subject to two equally weighted performance conditions: 50% absolute total shareholder return ('TSR') and 50% earnings per share ('EPS').

As allowed under the Code, the committee reviewed the vesting outcome in early 2023, to ensure that it was fair and appropriate in the context of the overall performance of the business and the experience of our stakeholders. The committee did not consider the formulaic vesting out-turn to be a fair reflection of the strong performance of the business and management team over the performance period. For this reason, the committee exercised discretion in respect of one of the performance metrics for senior management LTIP participants.

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### REMUNERATION COMMITTEE REPORT CONTINUED

The committee engaged with major shareholders in early 2023 in relation to this decision, and sought shareholder support to exercise the same level of discretion in respect of the CFO, as the committee felt strongly that it was important to treat all participants consistently. The CEO was not a participant in the 2020 LTIP. We are committed to open and transparent engagement with shareholders in relation to remuneration, and we were greatly encouraged by the level of responsiveness and support received from our major shareholders for our proposed exercise of discretion in respect of the 2020 LTIP.

As a committee, we are aware that the use of discretion in relation to the CFO's 2020 LTIP award will be scrutinised carefully by investors and other interested parties. We strongly believe that the use of discretion was fair and appropriate to ensure that the vesting outcome for the CFO was aligned with the performance of the company and the experience of stakeholders, and is necessary for his continued retention and incentivisation.

Full details in relation to the performance outcome, formulaic level of vesting, and the subsequent level of discretion exercised by the committee are set out on page 101.

#### Remuneration in 2023

##### Base salaries

The base salary of the CEO increased to €600,000 in 2022 under the new remuneration policy, and, for the CFO to €400,000. In light of the recent step-up in base salary for the Executive Directors, which was disclosed in last year's report and approved by shareholders at the end of April 2022, the salary levels for the Executive Directors remain unchanged for 2023.

##### Annual bonus

The CEO and CFO will continue to participate in the annual bonus scheme. For 2023 the financial measures remain unchanged from 2022, consisting of profit before tax ('PBT') (50%) and operating margin (20%). Non-financial performance will continue to be assessed based on health and safety (15%) and customer satisfaction (15%) measures and assessed in a similar way as in previous years by input from externally managed surveys and audits.

All the measures selected are critical indicators of Glenveagh's ability to meet its strategic objectives over the short-term. The specific targets have been set in the context of the business environment for the year and will be disclosed in the 2023 remuneration report. For 2023 the annual bonus opportunity will

remain unchanged from 2022, at 150% and 125% of base salary for the CEO and the CFO respectively, in line with the new policy. Two-thirds of the annual bonus will continue to be paid in cash, the remainder will be deferred into shares for a minimum of two years.

##### LTIP

The CEO and CFO will continue to participate in the LTIP, with awards levels for 2023 unchanged from 2022 at 200% and 175% of salary for the CEO and CFO respectively.

Further detail in relation to target-setting for the 2023 LTIP awards is set out on page 100.

##### Pension contributions

Over the last number of years, the committee has worked towards achieving pension alignment between the Executive Directors and the average workforce. In line with our new remuneration policy, pension contributions for the Executive Directors reduced from 15% to 5% of salary with effect from 1 January 2023. As a result, pension contributions for the Executive Directors are now aligned to the wider workforce.

##### Wider workforce

The Board remains cognisant of the importance of retaining key staff across all levels of the wider organisation as we progress our ambitious growth plans for the business. The Board recognises the importance of rewarding our workforce fairly and competitively to ensure the incentivisation of the people we need to attract and to retain across our business segments. In 2022 the committee considered matters relating to workforce remuneration, particularly the cost of living pressures experienced in Ireland. As a result, average workforce salaries were increased by 3% with effect from 1 January 2023. Further detail in relation to the committee's wider employee remuneration considerations are provided on page 96.

During 2022, the Board, through the ESR Committee, received and considered the Group's first reporting under the Gender Pay Gap Information Act 2021. In conjunction with the work of the ESR Committee, this committee will maintain an ongoing focus on the Group's gender pay gap in 2023.

##### UK Corporate Governance Code

Glenveagh continues to support the principles and provisions of the Code, though the committee and the Board acknowledge Glenveagh's departure from provision 41 of the Code concerning engagement with the workforce in relation to executive remuneration.

As recommended by the Code, Glenveagh's remuneration policy and its implementation are designed to support the strategy of the business and promote long-term sustainable success. This Remuneration Committee report explains the policy in a transparent and straightforward manner, with sufficient detail provided to give shareholders a clear understanding of how the policy operates and the potential reward opportunities available to the Executive Directors. There is a clear link between the performance of the Group and the rewards available to individual Directors. The policy has a relatively conventional structure and unnecessary complexity has been avoided. There is consistency with Glenveagh's broader culture of rewarding excellent performance across the organisation, and strong alignment with the interests of shareholders and wider stakeholders.

##### External advisers

During 2022, the committee undertook a formal tender process for the appointment of its remuneration adviser. Following the conclusion of this process, the committee selected Ellason as its independent remuneration consultants and they succeeded Korn Ferry with effect from October 2022.

Ellason are members of the Remuneration Consultants Group and signatories to its code of conduct, and all advice is provided in accordance with this code. The committee has satisfied itself that the advice provided by Ellason is robust and independent.

