Glenveagh
Home of the new.

Next

Building Better

ANNUAL REPORT AND ACCOUNTS 2022

Welcome

We made excellent progress in 2022 in driving strong growth in our key suburban business, strengthening our partnerships business and de-risking our urban land portfolio.

STRATEGIC REPORT

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6 Our culture

"OUR NEW BUILDING BETTER STRATEGY BUILDS ON WHAT WE HAVE ACHIEVED AND IS GUIDED BY OUR VISION."

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annualreports.glenveagh.ie/2022

COMPANY HIGHLIGHTS

FINANCIAL HIGHLIGHTS

€644.7m
Revenue

2022	€644.7m
2021	€476.8m
2020	€232.3m

€70.1m
Adjusted operating profit*

2022	€70.1m
2021	€46.4m
2020	€7.6m

7.6 cent
EPS

2022	7.6 cent
2021	4.5 cent
2020	(1.6 cent)

€458.5m
Carrying value of land

2022	€458.5m
2021	€562.7m
2020	€619.2m

NON-FINANCIAL HIGHLIGHTS

15,100
No. of sites in land bank

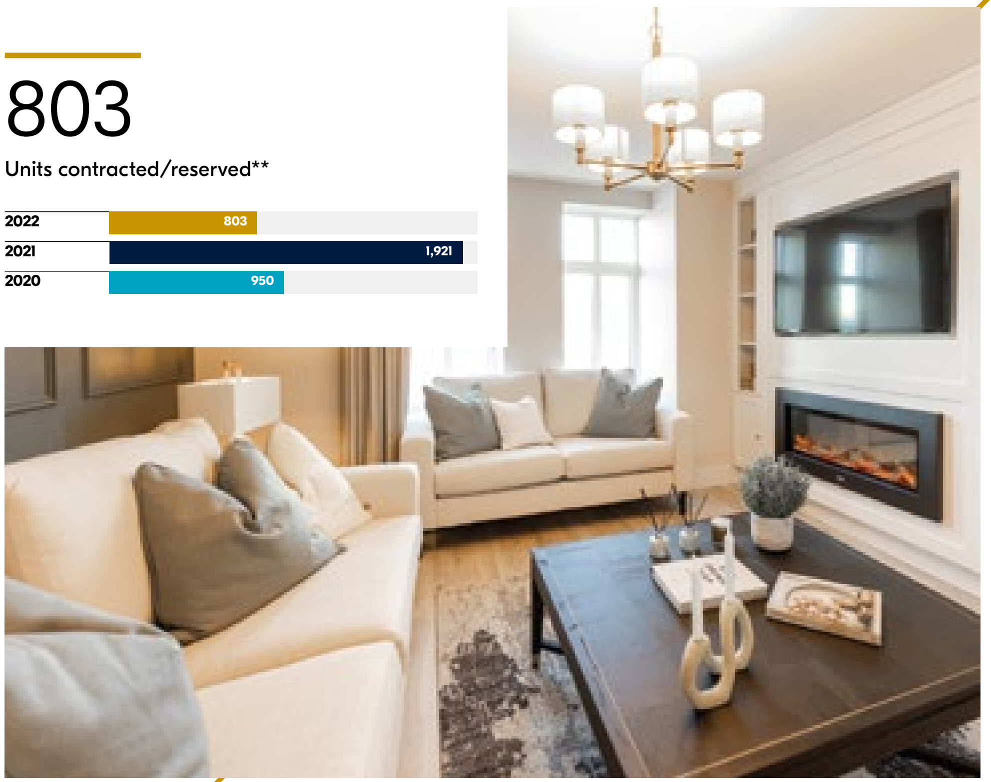
2022	15,100
2021	16,800
2020	14,100

1,358
No. of units sold

2022	1,358
2021	1,150
2020	700

803
Units contracted/reserved**

2022	803
2021	1,921
2020	950



OPERATIONAL AND SUSTAINABILITY

Customer satisfaction

2022	91%
2021	89%
2020	83%

B
CDP

AA
MSCI

78%
Employment engagement

H&S audits

2022	88%
2021	89%
2020	88%

Low Risk
Sustainalytics

* *Operating profit has been presented before exceptional items and impairment reversals/charges.*
** *As at the Annual Report approval date.*

OUR INTEGRATED APPROACH

Creating value for our customers, our shareholders, employees and our communities.

At Glenveagh, we take pride in our commitment to providing high-quality, affordable and sustainable homes. We believe that our vision, mission and culture are the foundation of our success.

Our vision

Our vision is that everyone should have the opportunity to access great-value, high-quality homes in flourishing communities across Ireland.

See **page 4** to find out more

Our mission

Our mission is to innovate how new homes are planned, designed, built and marketed in Ireland, and to make the journey for customers transparent, easy and joyful.

See **page 5** to find out more

Our culture

At Glenveagh, we foster a culture of fresh thinking, teamwork and trust to challenge the status quo in our industry. We believe that building homes and communities is a worthy cause and will positively impact Irish society. We want to forge a new path, relentlessly innovating every stage of the homebuilding process.

See **page 6** to find out more

Our focus on sustainability

We are committed to building sustainable homes and believe that sustainable building practices not only benefit the environment but also improve the quality of life for our homeowners. From the selection of materials to the design of our homes, we prioritise sustainability at every stage of the construction process. Our focus on sustainability extends beyond the construction phase, and we work closely with our homeowners to ensure they have the tools and resources needed to reduce their environmental impact and lead a sustainable lifestyle.

See **page 42** to find out more

Our values

SAFETY FIRST

Before everything else, safety comes first.

The health and wellbeing of everyone who we engage and work with is the most important thing to us. This is why we are committed to maintaining the health and safety of all those who work with us and who are impacted by what we do. We do this by integrating health and safety into all our decision-making.

COLLABORATIVE

We believe in the power of teamwork to create new possibilities.

Building homes at scale requires the close collaboration of many different people with specialist skills and distinct perspectives. We respect and trust each other while acting responsibly and with integrity, believing that how we get things done is just as important as our achievements.

INNOVATIVE

Each day we work to bring new ideas home.

We constantly seek to innovate to satisfy customer needs, drive sustainability and deliver value for money. We find new ways of solving current and future challenges to create flourishing communities across Ireland.

CUSTOMER-CENTRED

Customers are at the heart of every decision we make.

We build for the people who call our developments 'home'. To do this well, we take the time to understand them, their lives and their ever changing needs. By putting our customers at the centre of everything we do, we create homes and communities that have lasting value.

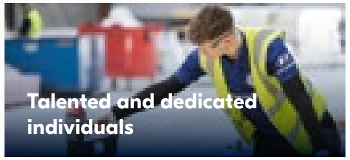
CAN-DO

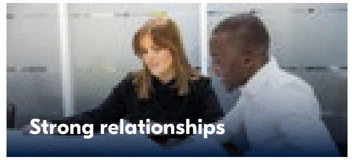
With the right attitude we can achieve anything.

We positively impact each other, our partners and our customers through our dedication, grit, and can-do attitude. We are continuously learning and growing our skills to ensure we realise our vision.

OUR INTEGRATED APPROACH CONTINUED

Our drivers of success





See **pages 21 to 23** to find out more

Our strategic priorities

- Placing the customer first
- Valuing and developing our colleagues
- Driving operational excellence
- Embracing innovation
- Creating sustainable and thriving places

OUR CULTURE

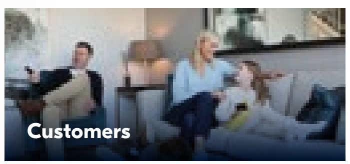
Our vision

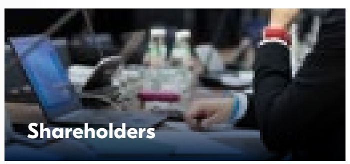
That everyone should have the opportunity to access great-value, high-quality homes in flourishing communities across Ireland.

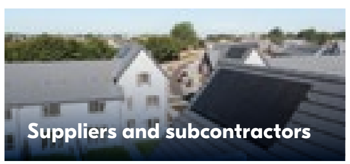
OUR VALUES

Our stakeholders

See **pages 26 to 29** to find out more







OUR VISION, MISSION AND CULTURE

Our CEO Stephen Garvey explains how Glenveagh's vision guides decision-making throughout the organisation.

Our vision

Q&A with

Stephen Garvey
Chief Executive Officer

Q Can you explain how Glenveagh works to achieve its vision that everyone should have the opportunity to access great-value, high-quality homes in flourishing communities across Ireland?

A We deliver housing particularly for the affordable end of the market – people starting out, people buying through the affordable purchase scheme, people who may be social tenants.

We're proud to be one of the leading developers providing A1-rated homes. We're not required by regulation to do this but it was the right thing to do. Particularly given what's happened with inflation and the cost of energy, this is making a real difference to families.

When looking at affordability, people tend to focus on mortgage repayments as a percentage of their net disposable income. We think more broadly, taking into account the wider costs of maintaining a home such as utility costs, insurance, life insurance, and consider how we can make things better for customers in the long-term. Thinking that way has led us to invest in technology and a better standard of product. In addition to addressing macro-climate and energy issues, over the lifecycle of a property families will make substantial savings on energy costs.

We have also innovated in the way we deliver in order to help affordability. We have adopted manufacturing, which gives us the capability to significantly increase output.

It is important to us to be a key participant for the long-term in the communities we help create. We don't simply seek to buy land and build the products, we want to be here for decades and be a reliable, trusted pillar of the community, providing employment, supporting sports clubs and the like.

Q How does the vision guide decision-making and inspire people within Glenveagh?

A Our vision is based on where we see the future of housing, how it will be produced, how our workforce will work, and how we make the sector more attractive for people.

We've been early adopters, not only around product and manufacturing innovation, but also in how we supply our customers, how we can make housing more affordable and accessible for home ownership, and how we can operate on a larger scale. We're willing to try new things.

We've been working with government as we have sought to reduce the income-level at which home ownership becomes an option and also to address demand from a growing population. Collaboration is a key part of our culture and is exemplified in our Partnerships business. We have been working with the local authority on the Oscar Traynor Road development, and we hope the scheme will demonstrate the ability of the public and private sectors to work together and make a real impact.

Q Looking ahead, how do you see the outlook for fulfilling Glenveagh's vision?

A There is a huge societal need for housing. We will be at the heart of working with government and other stakeholders on the solution. This gives us the opportunity to run a business with a long-term, stable future, allowing us to innovate and grow.

OUR VISION, MISSION AND CULTURE CONTINUED

Our Managing Director of Planning, Design, Manufacturing and Operations, Tony McLoughlin, and Head of Sustainability, Lorraine Fitzgerald, talk about Glenveagh's approach to innovation.

Our mission

Q&A with

Tony McLoughlin
Managing Director of Planning, Design, Manufacturing and Operations

Lorraine Fitzgerald
Head of Sustainability

Q What is Glenveagh's approach to innovation?

A **TML:** We are always trying to push the boundaries of what's possible, whether that's streamlining processes or thinking about our environmental impact, while also balancing regulations, what customers want, and any resource-availability issues to provide the best outcomes for our stakeholders.

We encourage a culture of innovation and improvement throughout the business. Whether you work in an office or in manufacturing, as a site labourer or on the gate, it's never a problem to ask why, or what if we did this? It's also about being agile in evaluating and incorporating ideas and sharing them with contractors and business partners.

Q What are the areas that Glenveagh is focused on innovating within?

A **TML:** Innovation runs through every strand of our business. We've done a lot of work to optimise our processes, all the way from a greenfield to a finished product, to make them as efficient as possible. We have brought in a lot of lean behaviours and are now ISO 14001 accredited. As well as innovation in our product-offering, to achieve the densities needed to facilitate the planning process, we have looked at what we can do to streamline the way we deliver and our use of materials, to add value off-site and limit our impact on the environment.

LF: Sustainability from an innovation perspective is beginning to influence everything from land selection, the materials we use and the suppliers we work with – we pride ourselves on working with local suppliers and subcontractors.

With our acquisition of timber frame supplier Harmony Timber Solutions and light gauge steel capabilities, we're looking to do more in the factory. This helps with quality control, reduces waste, and helps manage our exposure to the market in terms of material costs or skilled labour shortages.

Q Looking ahead, where do you see the greatest opportunities for innovation?

A **TML:** There are skills shortages worldwide, but there is an opportunity with technology, robotics and AI to change the way we do things. We have a longer-term vision and the financial strength to develop solutions for the future. There are challenges but also a world of opportunity.

LF: Sustainability is a priority for the business – as important as safety and financial performance – and impacts everything we do. We have to think in different ways about how to reduce emissions and embodied carbon. Over 90% of our emissions aren't within our direct control, so we need to bring our materials, suppliers and subcontractors on the journey so that we can decarbonise together.

OUR VISION, MISSION AND CULTURE CONTINUED

Head of HR, Sinead Tolan and Sales Administrator, Craig Doolan discuss our culture and how this contributes to Glenveagh's long-term success.

Our culture

Q&A with

Sinead Tolan
Head of HR

Craig Doolan
Sales Administrator

Q **How would you describe Glenveagh's culture?**

A **ST:** When I ask colleagues to describe our culture, the recurring themes are people-centric, innovative, energetic, agile and resilient. As these last few years have demonstrated, there are always things that need to be worked around, and our people have an innovative, forward-moving mindset – no one says, I can't or won't do that. Teamwork is core to the business – we all have the same agenda, no matter where we are in the business.

CD: My role wouldn't be possible without trust, collaboration, and teamwork, both internally and with external stakeholders. Our strong culture is reflected to our customers in how we work with and support them.

OUR VISION, MISSION AND CULTURE CONTINUED

Q **How are culture and values embedded in the organisation?**

A **ST:** Our culture and values run through everything we do, from the moment a colleague is welcomed with their induction and onboarding, and throughout our training, development and communication. Last year we introduced a quarterly employee recognition scheme based on our values, which is proving very popular.

CD: Our values – safety first, collaborative, innovative, customer-centred and can-do – are not just words on posters around the office, they come from the top in how Senior Leadership behaves and are visible in everyone's behaviours and ways of working.

Q **How does the organisation's culture contribute to achieving Glenveagh's vision, and influence behaviours and decision-making?**

A **ST:** A strong culture helps bring everyone on the journey to achieving our vision. It takes the whole company to come together to realise the vision, and we wouldn't be able to do this without our culture.

CD: A lot of us work across functions, so trust in the information you're receiving and giving to other teams is vital. For example, the sales team is involved at the very start when land is purchased, when considering the spread of units on the land, how many houses fit, the costings, and likely buyer types, and we're constantly in touch with the construction team to be able to give status reports to buyers. We've sometimes had to be flexible to manage supply-chain constraints, and it is much easier to liaise with different departments when there's trust.

Q **A key aspect of trust relates to operating sustainably. How does this influence how things are done?**

A **CD:** Our top priority is to promote sustainability in all aspects of our work, including our initiatives on equity, diversity, and inclusion, safety, energy efficiency, solar panel usage, and heat-recovery systems. We also strive to make our developments as accessible as possible, as seen in our Kilcock development which is conveniently located within walking distance of the train station and features a dedicated path for walking and cycling to the town, as well as plenty of green spaces.

Sinead Tolan
Head of HR

“OUR CULTURE AND VALUES RUN THROUGH EVERYTHING WE DO, FROM THE MOMENT A COLLEAGUE IS WELCOMED WITH THEIR INDUCTION AND ONBOARDING, AND THROUGHOUT OUR TRAINING, DEVELOPMENT AND COMMUNICATION.”

OUR INVESTMENT CASE

A unique proposition with **exciting growth** potential.

Supported by innovation and supply-chain integration, Glenveagh is committed to opening access to sustainable, high-quality homes to as many people as possible in flourishing communities across Ireland.

We are focused on three core markets – suburban housing, urban apartments and partnerships with local authorities and state agencies.

Scale operator with attractive product

- One of the largest developers in an undersupplied housing market, underpinned by a balanced land bank in exceptional locations.
- Targeting product offering at segments with deepest demand, focused on affordable suburban starter homes in GDA (Greater Dublin Area).
- Building momentum in the Partnerships business with first completions planned for FY24.

1,354
Suburban units completed in FY 2022

15,100
Available land bank units

See **page 40** to find out more

Compelling market opportunity

- Highly resilient domestic economy with population and wage growth.
- Significant private customer demand in a market already undersupplied for many years.
- Supportive government policy via demand and supply-side initiatives.

12.2%
GDP growth in Ireland, FY 2022

535,000
Growth in Irish population since Census 2011

See **page 18** to find out more

Sustainable operational excellence

- Building a strong track record of effective delivery, build quality and customer service.
- Embedding sustainability into our land use, our energy efficient homes, people development and helping communities thrive.
- Enhancing our efficiencies and supply-chain security through standardisation and vertical integration, supported by innovation in off-site manufacturing and our net zero transition pathway.

100%
A1/A2 energy rated units, FY 2022

71%
Units using off-site manufacturing, FY 2022

See **pages 31 to 37** to find out more

OUR INVESTMENT CASE CONTINUED

Highly developed portfolio skills

- Highly experienced Board and Executive team with relevant and diversified sector expertise.
- Agile senior management structure that allows business to respond rapidly and effectively to market developments.
- Expert in-house planning team to navigate the challenges and opportunities of the Irish market.

€600m
Revenue generated to date from urban asset monetisation

3,600
Units lodged for planning, FY 2022

See **page 72** to find out more

Effective capital allocation

- Driving efficiency in land investment through minimising upfront cost and effective control of WIP investment.
- Strong balance sheet, managed prudently with low leverage and high efficiency.
- Clearly defined capital allocation framework focused on investment in supply chain, land, and WIP – and to return excess cash identified to shareholders.

€200m+
Reduction in land bank value since FY 2019

€250m+
Value returned to shareholders since FY 2021

See **pages 67 to 69** to find out more

> THE GROUP CONTINUES TO SEE A VERY POSITIVE LONG-TERM OUTLOOK IN THE IRISH RESIDENTIAL HOUSING MARKET AND WE BELIEVE WE ARE VERY WELL-POSITIONED TO TAKE ADVANTAGE OF THAT OPPORTUNITY.

Michael Rice
Chief Financial Officer

CHAIR'S LETTER

Focused on **strong growth and strategic progress.**

John Mulcahy Chairman

CHAIR'S LETTER CONTINUED

1,354

Suburban units delivered in FY 2022

€645m

FY 2022 Revenue

I am pleased to share with you Glenveagh's Annual Report for the year ended 31 December 2022. It has been a busy year for the business, one of strong growth and important strategic progress, supported by the hard work and dedication of the whole team.

As always there were plenty of challenges to contend with – no sooner had the disruption of COVID-19 began to ease than it was replaced by the war in Ukraine, inflation, consequent interest rate increases and the threat of impending recession across Europe and the world.

I am glad to report that our strategy and platform enabled us to face and overcome these conditions and challenges.

Growing a diversified and sustainable business

Our three business segments – Suburban, Urban and Partnerships – provide an ideal platform to address the largest and most resilient parts of the Irish housing market. Our strategic priorities which evolved during the year, build on the successes of our strategy to date and position us optimally to address the needs of stakeholders and to manage for the future: accomplishing our clear priorities, achieving our vision and driving the financial performance of our business – thus increasing revenue, driving productivity and improving our disciplined capital allocation.

I am pleased to report that Glenveagh delivered another impressive performance in 2022.

Total revenue for the year grew by 35% to €644.7 million (2021: €476.8 million) in what remained a challenging operational environment. This primarily comprised 1,354 suburban unit sales completed (2021: 902) and urban revenue from ongoing completions and several transactions. For FY 2023 we have framed our approach to match supply and commercial activity with the emerging demand that will come from government initiatives and the impact of the change in the macroprudential rules. Read more about these in the Market Overview on page 18.

Looking ahead, we expect the market environment to remain favourable, notwithstanding the broader economic and inflationary challenges that face us. This will be supported by a resilient domestic economy supported by population and wage growth, significant private customer demand in a market that has been undersupplied for many years, and supportive government policy via demand and supply-side initiatives.

Advancing our business segments

Our Suburban segment made considerable progress in FY 2022, with an attractive product offering and increased brand awareness following an extensive marketing campaign *'Love Where You Live'*. The introduction of the First Home scheme in July 2022 also supported customer demand. We completed 1,354 suburban units during the year, up 50% on FY 2021 levels.

In our Urban segment we monetised a significant portion of our land assets, enabling us to improve the Group's Return on Equity and return excess capital to shareholders. It has also allowed us to de-risk our portfolio in what is a more challenging environment for urban apartment construction. We will continue to assess our investment strategy in this segment and will be ready to become more active in the event that trading conditions become more favourable.

Our Partnerships business progressed well in FY 2022. We submitted planning applications for both our 1,200 home development (with our partners Fingal County Council) at Ballymastone in Donabate and the 853 home development (with our partners Dublin City Council) at our Oscar Traynor Road site in Coolock in H2, and received an initial planning decision in favour of both applications, subject to any ongoing appeals. We are looking forward to busy and productive years ahead in this area as we deepen our relationships in these forms of partnerships.

Our colleagues

The Board continues to recognise and appreciate the significant role all our Glenveagh colleagues have played in delivering our success to date. None of our progress would have been possible without their energy and dedication.

In line with our strategic priority *'Valuing And Developing Our Colleagues'*, our ambition is to be recognised as an employer of choice and as the best place to work in our sector, driven by an engaging and trusting culture and a safe working environment. All our colleagues are empowered to make decisions and know how they are contributing to our overall success, and an employee recognition scheme was introduced in 2022 to further strengthen engagement in this regard.

The health and safety of our colleagues is paramount and we work relentlessly to embed this in everything we do. In FY 2022 we were delighted to be recognised with the President's Award for Construction and the Healthy Workplace Award at the Annual Occupational Health and Safety Awards 2022.

Sustainability

2022 was an important year for sustainability globally, domestically and for Glenveagh.

Set against a difficult geopolitical backdrop, COP27 resulted in a package of decisions that reaffirmed the commitment to limit global temperature rise to 1.5 °C above pre-industrial levels. In Ireland, as noted last year, the Climate Action and Low Carbon Development (Amendment) Act 2021 was signed into law in 2021. In July 2022, a range of sectoral emission ceilings were announced that are designed to enable an overall target of 51% reduction of GHG emissions by 2030 (relative to 2018 levels).

CHAIR'S LETTER CONTINUED

> "OUR THREE BUSINESS SEGMENTS – SUBURBAN, URBAN AND PARTNERSHIPS – PROVIDE AN IDEAL PLATFORM TO ADDRESS THE LARGEST AND MOST RESILIENT PARTS OF THE IRISH HOUSING MARKET."

At Glenveagh, our evolved *Building Better* strategy incorporates sustainability explicitly into each of the pillars and individual projects that bring to life our strategic priorities. Central to this is our own Net Zero Transition Plan. The Group has developed both near-term and long-term GHG emissions reduction targets for Scopes 1, 2 and 3 in line with guidance from the Science Based Targets initiative (SBTi). These targets call for a 46% absolute reduction in Scopes 1 & 2 by 2031 and a 55% reduction in Scope 3 emissions intensity (tCO_2e/100sqm) by 2031. Longer term net zero targets have been set for Scopes 1,2 & 3 by 2050. All targets have been submitted to the SBTi for validation.

We acknowledge that partnering will be crucial to how effectively we all reach our sustainability goals. We are working with industry and cross-sectoral working groups and membership bodies including the Irish Green Building Council, Business in the Community Ireland and the Build Digital Project.

We launched our Equity, Diversity & Inclusion (ED&I) strategy, Building a Better Workplace, with three overarching objectives in relation to 'Better Representation', 'An Inclusive Environment' and 'Using our Influence', along with a number of targets and goals which we aim to achieve over the coming years. We published our inaugural Gender Pay Gap (GPG) report in December 2022 and, while the results are not where we wish them to be, we are transparent and committed to being at the forefront of organisations reducing this gap in the Irish homebuilding industry.

Capital allocation

The Group continues to implement a disciplined capital allocation strategy, focused on three priorities: investment in supply-chain, land, and work-in-progress. Once these priorities are satisfied, the Group's policy is to return any excess cash to shareholders.

Capital efficiency improved further in FY 2022 through an ongoing reduction in our net investment in land, a more efficient use of our debt facilities and the continuation of share buyback programmes as the preferred method of returning value to shareholders. We returned approximately €146 million of capital to shareholders via share buyback programmes conducted during the year and have already returned approximately €30 million so far in FY 2023.

We took the opportunity to acquire timber frame manufacturer Harmony Timber Solution Ltd. during the year, which is a key strategic acquisition for us, and I would like to welcome our Harmony colleagues to the Glenveagh team.

Our capital allocation framework remains effective and appropriate for our business and for our stakeholders as we position ourselves for long-term growth. The Board will continue to review this policy as the business, finance and market environment evolves.

Governance

2022 was a year of transition for the Board, its committees and for the senior executive team.

As announced at the 2021 AGM, I transitioned to the role of Non-executive Chairman with effect from 1 January 2022 and, as part of the succession planning for the smooth transition of my executive functions, the composition of the Group's executive committee was expanded. There were no new appointments to the Board during 2022, but during the year the committee commenced the process of identifying a new Independent Non-executive Director following Richard Cherry's decision to step down from the Board at the conclusion of the 2022 AGM.

Full details of the activities of the Board and its committee during 2022, and our priorities for the year ahead, can be found in the Corporate Governance Report on pages 74 to 81.

Conclusion and outlook

In what was a rewarding but also challenging year in many respects, I would like to offer my sincere thanks to my fellow Board members, our colleagues, customers, suppliers and investors for their ongoing commitment and support.

I am more convinced than ever about the long-term growth opportunity for Glenveagh and our capability to provide great-value, high-quality sustainable homes in flourishing communities across Ireland. We are very well-positioned as a scale operator with attractive product and highly developed portfolio skills, underpinned by sustainable operational excellence. We will continue to invest sensibly to avail of the compelling market opportunity open to us. The Board remains very confident about the future and we look forward to further progress in 2023 and beyond.

John Mulcahy
28 February 2023

Justin Bickle

In July 2022, we learnt of the untimely death of our friend and former colleague, Justin Bickle.