##### Annual General Meeting

As noted above, the committee consulted with major shareholders at the outset of 2023 on its proposal to exercise discretion in relation to the CFO's 2020 LTIP. We remain grateful for the time taken by shareholders to consider our proposal and to provide their feedback, which was supportive of our intentions as a committee.

Shareholder approval will be sought at the AGM for the usual advisory vote on this Remuneration Committee report. I hope you will support this resolution and, ahead of the AGM, I welcome any comments or feedback you may have on the committee's activities in 2022, our plans for 2023, or any other relevant matters.



**Pat McCann**  
Chair  
Remuneration Committee

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### REMUNERATION COMMITTEE REPORT CONTINUED

#### DIRECTORS' REMUNERATION POLICY

The following table outlines the key elements of Glenveagh's remuneration policy, as approved by shareholders at the 2022 AGM.

Fixed remuneration		
Base salary		
Element/purpose	Operation	Maximum opportunity
To attract and retain high calibre individuals.	<p>Base salaries are normally reviewed by the committee annually in the last quarter of the year with any adjustments to take effect from 1 January of the following year.</p> <p>Factors taken into account in the review include the individual's role and level of responsibility, personal performance and developments in pay in the market generally and across the Group.</p> <p>Base salary for Executive Directors is inclusive of fees receivable by the Executive as a Director of the Group.</p>	<p>There are no prescribed maximum salaries or maximum increases. Increases normally reflect increases across the Group and in the market generally.</p> <p>However, increases may be higher or lower to reflect certain circumstances (whether temporary or permanent) such as changes in responsibility or in the case of newly appointed individuals to progressively align salary with market norms. In line with good practice, market movements will not be considered in isolation but in conjunction with other factors.</p>
Benefits		
To be competitive with the market.	In addition to their base salaries, Executive Directors' benefits currently include life and health insurance and a car allowance in line with typical market practice. Other benefits may be provided if considered appropriate.	No maximum levels are prescribed as benefits relate to each individual's circumstances.
Retirement benefits		
To attract and retain high calibre individuals as part of competitive package.	The Group operates a defined contribution pension scheme for Executive Directors. Pension contributions are calculated on base salary only.	Maximum contribution rate is set in line with the rate attributable to a majority of the wider workforce (currently 5%).

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### REMUNERATION COMMITTEE REPORT CONTINUED

#### Variable remuneration

##### Annual bonus

Element/purpose	Operation	Maximum opportunity				
To reward the achievement of annual performance targets.	<p>Individuals receive annual bonus awards based on the achievement of financial and/or non-financial targets.</p> <p>Threshold, target and maximum performance levels will be set, with pro-rata payments between the points based on relative achievement levels against the agreed targets.</p> <p>The financial KPIs ensure that employees are aligned with shareholders' interests and the parameters that the Group will be assessed on by the market in the long-term. The financial KPI targets will be set annually for the year ahead, based on the budget and strategic plan process carried out in Q3/Q4 of the preceding year. Appropriate details of the specific targets will be included on a retrospective basis in the Remuneration Committee report each year.</p> <p>The committee retains discretion to adjust any award to reflect the underlying financial position of the Group.</p>	<p>The maximum award for Executive Directors as a percentage of base salary is 150%.</p> <p>For 2023, the committee intends to apply the following maximum opportunities as a percentage of base salary:</p> <table border="1"> <tbody> <tr> <td><b>CEO</b></td> <td>150%</td> </tr> <tr> <td><b>CFO</b></td> <td>125%</td> </tr> </tbody> </table> <p>The amount payable for target performance is limited to 50% of the relevant maximum award opportunity.</p> <p>Two-thirds of the annual bonus will be paid in cash, while one-third will be delivered in shares deferred for at least two years. No further performance targets apply to the deferred shares but malus and clawback will apply to the shares during the deferral period.</p>	<b>CEO</b>	150%	<b>CFO</b>	125%
<b>CEO</b>	150%					
<b>CFO</b>	125%					

##### Long-term Incentive Plan (LTIP)

<p>To incentivise long-term sustainable performance by granting shares which vest subject to the achievement of targets which are linked to Glenveagh's business strategy and central to its long-term success.</p> <p>The LTIP also contributes to Glenveagh's long-term interests by ensuring alignment between participants and the interests of shareholders.</p>	<p>Senior executives are eligible to participate in the LTIP.</p> <p>The LTIP involves the grant of nil-cost options over ordinary shares to participants based on a percentage of their gross base salary.</p> <p>LTIP awards vest subject to the satisfaction of performance conditions over a three-year period. The committee selects the performance conditions ahead of each grant, taking into account Glenveagh's strategic priorities and business circumstances. A majority of the metrics chosen will be financial metrics.</p> <p>Full details of the chosen metrics and specific targets for recent awards and for awards to be granted in 2023 are set out on page 100.</p> <p>The vesting of any award is subject to committee discretion that it is satisfied the Group's underlying performance has shown a sustained improvement in the period since date of grant.</p> <p>LTIP awards are subject to a holding period of at least two years following the date of exercise of their options. Shares that are subject to a holding period post-exercise may be placed in a restricted share trust for the duration of the restricted period.</p>	<p>The LTIP rules permit awards to be granted up to 200% of base salary.</p> <p>The committee intends to make grants at the following levels in 2023 (as a percentage of base salary):</p> <table border="1"> <tbody> <tr> <td><b>CEO</b></td> <td>200%</td> </tr> <tr> <td><b>CFO</b></td> <td>175%</td> </tr> </tbody> </table>	<b>CEO</b>	200%	<b>CFO</b>	175%
<b>CEO</b>	200%					
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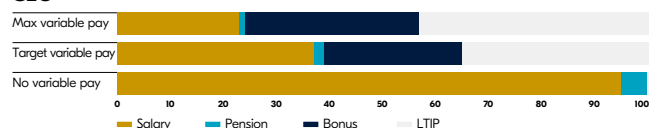
## CODE PRINCIPLE: REMUNERATION CONTINUED