In 2017, Justin, John Mulcahy and Stephen Garvey listed Glenveagh Properties plc on the stock market. Justin led the business as CEO through the initial IPO and on to 2019. In those early months and years, Justin travelled the world's capital markets generating support for our vision of creating a best-in-class construction firm for the Irish residential market.

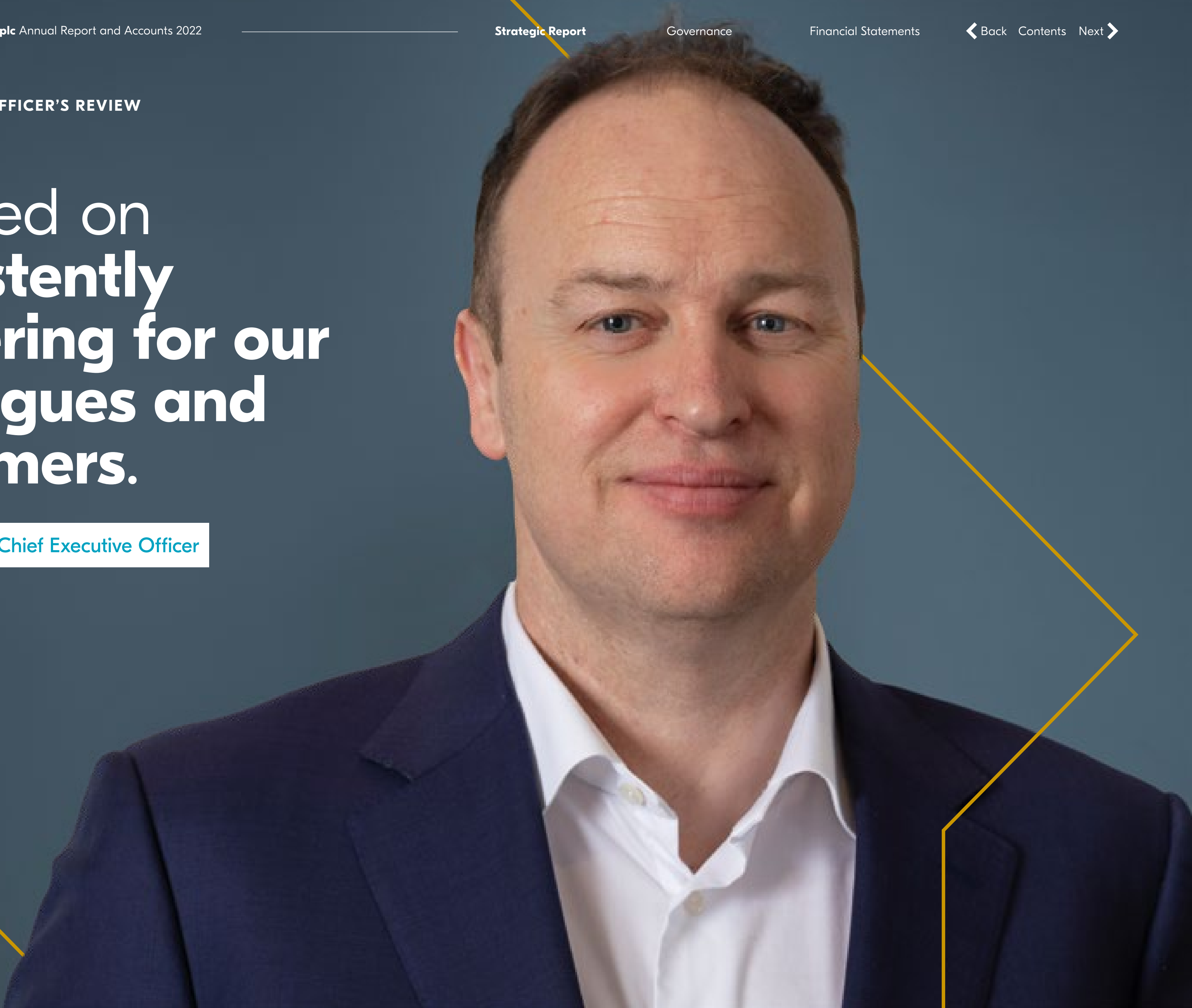
Justin's vision, hard work and expertise contributed greatly to getting Glenveagh to where it is today, and we know that he took great satisfaction from the progress that Glenveagh made on the journey which was mapped all those years ago.

We remember him fondly in our thoughts and prayers.

CHIEF EXECUTIVE OFFICER'S REVIEW

Focused on **consistently delivering for our colleagues and customers.**

Stephen Garvey Chief Executive Officer



CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

69%

EPS growth in FY 2022

€146m

Capital returned to shareholders during the year

I am pleased to report that 2022 was another year of strong growth at Glenveagh as we rebounded from the challenges of COVID-19 disruption and regained strong momentum towards achieving our operational and financial goals.

Five years of exciting progress

October 2022 marked our fifth anniversary on public markets and is an appropriate milestone to reflect on our progress over that period. To scale a business to profitable and cash-generative growth is a huge task, particularly against the backdrop of the COVID-19 pandemic, war in Europe and the return of inflation. Our performance is thanks in no small part to the commitment of our colleagues, and the culture we have cultivated at Glenveagh.

We have continued to evolve our business model to reflect our own progress and to adapt to the external environment. Firstly, we have successfully managed rapid growth in our Suburban business segment which now delivers a wide range of homes across multiple tenures from private buyers, cost rental tenants, social housing tenants, and homes for Approved Housing Bodies. Our developments have delivered thousands of homes to families across Ireland, with over 1,350 units completed in 2022 alone. Secondly, we have been agile in our Urban business segment, building a team and capability to deliver large-scale projects. We have been de-risking the portfolio in the last 18 months by monetising assets, while retaining the option to reinvest in this segment in future. Thirdly, we have established and made great progress in our Partnerships business segment and anticipate first revenue and profit generation from 2024. We have also evolved our business model to develop off-site manufacturing capabilities, and to this end in FY 2022 we completed our first business acquisition of timber frame manufacturer, Harmony Timber Solutions, as we invest in our supply chain to drive more efficiencies.

Enhancing our balance sheet efficiency has been an ongoing priority. We continued to reshape our investment in inventory, with approximately 65% related to land in FY 2022, down from 80% at the end of FY 2019. Our net investment in land has reduced by over €200 million over the last three years. At the same time we have broadly maintained our available units through a combination of owned suburban, owned and forward-funded urban, and modest capital in the Partnerships-business. There is more to come in our drive to make our balance sheet more efficient.

During FY 2022 we evolved our strategy to provide renewed impetus to ensure that everyone is working towards the same objectives. Our new *Building Better* strategy builds on what we have achieved and is guided by our vision – that everyone should have the opportunity to access great-value, high-quality homes in flourishing communities across Ireland. Our strategy is guided by the values that we live by every day, and by our commitment to sustainable development. We discuss this in more detail on pages 30 to 37.

We should be rightfully proud of what we have achieved over the last five years. It gives us the platform as well as the confidence to advance and develop further in the coming years.

Business update

Health and safety is central to what we do every day, and putting safety first is a core value of the business, for all those working with us as well as those impacted by what we do. The leadership demonstrated across the business was exemplary and indicates how seriously we take the health and wellbeing of our people.

Operationally we advanced strongly, with 1,354 suburban units delivered over the course of FY 2022, a 50% increase on FY 2021 levels and a 90% increase on pre-pandemic levels in FY 2019.

During the year we opened five sites, capable of delivering approximately 600 homes. It was a very busy year for planning, with planning applications submitted for 3,600 new units across our business segments.

We made significant additions to our manufacturing and supply-chain capabilities in 2022, which will benefit the long-term ambitions of the business. Our manufacturing capabilities allow us to align further with our sustainability pillars while also guaranteeing high-quality supply in a more volatile environment.

A highlight was the acquisition of Harmony, a timber frame manufacturer based in Wicklow, in August 2022. We have worked successfully with Harmony for the last five years and were delighted to retain key management who will both grow the business itself and also assist in accelerating timber frame production at our Suburban South (Carlow) facility. When combined with our existing Suburban North facility (Dundalk) and the Carlow facility that will be operational this year, this will provide the capability to produce in excess of 2,000 timber frames per annum from FY 2024 onwards. Furthermore, our supply agreement with a Light Gauge Steel ('LGS') manufacturer will allow us to develop enhanced steel frame panelised systems at the Carlow site.

These developments will help meet our ambition to incorporate high-density and standardised house types into our manufacturing and delivery process, allowing the business to deliver on its long term growth ambitions, improving the efficiency of our land use in a sustainable fashion, while also better controlling costs, thereby ensuring long-term value creation.

In FY 2022 the Glenveagh family grew significantly, with colleague numbers increasing by 36%. This pace of recruitment requires careful management, investment in training and development, and a clear commitment to employee safety and wellbeing.

CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

CASE STUDY

Science-based emissions targets

We understand the importance of setting targets that are aligned with the latest climate science and that will ultimately put us on a pathway aligned with the goals of the Paris Climate Agreement.

We have developed both near-term and long-term GHG emissions reduction targets for Scopes 1, 2 and 3. These targets have been developed in line with guidance from the Science Based Targets initiative (SBTi) and have been submitted to the SBTi for validation. They form a core element of our Net Zero Transition Plan.

46%	absolute reduction in Scopes 1 and 2 by 2031.
Net Zero	in Scopes 1 and 2 emissions by 2050.
55%	reduction in Scope 3 emissions intensity (tCO_2e/100sqm) by 2031.
Net Zero	in Scope 3 emissions by 2050.

More information on Glenveagh's baseline emissions including the methodology used, verification and standards can be found at https://glenveagh.ie/corporate/sustainability

CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

We are committed to attracting and supporting and enabling a diverse workforce and to cultivating a culture of equity and inclusion, in which everyone feels empowered to be themselves and think differently to drive positive change and innovation.

Sustainability

Sustainability is at the heart of our *Building Better* strategy. Each individual project and pillar that underpins our five strategic priorities has been designed with clear links to our broader ESG initiatives, ensuring that sustainability is a driver of, not an attachment to, strategy.

Each project and pillar must also be relevant to and address our material issues. A comprehensive exercise was undertaken in 2022 to identify the Environmental, Social and Governance issues most important to Glenveagh, and to inform the further development of our corporate and sustainability strategy, as well as supporting sustainability reporting aims. Our materiality assessment and matrix are detailed on pages 24 and 25.

We are delighted to have published our Net Zero Transition Plan that addresses our longer-term approach to climate change and that includes demanding targets that we must hold our business to achieving. Energy efficient homes are leading our pathway to net zero. Our high energy standards go beyond regulatory compliance and our Building Energy Ratings (BER) are sector leading – in FY 2022 55% of our homes achieved the highest rating, A1. We have now started to explore how we reduce the embodied carbon of our homes.

As part of our commitment to enhancing our ESG reporting, we have added to our Task Force on Climate-related Financial Disclosures (TCFD), including additional assessment of key climate risks and how we are responding to these. Further work on this will be a key focus for 2023, including scenario analysis.

We are careful to respect and address the social aspects of sustainability. We place a strong emphasis on the wellbeing of our colleagues, developing our senior leaders and improving our employee engagement. In recognition of this, we are delighted to have been certified as a Great Place to Work for 2023.

Addressing the planning system

The strong underlying demand in the Irish market continues to be driven by a combination of a robust economic environment, a fast-growing population and increasing levels of inward migration. These factors are putting further pressure on an already undersupplied housing market. Efforts to address this significant undersupply continue to be obstructed by dysfunctional planning policy.

We welcomed the government's timely and proactive demand-side initiatives that have supported customer affordability, most notably for first-time buyers.

On the supply-side, we are doing our part by delivering a wide range of homes across multiple tenures that can be accessed in conjunction with the government's demand-led supports and initiatives. We engage regularly with state bodies and local authorities to accelerate delivery on planning-consented residential land that is currently in their control. We will also deliver a substantial number of affordable homes through our Partnerships business, initially via our proposed developments in Oscar Traynor Road and Ballymastone.

Despite these developments, much more needs to be done to address supply in the short and longer term. Planning system reform requires an effective national planning appeals board in the first instance, with sufficient resources allocated to it as a matter of urgency so that the current backlog of applications can be addressed. The draft Planning and Development Bill is a necessary first step to address how the approvals process itself can be streamlined for the future.

But the true solution to the longer-term structural supply issues the sector faces is planning policy reform. Clearer alignment of the Housing for All strategy and the National Planning Framework is essential to resolve a disconnect on unit output, compounded by inconsistent approaches to population projections in the policies.

Our decision to seek Judicial Reviews of both the Wicklow and Kildare County Development plans reflects our frustration in this regard. Excessively limiting the development of much-needed homes in these counties and elsewhere – regions that have seen unprecedented population growth, significant foreign direct investment, with associated job creation, as well as substantial investments in critical infrastructure by the government – makes no sense.

Capital allocation

Glenveagh ended the year with modest net debt, in line with our prudent leverage policy and also reflective of the significant investment in work in progress and our commitment to utilise excess cash in a more capital efficient manner.

The Group continues to implement a prudent capital allocation strategy focused on three priorities: land, work-in-progress, and investment in supply chain. Once these priorities are satisfied, we intend to return any excess cash identified to shareholders.