### REMUNERATION COMMITTEE REPORT CONTINUED

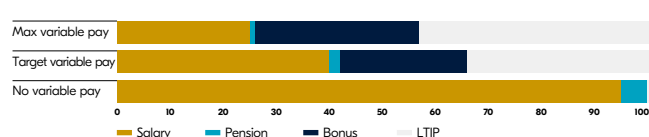
#### Relative proportion of fixed and variable remuneration

As indicated in the table above, the remuneration of the Executive Directors includes both fixed and variable remuneration. The charts below indicate the relative proportion of the fixed and variable remuneration for each Executive Director.

#### CEO



#### CFO



#### NOTES:

- (1) Max variable pay assumes a full annual bonus pay-out and the vesting of LTIP awards at the maximum level. No account has been taken of share price appreciation since the date of grant.
- (2) Target variable pay assumes a bonus pay-out at a target level of 50% of the maximum and LTIP vesting at a target level of 50% of the maximum.
- (3) No variable pay assumes no annual bonus pay-out and no LTIP vesting.
- (4) The value of benefits will fluctuate and therefore for simplicity have not been included in the charts.

#### Performance conditions

For both the annual bonus scheme and the LTIP, the committee sets performance conditions based on business circumstances and the key strategic priorities of the business at the time the targets are set. Specific targets are chosen based on the business plan and budget, the Board's expectations of performance and external market estimates (where relevant).

The performance conditions are designed to be relevant to achieving Glenveagh's vision that everyone should have the opportunity to access great-value, high-quality homes in flourishing communities across Ireland.

The performance conditions which apply to the annual bonus scheme to operate in 2023 are based on a mix of financial and non-financial criteria as set out below:

- > **Profit before tax:** This is considered to be the best profit measure to use for the bonus scheme as it takes into account depreciation, amortisation and interest on debt, and overall financing;
- > **Operating margin:** This ensures that management is focused on operating profit in the context of revenue growth;
- > **Health and safety:** Glenveagh's health and safety audit score is an indicator of the ability of the business to provide a safe working environment for our people. Among other things, this ensures we operate as a responsible employer and can attract and retain the best people in the industry. Safety audits are completed on a monthly basis by an external consultant and by internal safety specialists; and
- > **Customer satisfaction:** Customers are central to the success of the business. An independent external firm is used to survey customers on topics linked to their experience with Glenveagh. Annual bonuses are based on the survey results. Ultimately, Glenveagh's long-term success will depend upon its ability to meet and exceed customer expectations.

The performance conditions for the LTIP awards to be granted in 2023 will be announced at the time of granting awards. Further details in relation to the LTIP awards to be granted in 2023 are provided on page 100.

The committee is responsible for assessing the extent of the achievement of the performance conditions for both the bonus scheme and the LTIP. In the case of the financial metrics this involves reviewing Glenveagh's financial performance as determined by its audited results and comparing the specific targets against the performance achieved. Health and safety is measured by considering the result of internal and external site safety audits. Customer satisfaction is determined through the results of the surveys conducted on Glenveagh's behalf by an independent external firm.

#### Malus and clawback

For both the annual bonus scheme and the LTIP, recovery provisions are in place which permit the committee to claw back awards if certain trigger events occur within two years of the payment or vesting date:

- > If the award was determined on the basis of materially incorrect information, including as a result of any material misstatement of the financial results;
- > If the participant has engaged in any wilful misconduct, recklessness, fraud and/or criminal activity which reflects negatively on Glenveagh or otherwise impairs or impedes its operations and/or which has caused serious injury to the financial condition and/or business reputation of Glenveagh;
- > If a participant behaves in a manner which fails to reflect Glenveagh's governance and business values and/or which has the effect of causing, or is likely to result in, serious reputational damage to Glenveagh;
- > If there is an incidence of corporate failure (including but not limited to Glenveagh being placed into administration); and
- > If the participant commits an act which constitutes a material breach of his/her contract, restrictive covenants and/or any confidentiality obligations.

#### Shareholding guidelines

The CEO is required to build a shareholding equivalent in value to 300% of his base salary, while all other Executive Directors must build a shareholding equivalent in value to 200% of base salary. Until this guideline is met, individuals will be required to retain at least 50% of any shares which vest following the end of the performance and holding periods for the LTIP (excluding any shares which are required to be sold to pay tax due at vesting).