We invested over €80 million across a range of investments during FY 2022, including land opportunities for over 1,150 units, the acquisition of Harmony, additional capabilities and facilities, and incremental work-in-progress through the opening of new sites.

In FY 2022 we returned approximately €146 million of capital to shareholders. This brings to over €250 million the total capital returned to shareholders since the beginning of FY 2021, with another €30 million returned to date as part of our latest buyback initiated in January 2023.

Outlook

We begin FY 2023 with confidence in our business and in the fundamentals of our sector. We are very well-positioned to grow longer-term revenue and profitability, with a busy development schedule across our sites. We are building a strong track record of effective delivery, build quality and customer service, and embedding sustainability into everything we do. We operate in a highly resilient domestic economy underpinned by population and wage growth, and significant housing demand in a market that has been undersupplied for many years.

Although the near-term outlook has been shaped by lags in planning momentum, we expect this to resolve as FY 2023 progresses. Coupled with our healthy land portfolio, we are confident in our capacity to achieve our target of 2,000 suburban units, as well as the continued delivery of urban projects and to generate the first revenue from our developing Partnerships business in FY 2024. We will continue our focus on generating greater balance sheet efficiency, which will underpin our target of achieving a Return on Equity of 15% by 2024.

In conclusion, I would as always like to acknowledge the work and support of our senior team, our wider organisation and stakeholders and I look forward with ambition and confidence in Glenveagh for the years ahead.

Stephen Garvey
28 February 2023

MARKET OVERVIEW

The Irish economy is resilient in a challenging environment.

The Irish economy again delivered a stellar performance in 2022, achieving double digit GDP growth notwithstanding the emergence of higher energy prices and recessionary conditions across Europe in the second half of the year.

Strong GDP growth in 2020, 2021 and 2022 marks Ireland out as one of very few economies delivering growth throughout that period.

As in the pandemic, Ireland's buoyant and defensive export sector is expected to prove resilient to likely recessions across Europe and the UK, helping GDP growth to stay in positive territory entering 2023.

Ireland is also expected to remain one of the best performing economies in the eurozone for domestic demand. This will support continued growth in consumer spending and employment.

Ireland's public finances continued to beat expectations in 2022 and this provided the government with flexibility to support households prudently in its Budget 2023 plans.

These factors underpin the buying power in the population and consequent demand in the economy. A strong level of consumer confidence is returning to the Irish economy, notwithstanding the more challenging economic environment more generally.

Affordability supported by legislation and policy changes

A combination of new legislation and updated policy measures from the Government and other bodies such as the Central Bank of Ireland (CBI) should help support affordability in this more challenging economic environment of rising interest rates and high inflation.

The benefits of Housing For All, introduced in 2021 as the government's housing delivery plan to 2030, are slowly beginning to materialise. A range of schemes, discussed below, have been introduced to secure delivery of large scale sustainable mixed-tenure communities, representing an overall investment of €20 billion over the five years to 2026. The plan is designed to cater for prospective buyers and renters for which market dynamics and market rules have made either owning or renting a property a difficult prospect.

The Help to Buy ('HTB') scheme helps first-time buyers of newly-built homes to buy a new house or apartment. This incentive of €30,000 per qualifying property is in place until at least December 2024. In FY 2022, 87% of our first home purchasers availed of this scheme.

The cost rental scheme is designed to relieve the burden on renters, where the state will take ownership of new build properties at market cost and rent them to the tenant at a rate that is at least a 25% discount to the private market.

The First Home scheme was launched in July 2022 and is designed to support first-time buyers in purchasing new-build homes in private developments. Prospective buyers can use this scheme in conjunction with the HTB scheme.

The government will take up to a 30% stake in the property to reduce the burden on the buyer from a financing perspective. The regional limits

MARKET OVERVIEW CONTINUED

on purchase prices that apply in this scheme were increased in January 2023, further supporting buyers here.

The CBI also introduced a significant policy amendment in October 2022, that became effective in January 2023. In its annual review of macroprudential rules, the CBI eased the loan-to-income ('LTI') multiple from 3.5x to 4x for first-time buyers while also adjusting exceptions and easing loan-to-value ('LTV') requirements for second and subsequent borrowers. This is an important support to affordability for first-time buyers in particular. Macroprudential rules continue to remain very conservative by European standards.

Demand remains strong

Demand for housing continues to be very strong in Ireland. Alongside private demand, the state is also contributing to demand with homes also being purchased by the Land Development Agency, Approved Housing Bodies and local authorities. Underlying demand is being driven by a combination of population growth, economic growth, and insufficient underlying supply. Latent demand, built up over the course of a decade of under-supply in the aftermath of the financial crisis, is also contributing to the existing imbalance.

The preliminary results from Census 2022 indicates that the Irish population totalled over 5.1 million people, the first time the population has exceeded 5 million in a census since 1851[A]. Domestic population growth as well as increasing net inward migration has resulted in an increase in population of approximately 535,000 people since 2011. Additional housing stock is an essential requirement in this context.

Economic growth is also a main driver of demand for housing in Ireland. Ireland has high GDP versus the OECD average, a high employment rate, with above-average salaries and solid wage growth.

Average employment growth was estimated at over 6% in FY 2022 and is forecast to grow further in 2023 and 2024[B]. Employment has risen by more than 650,000 since 2012[C]. This has created the capacity and the desire among the population to own their own homes.

In addition, during 2022 the employment rate was at levels last reached in 2007. This high employment rate, combined with wage inflation which is forecast to average 3-4% per annum in coming years, will create further capacity and increased affordability for people to purchase new homes in Ireland.

The growth in mortgage approvals has reflected this underlying demand trend. There has been almost continual growth in approvals since 2011 and in 2022 the volume of approvals grew by 9%[D], albeit driven in the second half of the year by re-mortgaging and switching to minimise the impact of rising interest rates.

Supply shortages persist

The long term under-supply of housing in Ireland has created a latent housing demand that, when combined with the continued demand drivers of economic growth and demographics, can only be solved with accelerated supply and an effective planning system and policy.

Data from the 2022 Census indicated that the total housing stock increased by just over 6% since 2011, only half of the 12% increase in the number of households over the same period.

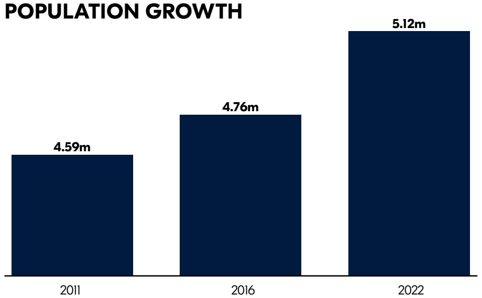
There has been some improvement in liquidity in 2022 as measured by the stock of homes listed for sale[E]. At the end of 2022, there was a total of 15,200 homes listed for sale, an increase from the trough of 11,200 earlier in 2022 but still well down from the 20,000 average through 2017-2019. These low levels reflect years of under-supply and also the disruption caused by the COVID-19 pandemic.

However, the pace of new development is being impacted negatively by supply-chain issues, input price inflation and ECB rate increases. There is now evidence of a marked slowdown in the level of housing commencements. In 2022, commencements fell by 12% year-on-year and were up just 3% compared to 2019, prior to any COVID-19 related volatility. The annual total for 2022 was 27,000, compared to a peak rolling 12-month total of approximately 35,000 earlier in the year. The annual total lagged that of housing completions at 30,000.

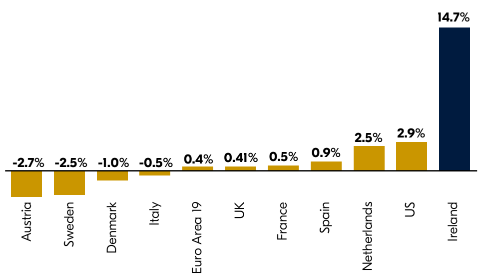
These challenges can disproportionately impact what is a fragmented homebuilding industry. There is a risk that smaller scale developers will be unable to provide supply while these challenges persist.

The planning system has also been a major factor in the lack of supply of housing in Ireland. Planning system reform requires an effective national planning appeals board in the first instance, with sufficient resources to address the current backlog of applications and to ensure efficient streamlining of new applications. The longer-term structural supply issues need to be addressed with reform of planning policy, including a clearer alignment of the Housing for All strategy and the National Planning Framework.

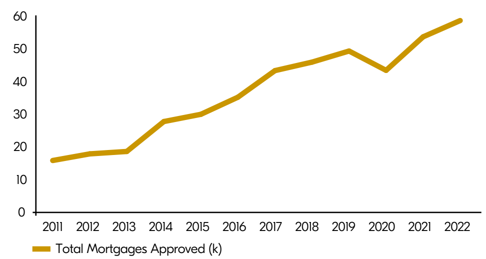
POPULATION GROWTH



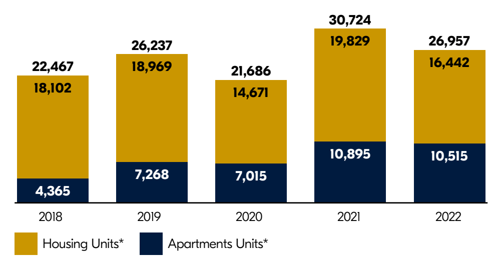
GDP GROWTH 2022



MORTGAGE APPROVALS



HOUSING COMPLETIONS



A: Source: CSO
B: Source: Goodbody
C: Source: Labour Force Survey Q3-2022

D: Source: BPFI
E: Source: MyHome.ie report Q4-2022

OUR BUSINESS MODEL

As one of Ireland's leading homebuilders, Glenveagh is focused on delivering high-quality homes in flourishing communities. We achieve quality and great accessibility to new homes by relentlessly innovating the way we plan, design and build.

We bring new ideas home.

ABOUT US

Supported by innovation and supply-chain integration, Glenveagh is committed to opening access to sustainable high-quality homes to as many people as possible in flourishing communities across Ireland.

We provide homes for our private, institutional and state customers via three business segments – Suburban, Urban and Partnerships. Each business segment benefits from our proven delivery platform and industry-leading central resources. These central resources span the entire process outside of construction delivery.

OUR BUSINESS SEGMENTS

Suburban

Description
Our suburban business is focused on delivering affordable, high-quality homes in locations of choice at €450,000 or below. Our focus is in particular on affordable starter homes in the Greater Dublin Area (GDA), the deepest demand segment of the Irish market, however the portfolio also has other potential sites nationally.

Product
Houses and low-rise apartments.

End market
Private/Institutions.

Locations
Ireland.

Exit
Traditional/forward sale ('FS').

Revenue (FY 2022)
€455m

See **page 40** to find out more

Urban

Description
Urban product consists of apartments to be delivered to institutional investors primarily in Dublin and Cork but also on sites adjacent to significant rail transportation hubs.

Product
Apartments.

End market
Institutions.

Locations
Dublin City/Cork City.

Exit
FS/forward fund ('FF').

Revenue (FY 2022)
€190m

See **page 40** to find out more

Partnerships

Description
A partnership typically involves the government, local authority or state agency contributing their land on a reduced cost or phased basis into a development agreement with Glenveagh.

Product
Houses and apartments.

End market
Private/State/Institutions.

Locations
Ireland.

Exit
State/traditional/FF/FS.

Revenue (FY 2022)
Anticipated to begin FY 2024

See **page 40** to find out more

OUR DRIVERS OF SUCCESS

- **Talented and dedicated individuals**
- **A strategic land bank**
- **Strong relationships**
- **A strong financial position**
- **A trusted brand**

OUR BUSINESS MODEL CONTINUED

> ALONGSIDE ONGOING EVALUATION OF OPPORTUNITIES TO EXPAND CAPACITY IN OUR OWN HOUSING MARKET, WE CONTINUE TO EXPLORE WAYS TO DIVERSIFY INTO COMPLEMENTARY BUSINESS AREAS.

Our integrated business model
Our clear vision and strong culture and values underpin everything that we do and shape the positive contributions we make to society. Our operational excellence and financial strength enable us to generate social and economic value for our stakeholders.

Our model operates by acquiring land, obtaining planning permission, and then constructing houses on that land to sell to customers, with a key focus on sustainable practices and materials. Being one of the largest homebuilders in Ireland, we have access to a larger pool of financial and human capital to undertake large-scale development projects. Our established relationships with key stakeholders in the industry such as local authorities, suppliers, and contractors, can also help to streamline the development process.

Our stakeholder engagement enables us to align our activities to our stakeholders' expectations on environmental, social and governance-related matters. The integration of sustainability throughout our business allows us to create value for all stakeholders, mitigating risk whilst actively seeking opportunities to differentiate and unlock improvement in margins and returns.

Enabling our model to succeed
Alongside our ongoing evaluation of opportunities to expand capacity in our own housing market, we continue to explore ways to diversify into complementary business areas. These would leverage our existing capabilities and resources to generate new revenue and profit streams for the business in excess of our cost of capital.

Our **drivers for success** are the critical inputs that enable our integrated business model to succeed. These support our ability to execute effectively against our strategic priorities. By achieving this we can create value for all our stakeholders.

OUR DRIVERS OF SUCCESS

Talented and dedicated individuals

Our talented and motivated employees have the expertise and dedication to deliver our commitment to expand access to home ownership and create flourishing communities. Experienced professionals in fields such as architecture, engineering, and project management help ensure that projects are completed on time and within budget. Additionally, their knowledge of industry trends and regulations can help the business stay competitive and make well-informed decisions.

Furthermore, talented individuals can drive innovation and growth within our business, bringing fresh ideas, new technologies, and new ways of thinking to the Company. Their creativity and vision can help the business stay ahead of the curve and respond quickly to changes in the market. Additionally, their leadership and management skills can help the business attract and retain other talented professionals, creating a positive feedback loop of growth and success.

423

Average number of Glenveagh colleagues employed during FY 2022

OUR BUSINESS MODEL CONTINUED

OUR DRIVERS OF SUCCESS

A strategic land bank

Our strategic land bank allows the company to manage the supply of land available for future development, ensuring a steady supply in key locations. This stability in land supply can help the business plan for the long-term, as well as negotiate better deals with local authorities and other stakeholders.

Our land bank is focused on starter-homes and the private rental sector with affordability and value for money at its core. Our land bank was acquired at attractive rates in the context of both cost per site and site cost as a percentage of net development value.

€458m

Land bank value

OUR DRIVERS OF SUCCESS

Strong relationships

We are a recognised and trusted partner, with a track record of building deep relationships with our partners, communities, suppliers and customers.

Having strong supplier relationships is a key driver of success as it allows us to access the resources and materials needed for development at a competitive price. Reliable suppliers can also help to ensure that projects are completed on time, which is critical for maintaining a good reputation and attracting new customers.

Without a strong set of relationships in our communities, our business cannot thrive. Constructive state and government relationships are increasingly crucial as we build out our Partnerships business segment, and are also important to facilitate the planning permission and approval process.

91%

Customer satisfaction rating

OUR BUSINESS MODEL CONTINUED

OUR DRIVERS OF SUCCESS

A strong financial position

Financial capital fuels the achievement of our strategic priorities. We remain disciplined in our approach to the allocation of capital with the overriding objective of enhancing shareholder value. Our capital allocation strategy is focused on three priorities: land, work-in-progress, and investment in supply-chain. Once these priorities are satisfied, we intend to return any excess cash identified to shareholders. This is all underpinned by the maintenance of a strong balance sheet, good visibility on forward sales, and a rigorous investment appraisal process.

€645m

Revenue FY 2022

€693m

Equity FY 2022

OUR DRIVERS OF SUCCESS

A trusted brand

We have an established and trusted brand that is built on a customer-focused and high-quality approach. This helps us to differentiate the business, making it more likely that customers will choose us in future purchase decisions.

Furthermore, a trusted brand can help to drive innovation and growth as customers who trust the brand are more likely to be willing to try new products and services offered. We are exploring how to effectively expand our branding and product offerings to increase sales and grow the customer base.

Our strong brand also helps us to attract top talent to the company, as people are more likely to want to work for a reputable and successful business like ours.

+16%

Improvement in overall brand awareness score

OUR MATERIAL ISSUES

Understanding what matters most to **our stakeholders.**

We carried out a review of our material sustainability issues to inform the evolution of our business strategy and to ensure we are focusing and reporting on the most important issues for our stakeholders.

The external challenges that face our business are constantly changing and we acknowledge the importance of staying updated on these. Actively engaging with our stakeholders enables us to understand their views more clearly and to ensure our business is responding appropriately and rapidly. We do this through customer and staff surveys, market research, peer review, participation in industry forums and networks as well as one-to-one engagement. More information on our stakeholder engagement approach can be found on page 26. In 2022, we undertook a specific engagement process to review and evolve our understanding of our most material issues.

Our materiality assessment

The first step in our assessment was to produce a long list of issues based on a wide range of inputs. These included Glenveagh's own information, a peer review, sustainability and industry trends, current and forthcoming legislation and policy, ESG rating requirements, international standards and frameworks. A total of 80 issues were identified from across this literature. A shortlist was created by identifying issues most frequently mentioned in the literature and grouping together similar issues. A shortlist of 31 issues was agreed spanning environmental, social and governance factors.

A broad range of stakeholders were identified including investors, lenders, Board members, subcontractors and suppliers, institutional customers, NGOs, Executive Committee members and employees. 15 semi-structured interviews took place, while 31 external stakeholders participated in a survey.

Stakeholders were asked to rate the issues considering its relevance, risk, opportunity and urgency. Employees were also given the opportunity to input into the process through a dedicated survey.

The information and ratings from the stakeholder engagement process were prioritised in two ways – a simple ranking based on the average score for each issue across all stakeholders as well plotting internal and external stakeholders scores on a materiality matrix.

The results were then analysed to understand the insights that had emerged at a macro level and the relative priorities of each stakeholder group.

Finally, the findings were validated with our Executive Committee. Briefings were also delivered for various business units, where relevant, to explore the insights from specific stakeholder groups.

OUR MATERIALITY ASSESSMENT METHODOLOGY

01 **Identify**

Identify a long list of relevant sustainability issues: 80 issues.

02 **Refine**

Refine into a shortlist and clearly define each issue: 31 issues.

03 **Engage**

Engage stakeholders in scoring and discussing the issues.

04 **Prioritise**

Prioritise the issues in a list and on a materiality matrix.

05 **Analyse**

Analyse the results of the stakeholder feedback.

06 **Validate**

Validate the findings/insights with our Executive Committee.

OUR MATERIAL ISSUES CONTINUED

The outputs of our materiality assessment are illustrated in our materiality matrix which plots the views of external stakeholders against those of internal stakeholders.

Many of the material topics have remained the same as in our previous assessment. However, some areas have seen more specificity – for example, climate is now divided into a number of discrete topics. We have also seen the emergence of innovation and digitalisation as particularly important issues internally. The insights from this process were used to inform the evolution of our strategy, which fully integrates our sustainability approach with our business strategy. Our section on strategy (pages 30 to 37) demonstrates which material issues are addressed by each of our strategic priorities and the progress we are making in these areas.

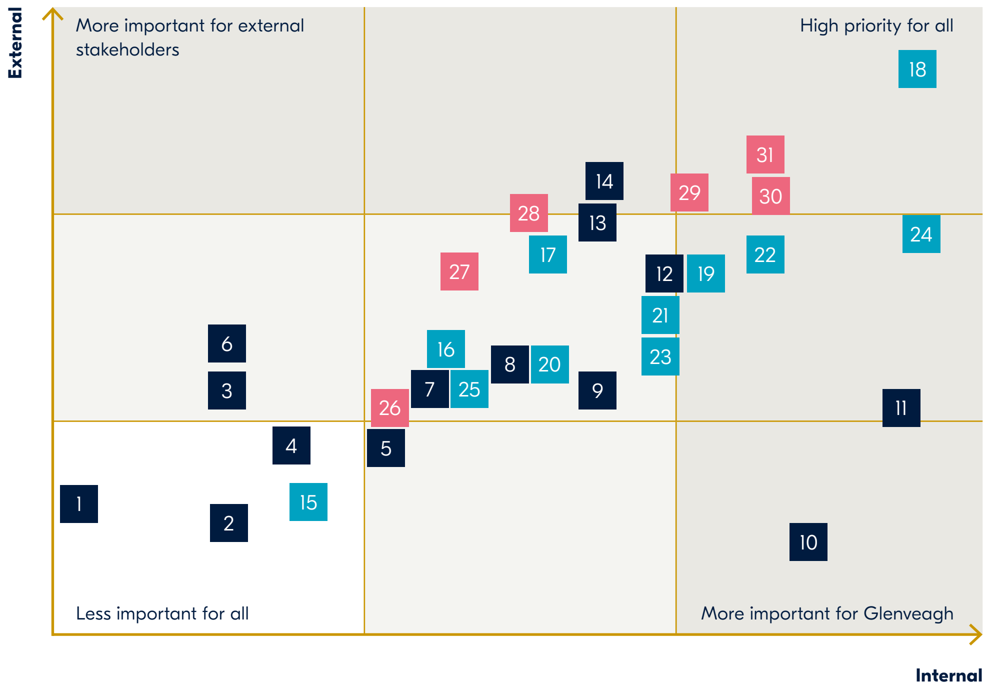
In line with the requirements of the Corporate Sustainability Reporting Directive, in 2023 we will build on the work we have already completed and will carry out a double materiality assessment. This will involve assessing 'impact materiality' i.e. actual or potential significant impacts on people or the environment as well as 'financial materiality' i.e. where a sustainability topic triggers financial effects on the Group. We have already mapped the topics identified in our materiality assessment to the ESG topics defined under the European Sustainability Reporting Standards ('ESRS') and will evolve our reporting to align with these requirements over the next two years.

Environmental	
01	Water management
02	Indoor air quality
03	Biodiversity
04	Climate risk – physical
05	Pollution prevention
06	Circular construction
07	Land use and green infrastructure
08	Renewable energy
09	Sustainable mobility
10	Digitalisation
11	Innovation
12	Carbon emissions
13	Climate risk – transition
14	Energy efficiency

Social	
15	Diversity, equity and inclusion
16	Responsible sourcing
17	Working conditions
18	Build quality
19	Customer
20	Placemaking and community engagement
21	Affordability
22	Skilled workforce
23	Supply-chain
24	Health, safety and wellbeing
25	Employee engagement

Governance	
26	Cyber security and data protection
27	Sustainable building certifications/labels
28	Transparency
29	Governance
30	Human rights
31	Business ethics

Numbers do not indicate ranking.



OUR STAKEHOLDERS

How the Board considered stakeholders during the year.

The Board believes that to secure Glenveagh's long-term success, it must take account of the perspectives, insights and opinions of stakeholders when key strategic, financial and operational decisions are being made.

Glenveagh has identified six key stakeholder groups, with each requiring tailored engagement. By fostering business relationships and maintaining effective engagement with these stakeholder groups, it should help to ensure that Glenveagh is a Company in which people want to invest, from which people want to buy, with which people want to partner and for which people want to work.

The Board engages with each stakeholder group on a regular basis. Further information on how the Board directly engaged with shareholders and employees is outlined in the Corporate Governance Report on pages 79 to 81. Details of how Glenveagh engaged with employees, suppliers, shareholders, customers, communities, government and regulators and outcomes from these engagements are outlined on pages 27 to 29.

The Board is continuously kept up-to-date on the feedback received from each stakeholder group through the various reports and presentations received from executive management. This feedback is carefully considered when making decisions that may impact stakeholders either collectively or individually.

STAKEHOLDER CONSIDERATIONS OF THE BOARD

Manufacturing Strategy

Description

Controlling and innovating with our supply-chain is a key priority of Glenveagh. To that end, our Manufacturing Strategy, inclusive of expanding our manufacturing operations, was approved by the Board in March 2022.

Relevant stakeholders

> Suppliers and subcontractors.

Board considerations

> Received and considered an update on the manufacturing strategy reiterating support.

> Approved completion of supply agreement with a Light Gauge Steel ('LGS') manufacturer.

> Approved acquisition of Harmony Timber Solutions Limited.

Links to values

See **pages 5, 34 and 35** to find out more

Materiality Assessment

Description

Glenveagh completed a materiality assessment to identify, assess and prioritise the potential Environmental, Social and Governance issues that could affect the business and stakeholders to inform strategy and long-term value creation.

Relevant stakeholders

> Customers and communities.

> Employees.

> Suppliers and subcontractors.

> Shareholders.

> Government and regulations.

Board considerations

> Considered hot topics from the peer review such as whole life carbon, innovation and biodiversity.

> Considered the top 10 issues identified across the stakeholder groups.

> Received an update on the changing reporting requirements, specifically Corporate Sustainability Reporting Directive, EU Taxonomy and the Corporate Sustainability Due Diligence Directive.

Links to values

See **pages 24 and 25** to find out more

Equity, Diversity and Inclusion Strategy

Description

This strategy document sets out the roadmap for how Glenveagh will ensure that equity, diversity and inclusion are embedded within the company.

Relevant stakeholders

> Employees.

> Customers.

> Suppliers and subcontractors.

Board considerations

> Received and considered the strategic themes of better representation, inclusive environment and using our influence.

> Approved the strategic objectives and the specific targets and goals related to each.

> Approved the addition of governance structure and progress reporting to future Board meeting agendas.

Links to values

See **pages 32 and 33** to find out more

OUR STAKEHOLDERS CONTINUED

Customers

Why we engage
Our customers are at the centre of everything we do, and we understand that their satisfaction is essential to building a reputable and successful business. We believe that by engaging with our customers, we can better understand their evolving needs and preferences, and ensure that we are providing sustainable, high-quality homes that exceed their expectations.

How we engage
We are committed to engaging with our customers throughout their customer journey. We believe that by actively listening to their feedback, responding to their needs and concerns, and delivering high-quality homes that exceed their expectations, we can build trust, loyalty, and a positive reputation in the market. To achieve this, we engage with customers through our website which provides advice and tips on each step of the home buying journey together with a best-in-class digital home viewing platform. We also update our buyers from the time of purchase through automated site updates and the latest news within their communities. Our Customer Care Department is also available to provide support throughout the customer journey and has developed a homeowner's guide as a reference point for customers. We conduct monthly customer satisfaction surveys and bi-annual brand surveys to obtain customer feedback.