In line with the new remuneration policy, there is a requirement for shares to be held by Executive Directors for a period of time following termination of employment. For a minimum period of two years after the cessation of their employment, the Executive Directors are required to hold shares at a level of the lower of (i) the in-employment shareholding requirement in place at the time and (ii) their actual shareholding at the time of departure. These requirements apply to any shares which vest from incentive awards granted from 2022 onwards. Shares which have been purchased by an Executive Director from their own resources will not be covered by this arrangement.

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### REMUNERATION COMMITTEE REPORT CONTINUED

#### Approach to recruitment remuneration

The package for any new Executive Director would be based on the elements set out in the remuneration policy table above. For certain elements of the package, the following approach would apply.

- > **Base salary:** The salary offered to a new Executive Director would take into account a number of relevant factors including the individual's background and experience, the responsibilities of the role and wider market practice. The committee has the discretion to appoint a new Executive Director on a salary below the prevailing market rate, with a view to increasing the salary over time depending on performance and development in the role. Such increases may be at a level higher than would otherwise apply.
- > **Benefits:** The benefits package will be consistent with that provided to existing Executive Directors. The committee may provide other benefits (e.g. a relocation package in the event of a new Executive Director being required to relocate in order to join Glenveagh).
- > **Retirement benefits:** As stated in the remuneration policy table, any new Executive Director will have their pension contribution rate set in line with the rate attributable to the majority of the wider workforce. This is currently 5% of base salary.
- > **Annual bonus:** A new Executive Director will normally be eligible to participate in the annual bonus scheme, on the same basis as the other Executive Directors. Participation will normally be pro-rated to reflect the period of service during the financial year. The maximum bonus opportunity for a new Executive Director is 150% of base salary.
- > **LTIP:** A new Executive Director will normally be eligible to participate in the LTIP on the same basis as the other Executive Directors. An LTIP award may be granted as part of the arrangements agreed on appointment. In line with the remuneration policy, any LTIP award will be limited in size to a maximum of 200% of base salary.
- > **Buyout awards:** In certain circumstances, for example to attract an external candidate of exceptional calibre, the committee may consider providing a buyout award as compensation for incentives provided by the candidate's previous employer which will lapse as a result of the individual joining Glenveagh. The value of any buyout award will take into account the performance conditions attached to the forfeited incentives, the likelihood of them being satisfied, the proportion of the performance period completed as at the date of cessation of employment, the mechanism of delivery (e.g. in cash or equity) and any other relevant factors. The committee may grant a buyout award under Glenveagh's existing incentive plans or, if necessary, may use a bespoke arrangement.

The committee reserves the right to appoint a new Executive Director on a service agreement with a twelve-month notice period, in line with standard market practice.

#### Service agreements

The current Executive Directors have service agreements with Glenveagh of no fixed term. The agreements are terminable on nine months' notice from both the Group and the Executive. The agreements do not provide for any additional compensation to be paid in the event of a change of control of Glenveagh.

#### Policy for leavers

##### Salary and benefits

For leavers, any termination payments are made only in respect of annual salary excluding benefits for the relevant notice period.

##### Annual bonus

In order for annual bonus payments to be made, Executive Directors must normally be employed by the Group on the bonus payment date.

##### Long-term Incentive Plan

Under the rules of the LTIP, the vesting of awards for good leavers depends on the satisfaction of the relevant performance conditions. Awards are reduced on a pro rata basis to reflect the proportion of the vesting period which has not elapsed at the date of cessation.

For other leavers, unvested awards lapse on cessation. In the event of a change of control, the committee has discretion under the LTIP rules to determine the extent of vesting of outstanding awards, having regard to the extent that performance conditions have been met and the length of the performance period which has elapsed.

#### Wider executive/employee remuneration considerations

In addition to setting the pay for the Executive Directors, the committee has responsibility for setting the pay of members of senior management immediately below Board level (including the Company Secretary). The committee also considers matters relating to pay across the Group as a whole, including workforce remuneration policies and incentives for the wider employee population. The committee has not engaged directly with employees on executive remuneration matters but has considered in detail the issue of alignment between Executive Director remuneration and the pay for the employee population more broadly. In designing the Directors' remuneration policy the committee has been cognisant

of pay arrangements across the Group and has sought to ensure consistency where appropriate.

For example, senior managers participate in a bonus scheme which has a similar structure to that of the Executive Directors. A number of senior managers below the Board participate in the LTIP, with the same performance conditions applying to all awards granted under the plan. A separate bonus scheme applies for the main employee group, under which the majority of bonus payments are subject to the achievement of targets linked to personal performance.

Full details in relation to the Board's engagement with, and consideration of, its employees is set out on page 80 of the Corporate Governance Report.

#### Engaging with shareholders

The committee is committed to an open line of communication with shareholders and will seek the views of major investors when considering significant changes to remuneration practices or policies. The committee has engaged extensively with major shareholders on remuneration matters in recent years, most recently in late 2021 and early 2022 to discuss the new remuneration policy and its implementation for 2022, and, as detailed earlier in this report, in early 2023 in relation to its proposed exercise of discretion in respect of the 2020 LTIP.