How is effectiveness measured?
> Customer satisfaction and brand awareness surveys.
> Reservations and enquiries from our customer website.
> Performance versus budget, forecast and market data.
> Resident surveys.
> Customer care reporting and metrics.

Interests and concerns
> Regular and consistent communication in the home buying process.
> The ability to conduct a virtual home buying journey.
> Clarity on moving dates.
> Location and community information.
> The quality and affordability of the house.

Outcome from engagement
> Establishment of a dedicated customer care team and development of the homeowner's guide.
> Leads are up 68% year-on-year.
> Increased brand awareness by 16%.
> Improvements to our customer website and investment in state of the art CGI walkthrough tours.
> Customer satisfaction rating of 91%.

FY 2023 Priorities
> Our priorities for FY 2023 are outlined as part of the Placing the Customer First strategic priority on page 31 of this report.

Employees

Why we engage
We understand that our employees are at the heart of our success and are our most valuable asset. We are committed to creating a positive and inclusive workplace culture that promotes teamwork, collaboration, and innovation. By actively engaging with our employees, we can ensure that their needs are met, and they feel valued and motivated to contribute to the company's success.

How we engage
We engage with our employees using a variety of methods including one-to-one meetings, team meetings, online training platforms, performance reviews, employee recognition awards, town halls, leadership correspondence, surveys and site visits. During November 2022, 77% of employees participated in the Great Place to Work culture and engagement survey. Our Corporate Affairs team provided regular internal communication through our dedicated employee app. Our Workforce Engagement Director, Cara Ryan, engaged directly with employees every six months and presented her findings to the Board. Details of these activities are outlined in the Corporate Governance Report on pages 76 and 81.

Monthly updates are provided to the Board by the CEO on various HR KPIs, key employee priorities and the plans to address these priorities. HR initiatives are also presented to the executive committee by the Chief Strategy Officer, several times a year.

How is effectiveness measured?
> Feedback and scoring received through the Great Places to Work culture and engagement survey.
> Feedback from employee committees.
> Monthly reporting including health and safety audits, turnover rates, training and development levels.
> Feedback from the Workforce Engagement Director.
> Participation in our materiality assessment.
> Engagement with staff email communications and surveys.

Interests and concerns
> Employee engagement.
> Culture and Employer Value Proposition ('EVP').
> Opportunities for training, development and career progression.
> Health, safety and wellbeing of employees in work environment and processes.
> Equity, diversity and inclusion ('ED&I').

Outcome from engagement
> Publication of the Group's ED&I strategy and Gender Pay Gap report.
> The Board approved the movement of head office to modernise and improve the work environment.
> The Board received and considered feedback from the Workforce Engagement Director.
> Investment in Internal Communications function, increasing output thereof.
> Creation of Glenveagh's EVP pillars.
> Senior Leadership sponsorship of employee committees.

FY 2023 Priorities
> Our priorities for FY 2023 are outlined as part of the valuing and developing our colleagues strategic priority on page 32 of this report.

OUR STAKEHOLDERS CONTINUED

Communities

Why we engage

We understand that our business operations have an impact on the communities in which we operate, and we are committed to contributing positively to the social, economic, and environmental well-being of our communities. By engaging with our communities in a collaborative and transparent manner, we can build trust, enhance our reputation, and create sustainable, thriving communities and a responsible business model that benefits all stakeholders.

How we engage

We engage with our communities through various initiatives such as community events, sponsorships, and charitable donations. We also work closely with local authorities and community groups to ensure that our projects are designed and built in a way that benefits the wider community. By adopting a multi-disciplinary approach, involving our acquisitions, sales, planning and design teams, we identify the needs of local community groups and, in partnership with community groups and local authorities, decide on the best way to meet these needs.

How is effectiveness measured?

- Our Annual Community Report.
- Progress against our Community Engagement Strategy objectives.
- Independent stakeholder research.

Interests and concerns

- Being responsive to the views of the local community.
- The efficient use of land and sustainable place making.
- The protection of biodiversity, investment in local infrastructure, restoration of listed and protected features.
- Support for local sports clubs, schools and community groups.

Outcome from engagement

- Increased 'Building Communities not just Homes' brand score.
- 126 community activities in 23 communities nationally.
- Launch of Nature Hero Awards and Community Report in 2022.
- First community stakeholder survey completed.
- Development of community hubs to update on new community activity.
- Excellence in the Community award win in Kildare.

FY 2023 Priorities

- Increase in the number of schools engaging in biodiversity workshops, construction site safety talks and careers in construction days.
- Community days with increased resident and local business participation.
- Increase employee volunteering hours and charity fundraising.
- Community engagement launch in new communities.
- Improved community communication through community newsletter reports and digital hubs.
- Development of new social value tools.
- Publication of our Biodiversity Transition Plan.

Shareholders

Why we engage

We understand that our shareholders are key stakeholders who invest in our business. We are committed to maximising value for them by achieving sustainable growth through our strategic priorities. We engage with our shareholders through regular communication and transparent reporting, providing updates on our business performance, financial results, and strategic initiatives.

How we engage

We maintain an active dialogue with our shareholders through various channels, such as regular meetings, shareholder presentations, investor conferences and online updates. We also engage with shareholders on specific topics, and where relevant, provide feedback to the Board, which we then consider as part of our decision-making processes. Our commitment to engaging with our shareholders is a fundamental part of our business strategy, and we strive to build long-term relationships based on transparency, trust, and mutual benefit. We will continue to work closely and consistently with our shareholders to ensure that we deliver value to them.

How is effectiveness measured?

- Feedback received from investor meetings.
- Brokerage reports.
- Participation at AGM and EGMs.
- Weekly and monthly investor relations internal reporting.
- Updates on institutional shareholding.

Interests and concerns

- The impact of supply-chain and planning challenges on Glenveagh's performance and outlook.
- The impact of global inflation on operating costs.
- The need for progress updates on the long-term targets of the business.
- Build quality.
- Capital allocation policy.
- An increased focus on ESG matters.
- The Board's composition and diversity.

Outcome from engagement

- 111 investor meetings in 2022.
- Attendance at four conferences.
- Shareholder consent for our capital returns programme.
- Share register activity and trading volumes.
- New investor interest.

FY 2023 Priorities

- Continue our programme of investor meetings.
- Attendance at investor conferences, participation in site visits.
- Availability of the Chair and Senior Independent Director to meet with investors.
- Regular engagement with shareholders on specific topics.

OUR STAKEHOLDERS CONTINUED

Suppliers and Subcontractors

Why we engage

We recognise that the success of our business is dependent on our relationships with suppliers and subcontractors. We believe in creating strong and mutually beneficial partnerships that enable us to deliver high-quality projects that exceed our customers' expectations. By fostering open communication, promoting fair and ethical practices, and working together towards shared goals, we can create a sustainable and responsible supply-chain that delivers value for all parties.

How we engage

We have implemented various initiatives to promote communication, collaboration, and trust between our company and our suppliers and subcontractors. These include regular site meetings and workshops to share best practices, address challenges, and identify opportunities for improvement on topics such as health and safety, project performance and upcoming work. We also promote fair and ethical practices and encourage our partners to adopt sustainable and responsible practices that align with our values and strategic priorities. Our aim is to create a supply-chain that is resilient, efficient, and effective, delivering quality projects that meet or exceed our customers' expectations which benefits all parties involved.

How is effectiveness measured?

- ISO 9001:2015 Quality Management System has been implemented which informs the subcontractor evaluation process.
- Participation in our materiality assessment.
- Customer satisfaction survey.

Interests and concerns

- Visibility of future projects and workloads.
- Delivery of an energy-efficient and low carbon supply-chain.
- Ethical business practices.
- Prompt payment of invoices.
- Safety practices and business conduct.
- Impact of global supply-chain challenges on the availability and cost of materials.

Outcome from engagement

- Supply arrangements were put in place to limit any potential disruption arising from global supply-chain challenges.
- The Board approved our manufacturing strategy and the purchase of Harmony Timber Solutions Limited.
- Monitoring of subcontractor performance through inspection plans.
- Engagement with subcontractors on corrective action plans.
- Informs our customer journey experience and handover guide.

FY 2023 Priorities

- Continue to implement efficiencies across our sites in line with our ISO 14001 accredited Environmental Management System.
- Publication of our circular economy plan.
- Supplier engagement programme to support the implementation of our Net Zero Transition Plan.
- Community engagement initiatives to generate local employment for vendors and subcontractors.

Government and Regulators

Why we engage

We believe that engaging with government and regulators is essential to ensure that we can continue to deliver high-quality homes that meet our customers' needs. By engaging with government and regulators, we can also provide input into policy and regulatory developments that affect our industry and promote the adoption of sustainable and responsible practices that benefit the wider community.

How we engage

We engage with government departments, state agencies and local authorities on an ongoing basis directly or through membership of trade associations. We also attend and contribute to webinars and policy consultation events. Our environmental health and safety teams work closely with state agencies via health and safety and environmental audits, and our planning teams engage with local authorities through the statutory plan making processes and through the planning application process in accordance with statutory provisions. We engage with local authorities on housing partnerships via the e-tendering process.

How is effectiveness measured?

- Progress of planning applications and planning grants.
- Social and affordable housing deliveries.
- Outcomes of statutory policy consultation processes.
- Implementation and application of legislative amendments.

Interests and concerns

- Planning policies.
- Building and environmental regulations.
- Health and safety matters.
- Social and community issues.
- Home affordability.
- Economic policy to underpin a sustainable housebuilding industry in Ireland.

Outcome from engagement

- Social and affordable housing deliveries pipeline.
- Review of the National Planning Framework, which recognises rapid population growth and the need to provide homes in sustainable locations where demand is greatest.

FY 2023 Priorities

- Continue to engage with relevant authorities on planning and development legislation being enacted this year.
- Ensure the key developments in our Partnerships business efficiently progressed through the planning system.
- Work with Authorised Housing Bodies and Local Authorities to deliver social and affordable housing.

OUR STRATEGY

Guided by our vision, our **Building Better** strategy will create long-term, sustainable value.

2022 marked five years since IPO, an opportune milestone to undertake an extensive review of our strategy. Shaped by our vision – **that everyone should have the opportunity to access great-value, high-quality homes in flourishing communities across Ireland** – our mission, our values and our commitment to sustainability, we aimed to build on the successes of our existing strategic and sustainability priorities, while positioning ourselves optimally to create long-term value for stakeholders.

The development of our evolved strategy was informed by rigorous research, peer analysis and our materiality assessment (see pages 24 and 25) as well as internal working groups and engagement with colleagues across the business.

Each of our five strategic priorities is supported by action-oriented pillars, which in turn are underpinned by projects, many of which are already underway. We have identified KPIs to measure our performance.

OUR CULTURE

Our Building Better strategy

OUR VALUES

Placing the customer first

We will be recognised as the leading provider of affordable, high-quality homes for all tenures, offering a best-in-class customer experience.

See **page 31** to read more

Valuing and developing our colleagues

We will be an employer of choice and the best place to work in our sector for diverse and high-calibre talent, with a safe and inclusive working environment and a culture built on teamwork and trust.

See **page 32** to read more

Driving operational excellence

We will plan, design and assemble high-quality products using best-in-class processes across the build lifecycle. Clear accountability will enable us to make operational choices rapidly and decisively, and to allocate resources as efficiently as possible.

See **page 34** to read more

Creating sustainable and thriving places

We will be known for developing great places for people to live, where communities and nature can flourish for the long term.

See **page 36** to read more

Embracing innovation

We will be at the cutting edge of innovation in the homebuilding sector, allowing us to transition to a low-carbon economy with the best-value, circular construction.

See **page 35** to read more

OUR STRATEGY CONTINUED

Placing the customer first

“IMPROVEMENTS TO OUR CUSTOMER WEBSITE AND COMMUNICATION WITH HOME BUYERS CONTRIBUTED TO A 91% CUSTOMER SATISFACTION RATING.”

STRATEGIC PRIORITY

We will be recognised as the leading provider of affordable, high-quality homes for all tenures, offering a best-in-class customer experience.

Pillars

Customer journey

Transform our customer journey to a best-in-class experience.

Affordability

Ensure that we focus on affordability in everything that we do. Position ourselves as the partner of choice for affordable and high-quality housing, appealing to private, institutional and state-supported customers.

Build quality

Deliver high-quality homes across all our developments. Embed a quality-first approach in the workmanship, materials and products that we use. Extend our quality culture across the value chain, in particular with subcontractors and professional teams.

Highlights from 2022

- 73% of all units delivered in 2022 were priced below the median price of new homes sold in the GDA and Cork (2021: 69%), and approximately 35% of our suburban units were part of social and affordable government-supported initiatives.
- 100% of our sites now operate under our construction quality-management system (2021: 81%). This formed part of our broader commitment to ISO 9001: 2015 certification, which we achieved in 2022.
- Our Partnerships business advanced, with two planning applications submitted for our first developments with local authorities.
- We invested in state of the art CGI walk-through tours for customers, ensuring sales and forecasting can be managed long before our homes are built.
- Improvements to our customer website and communication with home-buyers contributed to a 91% customer satisfaction rating (2021: 89%). More than 70% of enquiries now come to Glenveagh.ie, reducing our reliance on third-party property portals. We saw a 68% increase in enquiries in 2022.
- Our strategic communications increased our brand awareness by 16% points, making us the most recognised Irish home-building company.

Focus for FY 2023 and beyond

- Launch a web series to highlight the affordability of our own product alongside government's demand-side initiatives, while also outlining new solutions for own-door affordable housing.
- Enhance the digital customer journey by integrating this with the end-to-end planning, design and construction processes.
- Broaden our after-sales service by offering adjacent products and services from an approved pool of suppliers at competitive rates.
- Roll out revised inspection checklists and new quality bulletins to target key focus areas to enhance build quality.
- Utilise new reporting software in the build quality team to provide live quality performance data from all active projects.
- Complete development of existing projects for institutional customers and continue to assess market opportunities in this area.
- Begin construction immediately once planning approval is granted for our Partnerships developments at Ballymastone and Oscar Traynor Road.
- Develop a visual model for customers to track progress of their homes.
- Build integrated marketing campaigns including social media, customer journey and all sales collateral.

How we measure progress

- Customer satisfaction rating.
- ASP FY 2023.
- % homes priced below median in relevant regions.
- % sites operating under our construction QMS.

See **page 45** to find out more

Relevant principal risks and uncertainties

04 05 07 11

See **page 59** to find out more

Relevant material issues

02 14 18 19 21 28 31

See **page 25** to find out more

Contribution to UN SDGs

See **pages 43 to 46** to find out more

Relevant values

See **page 2** to find out more

Accreditations, certifications, external commitments and partnerships

Quality ISO (ISO 9001)

OUR STRATEGY CONTINUED

Valuing and developing our colleagues

STRATEGIC PRIORITY

We will be an employer of choice and the best place to work in our sector for diverse and high-calibre talent, with a safe and inclusive working environment and a culture built on teamwork and trust.

Pillars

Talent

Attract and retain high-calibre talent, ensuring we have an organisation that is fit for the future.

Culture

Create a strong culture centred on our values, with an ethos of equity, diversity and inclusion.

Safety

Foster a culture of safety for all those employed and affected by what we do.

Highlights from 2022

- We worked with the Irish Management Institute ('IMI') to enhance our leadership and graduate training, and developed a new programme focused on softer skills for site managers.
- We co-created Glenveagh's Employer Value Proposition ('EVP') pillars with colleagues and informed by executive committee interviews, external market research and analysis of our Great Place to Work and Investor in Diversity survey results.
- We launched our first equity, diversity and inclusion ('EDI') strategy in December 2022, setting out three objectives, underpinned by eight workstreams. The associated targets include to increase the number of women on our Board and at senior management-level.
- We focused on raising awareness of our values and started to embed them throughout our communications and processes, supported by the launch of quarterly employee recognition awards for individuals who have embraced our values.
- We initiated a programme to nurture a sense of ownership and accountability with respect to safety culture.

Focus for FY 2023 and beyond

- Complete the move to a new head office to accommodate our growing business and offer improved facilities.
- Roll out a streamlined performance management process, supported by a learning management system.
- Following the launch of our ED&I strategy in late 2022, set up the workstreams necessary to achieve our objectives and establish employee network groups, each with an Executive Committee sponsor.
- Address the areas identified for improvement in our approach to safety, and establish a safety commitment.
- Establish a Learning Academy that attracts and retains highly-skilled team members.

CASE STUDY

Environmental Health and Safety ('EHS') Advisor Luke O'Dea describes his journey at Glenveagh.

I joined Glenveagh in 2018 as a general operative responsible for duties such as setting up walkways, snagging and boundary inspections.

After a couple of years I got involved with helping with paperwork at the Kilcock site in Co. Kildare. I showed an interest and aptitude, so I was asked if wanted to join the safety team. I'd always wanted a career rather than a job so I jumped at the chance. I was offered the opportunity to do a 13-week training course with the National Irish Safety Organisation ('NISO') for which I was delighted to get a distinction. This was followed a few months later with a course at University College Dublin.

Glenveagh has given me so much mentoring and support – they really encourage and reward initiative. I'm now a qualified EHS advisor. I've worked on a few sites and will shortly start a site myself, with full support from management every step of the way.

OUR STRATEGY CONTINUED

> WE LAUNCHED OUR FIRST EQUITY, DIVERSITY AND INCLUSION ('EDI') STRATEGY IN DECEMBER 2022, SETTING OUT THREE OBJECTIVES, UNDERPINNED BY EIGHT WORKSTREAMS.

How we measure progress

- Turnover rate.
- Training hours per monthly salaried employee.
- Great Place To Work Survey Score.
- Total Recordable Incident Rate ('TRIR').

See **page 45** to find out more

Relevant principal risks and uncertainties

08 09 10

See **page 59** to find out more

Relevant material issues

15 17 22 24 25 26 30

See **page 25** to find out more

Contribution to UN SDGs

4 QUALITY EDUCATION, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH

See **pages 43 to 46** to find out more

Relevant values

See **page 2** to find out more

Accreditations, certifications, external commitments and partnerships

ISO 45001	Elevate Pledge (BITCI)	Great Place to Work Certification	Investors in Diversity Mark (Silver)	Health and Safety Award
HEALTH & SAFETY ISO 45001:2018 NSAI Certified	Elevate The Inclusive Workplace Pledge	Great Place To Work. Certified NOV 22 – NOV 23 IRELAND	Investors in Diversity SILVER	Awards 31 Years

OUR STRATEGY CONTINUED

Driving operational excellence

STRATEGIC PRIORITY

We will plan, design and assemble high-quality products using best-in-class processes across the end-to-end build lifecycle. Clear accountability will enable us to make operational choices rapidly and decisively, and to allocate resources as efficiently as possible.

Pillars

Efficiency

Establish an end-to-end, time-bound process for the build cycle, with clear accountability at each element, supported by appropriate oversight. Enhance efficiency and use fewer resources (time, money, materials, energy, natural resources) to create a high-quality product.

Highlights from 2022

- We completed a record number of new Suburban units and improved Suburban gross margins. We also continued to deliver for institutional customers with five active operational sites in the Urban business segment.
- In a highly inflationary environment, we worked in close collaboration with our supply-chain partners to secure sustainable, competitive pricing while maintaining security of supply.
- Developing our off-site manufacturing capabilities allowed us to mitigate the impact of rising input costs and also provides a platform from which to develop our model of standardised and own-door, high-density housing solutions. This will add resilience to delivery schedules, while aligning with our sustainability targets.
- We are also delivering operational efficiency in a sustainable way: 55% of suburban homes delivered in FY 2022 had the top A1 rating, with the remainder having a BER rating of at least A2.
- We were delighted to achieve ISO 9001:2015 certification for implementing and maintaining a Quality Management System ('QMS').
- We strengthened our quality culture among subcontractors and professional teams, supported by the integration of major subcontractors into our QMS.

Focus for FY 2023 and beyond

- Increase the standardised proportion of our units.
- Develop and integrate the timber frame and LGS capabilities we have in our own facilities.
- Design a data framework to support the end-to-end process and to enable timely and informed decision-making.
- Promote a lean capability and culture within the business to ensure efficiency is embedded throughout Glenveagh. Appoint an expert to identify and execute continuous improvement projects across the business.
- Improve the accurate measurement and reporting of variances so that corrective actions can be implemented in a timely manner.
- Ensure a holistic assessment of the operating model to allow rapid sharing of best practice. This will involve a focus on value engineering to minimise use of resources.
- Continue to enhance the efficiency of our land investment, supported by our National Land campaign launched in October 2022.
- Publish a circular economy plan, including targets, to ensure more efficient use of materials.
- Assess sites to understand where efficiencies can be made with respect to fuel use.

How we measure progress

- Operating margin.
- Greenhouse gas emissions.
- Operational energy intensity (mWh/100sqm).

See **pages 43 and 44** to find out more

Relevant principal risks and uncertainties

02 03 06 07 10 11

See **page 59** to find out more

Relevant material issues

01 05 06 08 12 14 18 23 27

See **page 25** to find out more

Contribution to UN SDGs

9 Industry, innovation and infrastructure; 12 Responsible consumption and production; 13 Climate action

See **pages 43 to 46** to find out more

Relevant values

See **page 2** to find out more

Accreditations, certifications, external commitments and partnerships

Quality ISO (ISO 9001)

QUALITY
ISO 9001:2015
NSAI Certified

Environment ISO (ISO 14001)

ENVIRONMENT
ISO 14001:2015
NSAI Certified

OUR STRATEGY CONTINUED

Embracing innovation

STRATEGIC PRIORITY

We will be at the cutting edge of innovation in the homebuilding sector allowing us to transition to a low carbon economy with the best-value, circular construction.

Pillars

Efficient, low-carbon, circular construction

Develop innovative solutions throughout the project lifecycle to reduce costs and whole-life carbon from our buildings, and incorporate circularity to support our net zero ambition.

Research and Development hub

Foster a culture of research, innovation and entrepreneurship within the organisation and be recognised for this in the industry.

Highlights from 2022

- We established an innovation department to develop solutions that are viable, require less embodied carbon and fewer people. The department has already begun researching how best to incorporate high-density and standardised house types into our manufacturing and delivery process. We have begun a research project to assess the embodied carbon implications for a variety of options for all aspects of our homes.
- We made significant additions to our manufacturing and supply-chain capabilities, which will benefit the long-term ambitions of the business, including our pathway towards net zero. A highlight was the acquisition of timber frame manufacturer, Harmony Timber Solutions, in September 2022. Combined with our existing Suburban North facility (Dundalk) and the Carlow facility (operational in FY 2023), this will provide the capability to produce in excess of 2,000 timber frames per annum from FY 2024.
- We signed a supply agreement with a Light Gauge Steel ('LGS') manufacturer to help build Glenveagh's own LGS capability at our Carlow site. This will facilitate the organic growth of this aspect of the business.
- We committed to set science-based targets and signed up to Business in the Community, Ireland's low carbon pledge. This commits us to setting science-based carbon emissions reduction targets by 2024, which must include Scopes 1, 2 and 3 and be in line with the Paris Agreement and the latest IPCC findings.

Focus for FY 2023 and beyond

- Set science-based targets and publish our Net Zero Transition Plan setting out our actions to align with a 1.5°C trajectory.
- Develop alternatives for each stage of the project lifecycle that maximise efficiencies and streamlines effort, input and resources required to produce our business's product.
- Publish a circular economy plan, including targets, which sets out how circularity can be incorporated into various stages of the value chain.
- Create an Research and Development ('R&D') hub to assess ideas to improve methods, products, and approaches.

How we measure progress

- Greenhouse gas emissions.
- Pre-manufactured value.
- € invested in R&D.

See **pages 43 and 44** to find out more

Relevant principal risks and uncertainties

01 02 03 11

See **page 59** to find out more

Relevant material issues

04 06 09 10 11 12 13 14

18 22 23

See **page 25** to find out more

Contribution to UN SDGs

9 Industry, innovation and infrastructure; 11 Sustainable cities and communities; 12 Responsible consumption and production; 13 Climate action

See **pages 43 to 46** to find out more

Relevant values

See **page 2** to find out more

Accreditations, certifications, external commitments and partnerships

Low Carbon Pledge

#LowCarbonPledge

Build Digital Industry Advocate

Build Digital Project

Construct Innovate Member

Construct Innovate

IGBC Gold Member

IGBC GOLD MEMBERSHIP | 2023

OUR STRATEGY CONTINUED

Creating sustainable and thriving places

STRATEGIC PRIORITY

We will be known for developing great places for people to live, where communities and nature can flourish for the longterm.

Pillars

Social impact

Create places where people love to live, ensuring connectivity to the things that matter to them.

Land use and biodiversity

Use land in the most efficient way while protecting and ultimately contributing positively to biodiversity.

Highlights from 2022

- Activities for our 'Building Lasting Communities' engagement programme spanned 23 communities and included establishing hubs to update on activities, engaging with Tidy Towns and community groups, sponsorship for local sports clubs, community events and supporting schools and local businesses. We published our first community report in May 2022, and our 'Build Communities not just Homes' brand-score increased from 9% to 19% (B&A research December 22).
- In partnership with the education organisation Biodiversity in Schools, we launched the Nature Hero Awards, a national campaign to support schools with biodiversity initiatives (see case study).
- Our EHS team delivered talks on construction-site safety to 11 primary schools in close proximity to our developments, framed around a children's storybook that we developed.
- We participated in two maintenance days with charity partner ALONE and provided mentoring and career guidance to an Early Learning Initiative programme, contributing to an overall total of 322 volunteering hours. We fundraised for charities including the Jack & Jill Foundation, ALONE, St. Vincent de Paul, the Dublin Simon Community as well as the Irish Red Cross to support victims of the war in Ukraine.
- We commenced the development of our Biodiversity Transition Plan in line with the Post-2020 Global Biodiversity Framework targets of no net loss by 2030, net gain from 2030 and full recovery by 2050. The publication of this was postponed to 2023 to allow incorporation of the requirements of the European Sustainability Reporting Standards.
- We continued to incorporate biodiversity into developments including detailed ecological studies, retaining wildlife corridors, incorporating Sustainable Drainage Systems ('SuDS') and encouraging pollinators.