#### Committee discretions

The committee retains discretion to make any payments, notwithstanding that they are not in line with the policy set out above, where the terms of the payment were agreed (i) before the policy came into effect, or (ii) at a time when the relevant individual was not a director of the Company and, in the opinion of the committee, the payment was not in consideration of the individual becoming a Director of the Company. For these purposes 'payments' includes the committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are determined at the time the award is granted. Details of any such payments will be disclosed in the Remuneration Committee report for the relevant year.

The committee also has the discretion to amend the policy with regard to minor or administrative matters where it would be, in the opinion of the committee, disproportionate to seek or await shareholder approval.

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### REMUNERATION COMMITTEE REPORT CONTINUED

The committee will operate the annual bonus and long-term incentive arrangements according to their respective rules. Consistent with market practice the committee retains certain discretions in respect of the operation and administration of these arrangements.

#### External appointments

The Board recognises the benefit which the Company can obtain if Executive Directors serve as non-executive directors of other companies. Subject to review in each case, the Board's general policy is that an Executive Director can accept non-executive directorships of other companies (provide this does not prejudice the individual's ability to undertake their duties at Glenveagh) and can retain the fees in respect of such appointment.

#### Remuneration policy for Non-executive Directors

Non-executive Directors ('NEDs') have letters of appointment which set out their duties and responsibilities. The appointments are initially for a three-year term but are terminable on one month's notice.

The NEDs each receive a fee which is set by the Board on advice from the independent professional advisers. The NEDs are paid a fee of €65,000 per annum with additional fees payable to the Senior Independent Non-executive Director of €30,000 per annum and to the Workforce Engagement Director of €15,000 per annum. NEDs receive an additional €15,000 for chairing the Audit and Risk, Remuneration, Nomination and ESR Committees. The Non-executive Chairman receives a fee of €200,000.

Accordingly, the NED letters of appointment detail the following annual fees:

	Role	€
John Mulcahy	Company Chairman, and Chair of the Nomination Committee	200,000
Robert Dix	Senior Independent Non-executive Director	95,000
Cara Ryan	Workforce Engagement Director and Chair of the Audit and Risk Committee	95,000
Pat McCann	Chair of the Remuneration Committee	80,000
Camilla Hughes	Chair of the ESR Committee	80,000

NEDs are not eligible to participate in any Group pension plan. The Non-executive Directors do not have service contracts and do not participate in any bonus or share option schemes. NEDs may receive benefits if considered appropriate. All remuneration received by the NEDs is fixed remuneration.



## CODE PRINCIPLE: REMUNERATION CONTINUED

### REMUNERATION COMMITTEE REPORT CONTINUED

#### ANNUAL REMUNERATION REPORT FOR 2022

The following table illustrates remuneration awarded to Directors for the financial year ended 31 December 2022:

Name	Salary/fees (€) <sup>(1)</sup>		Benefits (€) <sup>(2)</sup>		Employer pension contribution (€) <sup>(3)</sup>		Total fixed (€)		Annual bonuses (€)		LTIP		Total variable (€)		Total (€)	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022 <sup>(7)</sup>	2021	2022	2021	2022	2021
<b>Executive Directors</b>																
Stephen Garvey	600,000	450,000	24,801	25,213	90,000	67,500	714,801	542,713	900,000	445,500	–	–	900,000	445,500	1,614,801	988,213
Michael Rice	400,000	315,000	16,121	16,270	60,000	47,250	476,121	378,520	500,000	311,850	545,643	–	1,045,643	311,850	1,521,764	690,370
<b>Non-executive Directors</b>																
John Mulcahy <sup>(4)</sup>	200,000	300,000	–	18,500	–	–	200,000	318,500	–	222,750	–	–	–	222,750	200,000	541,250
Robert Dix	95,000	90,000	–	–	–	–	95,000	90,000	–	–	–	–	–	–	95,000	90,000
Richard Cherry <sup>(6)</sup>	26,667	75,000	–	–	–	–	26,667	75,000	–	–	–	–	–	–	26,667	75,000
Pat McCann	80,000	75,000	–	–	–	–	80,000	75,000	–	–	–	–	–	–	80,000	75,000
Cara Ryan	95,000	78,750	–	–	–	–	95,000	78,750	–	–	–	–	–	–	95,000	78,750
Camilla Hughes <sup>(5)</sup>	80,000	37,500	–	–	–	–	80,000	37,500	–	–	–	–	–	–	80,000	37,500
<b>Total</b>	<b>1,576,667</b>	<b>1,421,250</b>	<b>40,922</b>	<b>59,983</b>	<b>150,000</b>	<b>114,750</b>	<b>1,767,589</b>	<b>1,595,983</b>	<b>1,400,000</b>	<b>980,100</b>	<b>545,643</b>	<b>–</b>	<b>1,945,643</b>	<b>980,100</b>	<b>3,713,232</b>	<b>2,576,083</b>

(1) Amounts reflect salaries in respect of Executive Directors and Directors' fees in respect of Chairman and other Non-executive Directors.

(2) Benefits largely relate to car allowances and healthcare provided to Executive Directors in accordance with their employment contracts.

(3) Only Executive Directors are eligible to receive pension contributions. Non-executive Directors do not receive pension contributions.

(4) John Mulcahy was an Executive director in 2021.

(5) Camilla Hughes was appointed to the Board on 1 July 2021.

(6) Richard Cherry resigned from the Board in 2022.

(7) Amount reflects the combined total of 2019 and 2020 LTIP awards. The performance periods for the 2019 and 2020 LTIP awards ended on 16 April 2022 and 31 December 2022, respectively.

## CODE PRINCIPLE: REMUNERATION CONTINUED

### REMUNERATION COMMITTEE REPORT CONTINUED

#### Total remuneration received for 2022

All elements of the remuneration received by the Directors for 2022 were consistent with the Directors' remuneration policy as approved by shareholders at the AGM in 2022. The salaries received by the Executive Directors and the fees received by the Non-executive Directors were as disclosed in the 2021 Remuneration Committee report. The bonus payments received by the Executive Directors in respect of 2022 reflected the achievement of the performance targets, as explained further below.

During the financial year ended 31 December 2022:

- > There were no deviations from the procedure for implementing the remuneration policy;
- > There were no derogations from the remuneration policy; and
- > No use was made of the possibility to reclaim variable remuneration using the malus and clawback mechanisms described in the remuneration policy.

The Remuneration Committee report for 2021 and the Directors' remuneration policy were the subject of advisory shareholder votes at the AGM in 2022. The resolutions were passed with the support of 89% and 95% of those voting, respectively. The committee took this overwhelming level of shareholder support into account when reflecting on the appropriate approach to executive remuneration to take in respect of 2022. The committee concluded that the vote results indicated shareholder satisfaction with the current approach and that no changes were required to be made in response.

#### Base salary and fees

The actual salaries paid to the Executive Directors for the financial year ended 31 December 2022 are set out in the table on page 98.

The base salaries for the CEO and CFO will remain unchanged for the 2023 financial year.

#### Annual bonus

##### 2022 bonus outcome

The Executive Directors participated in an annual bonus scheme for 2022 with performance measured against a mix of financial (70%) and non-financial (30%) performance conditions.

The specific targets that were set for the bonus scheme in 2022 are set out in the table below:

Metric	Weight	% Payable	Target	Performance achieved
<b>Profit before tax</b>	50%	Threshold 25%	€46,260,000	€63.0m
		Target 50%	51,400,000	
		Max 100%	€62,828,000	
<b>Operating margin</b>	20%	Threshold 25%	9.00%	10.9%
		Target 50%	9.60%	
		Max 100%	10.50%	
<b>Health and safety</b>	15%	Threshold 25%	70% audit score	88%
		Target 50%	75% audit score	
		Max 100%	85%+ audit score	
<b>Customer satisfaction</b>	15%	Threshold 25%	75% survey score	91%
		Target 50%	80% survey score	
		Max 100%	90%+ survey score	

The Remuneration Committee reviewed the outcome of the formulaic bonus calculations and was satisfied that they were a fair reflection of the overall performance of the business. As a result, the Executive Directors received €1,400,000, being 150% of base salary for the CEO and 125% of base salary for the CFO.

## CODE PRINCIPLE: REMUNERATION CONTINUED

### REMUNERATION COMMITTEE REPORT CONTINUED

#### 2023 bonus arrangements

For 2023, the annual bonus scheme will continue to operate in the same manner as in 2022, with a 70%/30% split between financial and non-financial metrics. The performance metrics and associated weightings will remain as follows:

Financial metrics	Weighting
Profit before tax	50%
Operating margin	20%
Non-Financial metrics	Weighting
Health and safety	15%
Customer satisfaction	15%

Full details of the targets including information on the extent of achievement against them will be included in next year's report.

The maximum annual bonus opportunity for 2023 will be 150% of base salary for the CEO and 125% for the CFO. The amount payable for target performance will continue to be 50% of the maximum opportunity.

In line with the Directors' remuneration policy, two-thirds of the annual bonus will be paid in cash while one-third will be delivered in shares deferred for at least two years.

#### Long-term incentive plan (LTIP)

##### Awards granted in 2022

The table below provides details of the LTIP awards made during the year to the Executive Directors.

Director	Award date	% of salary award	Grant date share price	Face value of award	Number of shares	Performance period	Date of vesting
Stephen Garvey	29 Apr 2022	200%	€1.16	€1,200,000	1,034,483	1 Jan 2022 to 31 Dec 2024	28 Apr 2025
Michael Rice	29 Apr 2022	175%	€1.16	€700,000	603,448	1 Jan 2022 to 31 Dec 2024	28 Apr 2025

The performance conditions for this award are set out below:

##### EPS performance

(applies to 50% of the award) – adjusted EPS to be achieved in FY2024

	Level of vesting
20.0c	100%
12.0c	25%
Less than 12.0c	Nil

Awards vest on a straight-line basis for performance between 12.0c and 20.0c

##### Return on equity performance

(applies to 50% of the award) – ROE to be achieved in FY2024

	Level of vesting
16.2%	100%
11%	25%
Less than 11%	Nil

Awards vest on a straight-line basis for performance between 11% and 16.2%

In addition, the vesting of the awards is subject to committee discretion that it is satisfied the Group's underlying performance has shown a sustained improvement in the period since the date of grant.

##### Awards to be granted in 2023

The CEO and CFO will continue to participate in the LTIP, with awards levels for 2023 unchanged from 2022 at 200% and 175% of salary for the CEO and CFO respectively.

At the time of finalising this report, the committee had not made a final decision on the metrics and targets to apply to the 2023 LTIP award. Details in relation to the metrics and targets will be included in the necessary regulatory announcement of the award at the time it is granted. The committee confirms that the chosen metrics and targets will be challenging in the context of relevant internal and external forecasts. In addition, the vesting of the awards will be subject to committee discretion that it is satisfied the Group's underlying performance has shown a sustained improvement in the period since the date of grant.

The committee will have the flexibility to make adjustments to the targets and/or the determination of performance against the targets and vesting outcome to reflect the impact of material events during the performance period. Any such adjustment will be explained in the relevant Directors' remuneration report.

## CODE PRINCIPLE: REMUNERATION CONTINUED

### REMUNERATION COMMITTEE REPORT CONTINUED

#### LTIP awards held by Directors

Details of all LTIP awards held by Directors are set out in the table below:

Director	Award date*	Share price used	Share awards held at 1 Jan 2022	Awarded during the year	Vested during the year	Lapsed during the year	Share awards held at 31 Dec 2022	Vesting date
Stephen Garvey	29 Apr 2022	€1.16	–	1,034,483	–	–	1,034,483	28 Apr 2025
Michael Rice	17 Apr 2019	€0.84	200,893	–	200,893	–	–	16 Apr 2022
	28 Feb 2020	€0.75	420,000	–	–	–	420,000	27 Feb 2023
	1 Apr 2021	€0.91	399,493	–	–	–	399,493	31 Mar 2024
	29 Apr 2022	€1.16	–	603,448	–	–	603,448	28 Apr 2025

\* The awards are granted as options with an exercise price of nil.

The vesting of the award granted in April 2019 was subject to the TSR performance condition set out in the table below:

LTIP award	Performance condition	Performance Period	Threshold (25% vesting)	Maximum (100% vesting)	Actual	% Vesting
April 2019	TSR	17 Apr 2019 – 16 Apr 2022	6.25%	12.5%	12.5%	100%

The vesting of the award granted in February 2020 was subject to performance conditions based on absolute TSR and EPS performance (equally weighted on a 50/50 basis) detailed in the table below:

LTIP award	Performance condition	Performance Period	Threshold (25% vesting)	Maximum (100% vesting)	Actual	% Vesting
February 2020	TSR	1 Jan 2020 – 31 Dec 2022	6.25%	12.5%	10.4%	74%
	EPS	1 Jan 2020 – 31 Dec 2022	9.5c	12.5c	7.6c	0%*

\* Details in relation to the discretion exercised by the committee, and the resulting effective vesting percentage, are provided below.

The 2020 LTIP award was granted in February 2020 and has a three-year vesting period. The award was subject to two equally weighted performance conditions: 50% of the award was based on absolute total shareholder return (TSR) and the other 50% of the award was based on earnings per share. The absolute TSR condition required growth of 6.25% to 12.5% per annum. Our TSR performance over the period was 10.4% per annum, resulting in 74% of this element of the award becoming due to vest. No adjustment is being made to the absolute TSR vesting outcome. The EPS performance condition required EPS of 9.5 to 12.5 cents for FY 2022. Whilst EPS has grown strongly over the performance period, delivering a total growth over the period of 192%, performance against this target was significantly impacted by the COVID-19 pandemic and, as a result, the EPS target for the 2020 LTIP was not met. The committee does not consider this formulaic vesting out-turn to be a fair reflection of the strong underlying performance of the

business and management team over the period. For this reason, the committee exercised its discretion in respect of the senior management LTIP participants, determining that an equivalent percentage vesting as that achieved in the TSR metric be applied to the EPS element of the award, thereby giving an overall vesting percentage of 74% across both metrics. Following engagement with shareholders, and on receipt of their support for the proposal, the committee also exercised discretion in the same manner in respect of Michael Rice, CFO, as the committee believes it is important to treat all participants consistently. Stephen Garvey, CEO, was not a participant in the 2020 LTIP award, therefore the exercise of discretion for Executive Directors is limited to Michael Rice.

The vesting of the award granted in April 2021 is subject to performance conditions based on absolute TSR and EPS performance (equally weighted on a 50/50 basis) over the

three years to the end of December 2023. The specific targets were disclosed in the 2021 Remuneration Committee report. The performance outcome and subsequent level of vesting will be disclosed in next year's Remuneration Committee report.

In addition to performance conditions set out above, the vesting of any LTIP award is subject to committee discretion that it is satisfied the Group's underlying performance has shown a sustained improvement in the period since the date of grant.

In line with the Directors' remuneration policy (as set out in the table on page 93), LTIP awards granted to Executive Directors from 2020 onwards include a holding period of at least two years post-exercise. Shares that are subject to a post-exercise holding period may be placed in a restricted share trust.

## CODE PRINCIPLE: REMUNERATION CONTINUED

### REMUNERATION COMMITTEE REPORT CONTINUED

#### Change in remuneration of all directors and all employees

As required by the European Union (Shareholders' Rights) Regulations 2020, the table below sets out the annual change of remuneration for each director compared with the performance of Glenveagh.

	2022	2021	2020	2019	2018	% Change 2022 v 2021
<b>Executive Directors</b>						
Stephen Garvey	€1,614,801	€988,213	€541,821	€750,439	€564,401	63.4%
Michael Rice	€1,521,764	€690,370	€378,176	€99,918	–	120.4%
<b>Non-executive Directors</b>						
John Mulcahy <sup>(1)</sup>	€200,000	€541,250	€318,500	€480,596	€419,000	-63.0%
Robert Dix	€95,000	€90,000	€79,875	€75,000	€75,000	5.6%
Richard Cherry <sup>(3)</sup>	€26,667	€75,000	€75,000	€75,000	€75,000	-64.4%
Pat McCann	€80,000	€75,000	€63,427	€20,000	–	6.67%
Cara Ryan	€95,000	€78,750	€64,875	€20,000	–	20.6%
Camilla Hughes <sup>(2)</sup>	€80,000	€37,500	–	–	–	113.3%
<b>Company performance</b>						
Adjusted EBITDA	€72.2m	€48.8m	€9.6m	€31.9m	€(2.0)m	48.0%
Health and safety	88%	89%	88.0%	75.0%	N/A	-1.1%
Customer satisfaction	91%	89%	83.0%	82.0%	N/A	2.2%

(1) John Mulcahy was an Executive Director in 2021.

(2) Camilla Hughes was appointed to the Board on 1 July 2021.

(3) Richard Cherry resigned from the Board in 2022.

The table below sets out the change in average remuneration (on a full-time equivalent basis) of Glenveagh employees (other than the Directors).

	2022	2021	2020	2019	2018	% Change 2022 vs 2021
<b>Average full time employee remuneration</b>						
Average remuneration for employees of the Group	€92,745	€98,350	€73,610	€84,286	€90,110	-5.7%

## CODE PRINCIPLE: REMUNERATION CONTINUED

### REMUNERATION COMMITTEE REPORT CONTINUED

#### Directors' and secretary's interest in shares

The biographical information for the Directors and the company secretary at the time of this report can be found on pages 72 and 73 of the Corporate Governance Report. The table below sets out the interests of the Directors and Company Secretary in ordinary shares

of the Company as at 31 December 2022. Under the remuneration policy, the CEO is required to build a shareholding equivalent in value to 300% of his base salary. Other Executive Directors are required to build a holding of 200% of base salary. Until this

guideline is met, individuals will be required to retain at least 50% of any shares which vest following the end of the performance and holding periods for the LTIP (excluding any shares which are required to be sold to pay tax due at vesting).

Name	Ordinary shares		Founder shares		Deferred shares		Ordinary shares under option**	
	2022	2021	2022	2021	2022	2021	2022	2021
Stephen Garvey	<b>9,411,319</b>	9,411,329	–	81,453,077	–	–	<b>1,034,483*</b>	–
Michael Rice	<b>169,333</b>	23,333	–	–	–	–	<b>1,452,941*</b>	1,050,386*
Richard Cherry	<b>1,370,905</b>	1,371,069	–	–	–	–	–	–
John Mulcahy	<b>2,882,766</b>	2,682,766	–	18,100,684	–	–	–	–
Robert Dix	<b>350,000</b>	350,000	–	–	–	–	–	–
Cara Ryan	<b>28,000</b>	28,000	–	–	–	–	–	–
Pat McCann	<b>70,000</b>	70,000	–	–	–	–	–	–
Camilla Hughes	–	–	–	–	–	–	–	–
Chloe McCarthy	–	–	–	–	–	–	<b>420,606*</b>	368,677*

\* The exercise price of the ordinary shares under options detailed above is €nil. The expiry date for the options granted during 2021 and 2022 are 7 years from 31 March 2024 and 28 April 2025 respectively.

\*\* Shares under option include options from both LTIP and SAYE schemes.

#### Founder share scheme

The founders of the Company (John Mulcahy, Justin Bickle (beneficially held by Durrow Ventures), and Stephen Garvey) subscribed for a total of 200,000,000 ordinary shares of €0.001 each for cash at par value during 2017, which were subsequently converted to Founder Shares in advance of the Company's initial public offering. These shares entitled the Founders to share 20% of the Company's Total Shareholder Return ('TSR') (being the increase in market capitalisation of the Company, plus dividends or distributions in the relevant period) in each of five individual testing periods up to 30 June 2022, subject to achievement of a performance condition related to the Company's share price. Further details in respect of the Founder Shares are outlined in Note 26.

Following the completion of the fifth and final test period (which ran from 1 March 2022 until 30 June 2022), it was confirmed that the performance condition related to the Company's share price was not satisfied and therefore the Founder Share Value in respect of the test period was €Nil and accordingly no Founder Shares

were converted to ordinary shares during the financial year. Under the Company's constitution, any Founder Shares which remained in existence, and which had not been previously converted were, following the final test period, to be converted on a 1:1 basis into deferred shares (the 'Termination Conversion'). On 26 October 2022, the Board approved the Termination Conversion. In respect of the deferred shares held by the Founders, John Mulcahy and Stephen Garvey surrendered their respective deferred shares in November 2022.