Focus for FY 2023 and beyond

- Publish our Biodiversity Transition Plan setting out our targets and actions to get there.
- Further stakeholder research to inform the development of a best practice tool to measure the social value of the projects we deliver.
- Continue to engage with the communities where we build to understand their needs and build relationships with key stakeholders, and deliver programmes aligned with our 'Building Lasting Communities' strategy.
- Support our national charity partnerships through fundraising, in-kind donations where appropriate and staff volunteering.

CASE STUDY

Nature Hero Awards

We worked with Biodiversity in Schools, who delivered free Nature Hero workshops for schools in areas where we build – a total of 89 workshops for 2,210 primary and secondary school children.

Together we launched the Nature Hero Award to support schools with their biodiversity goals and provide a mark of excellence to schools that create an educational space that nurtures a love of nature, develops a knowledge of biodiversity, and encourages action to support this.

The Nature Hero Award currently has 200 primary schools registered. Schools are encouraged to undertake practical tasks such as hanging bird-nest boxes and pollinator planting, and ensuring outdoor teaching time each week. The winning school will receive a school garden makeover to a value of €10,000, courtesy of the Glenveagh Greencare team.

OUR STRATEGY CONTINUED

How we measure progress

- 'Build Communities not just Homes' brand score.
- Donations to charities/local communities.
- Social value metric (to be developed).
- Biodiversity metric (to be developed).

See **page 45** to find out more

Relevant principal risks and uncertainties

02

See **page 59** to find out more

Relevant material issues

01 03 07 09 20

See **page 25** to find out more

Contribution to UN SDGs

3 GOOD HEALTH AND WELL-BEING; 11 SUSTAINABLE CITIES AND COMMUNITIES; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 15 LIFE ON LAND

See **pages 43 to 46** to find out more

Relevant values

See **page 2** to find out more

Accreditations, certifications, external commitments and partnerships

All Ireland pollinator plan

Business All-Ireland Pollinator Plan 2021-2025 supporter

Nature heroes partnership

nature hero awards Schools making a home for nature | In partnership with Glenveagh Home of the new.

OUR IMPACT

Our positive stakeholder impact

Glenveagh is focused on delivering high-quality homes in flourishing communities whilst also prioritising the impact on our stakeholders.

Our stakeholders are a crucial part of our success, and our strategic priorities and drivers for success reflect our commitment to these stakeholders. We aim to demonstrate this commitment by delivering value to our stakeholders. Through considering their needs, we believe that we can continue to grow and succeed while also making a positive impact.

OUR IMPACT CONTINUED

Our stakeholders in 2022

- Provided affordability to our customers with an average sale price ('ASP') of €330k, well below the national average of €359k, with 85% of customers availing themselves of the Help to Buy scheme.
- Achieved a customer satisfaction survey score of 91%.
- Delivered sustainable homes with 100% of units A1/A2 rated.
- Provided emergency accommodation for 40 Ukrainian families.

Our impact

- **€330k** Average selling price
- **91%** Customer satisfaction rating

- Worked to embed equity, diversity and inclusion, ('ED&I') throughout Glenveagh through publication of our ED&I Strategy.
- Published our inaugural Gender Pay Gap report.
- Created Glenveagh's Employer Value Proposition ('EVP') pillars.
- Achieved Great Places to Work certification with a score of 78%.

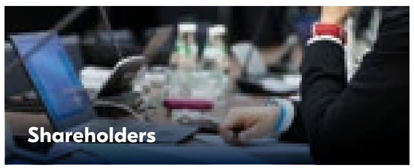
Our impact

- **83%** of employees felt 'I can be myself in Glenveagh'
- **28%** of women in senior management by 2025

- Completed 126 activities in 23 communities nationally across six community pillars – education, sports and fitness, health and wellbeing, local economy, sustainability and charity.
- Launched Nature Hero Awards, a national accolade sponsored by Glenveagh to encourage biodiversity awareness amongst school children.
- Delivered community days in five locations with average attendance of 120 residents.
- Issued first Community Report in May 2022 and launched our Community Brand.

Our impact

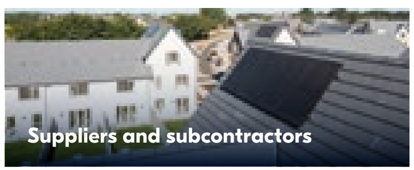
- **126** Community involvement events
- **322** Total staff volunteering hours



- Attended four capital market conferences and conducted 111 institutional one-on-one or group meetings.
- Returned €146 million to shareholders in two separate share buy-back programmes.
- Generated EPS growth of 69% in the year to 7.6 cents.
- Increased ROE by 540bps to 7.1% in 2022.

Our impact

- **€146m** Returned to shareholders in 2022
- **69%** EPS growth in 2022



- Achieved ISO 9001:2015 Quality Management Systems.
- Achieved Site Safety Audit score average of 88% in the year.
- Supported a network of approximately 400 subcontractors and 600 materials suppliers.
- Established supplier engagement programme as part of net zero plan.

Our impact

- **135** Site safety audits completed
- **Over 100** Weekly site-level meetings with subcontractors

- Participated in Residential Zoned Land Tax and National Development Plan statutory provisions processes.
- Active members of the Irish Home Builders Association, Construction Industry Federation and Irish Institutional Property industry groups.
- Joined the Irish Green Building Council.
- Signed the Low Carbon Pledge to set science based targets.

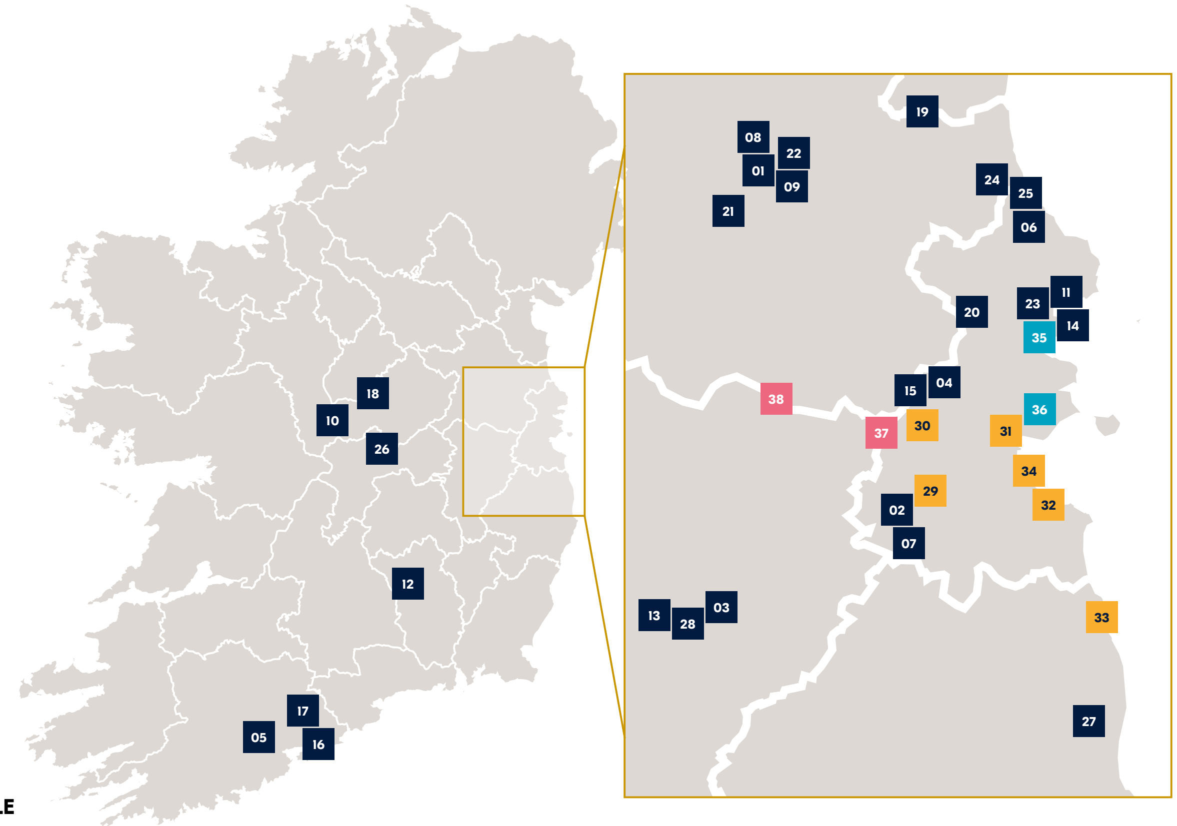
Our impact

- **46%** Absolute reduction in Scopes 1 & 2 by 2031
- **55%** Reduction in Scope 3 emission intensity by 2031

OUR LAND BANK

Our active portfolio

The Group continues to create a more active land portfolio to support continued growth and remains focused on managing a four to five-year land portfolio at scale.



LAND BANK HIGHLIGHTS

15,100
Total units

72%
Suburban by units

70%
Dublin and GDA focused by units

98%
Starter-homes by units

SITE SCHEDULE

Active Suburban	
01	Baker Hall
02	Barn Oaks – Private Residential
03	Belin Woods
04	Bellingsmore
05	Blackrock Villas
06	Castleland Park
07	Citywest Village
08	Cluain Adain
09	Cois Glaisin
10	Drumaconn
11	Donabate South
12	Cluain Glasan
13	Grey Abbey View
14	Hearse Road, Donabate
15	Hollystown
16	Maple Woods
17	Mount Woods
18	Greville Wood
19	Oldbridge Manor
20	Raven's Mill
21	Riversend
22	Ruxton Oaks
23	Semple Woods
24	Silver Banks
25	Taylor Hill
26	The Hawthorns
27	Ushers Glen
28	Walkers Gate

Active Urban	
29	Barn Oaks – Apartments
30	Carpenterstown
31	Castleforbes
32	Cluain Mhuire
33	Marina Village
34	The Collection

Future Partnerships	
35	Ballymastone
36	Oscar Traynor Road

Completed Sites in 2022	
37	Barnhall Meadows
38	Ledwill Park

OUR LAND BANK CONTINUED

CASE STUDY

National Land campaign

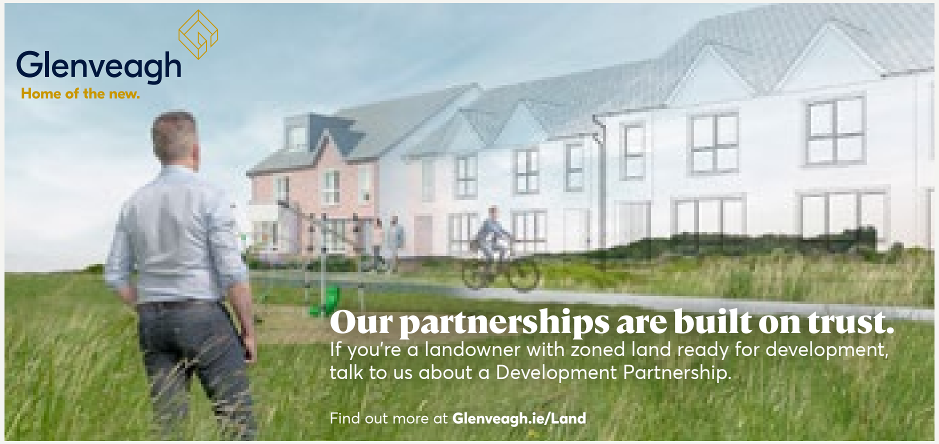
In 2022, we launched our National Land campaign, driving awareness of our unique partnership with landowners across Ireland.

According to the Department of Housing, approximately 10,000 hectares of land will fall within the scope of a new 3% zoned land tax. Some 90% of this land is understood to be currently in agricultural use.

Glenveagh launched a new portal and national media campaign to help landowners navigate development partnership opportunities.

We mapped out a simple five step process for people interested in a development partnership, from initial review through to due diligence, planning, zoning, and implementation, and provide support, expertise and experience throughout the process. Our cross-functional team brings expertise in sustainability, planning and design, manufacturing, procurement, and construction management.

The campaign launched in October 2022 on radio, press and digital platforms, delivering more than one million online views and a national awareness of more than 10%, helping to build our land pipeline in key communities.



ENVIRONMENT, SOCIAL AND GOVERNANCE PERFORMANCE

Sustainability Governance

To ensure that sustainability is embedded throughout the organisation, and receives the appropriate oversight and direction, we have put in place a robust governance structure at Board and management-level which we will review and evolve as required.

Glenveagh's Board is responsible for setting the strategic direction for the organisation. This includes addressing relevant sustainability matters. It therefore has ultimate responsibility and oversight of sustainability. It receives regular reports throughout the year on this agenda including progress against targets. The Board also participated in a number of education sessions during the year to increase their understanding of this evolving area. The Board is supported by two Board committees on this agenda.

The Environmental and Social Responsibility Committee ('ESR') was established in 2021 and is responsible for developing and monitoring the business' approach to sustainability. The committee meets four times per year and provides reports to the main Board after every meeting (see page 104 for a full report of the ESR Committee).

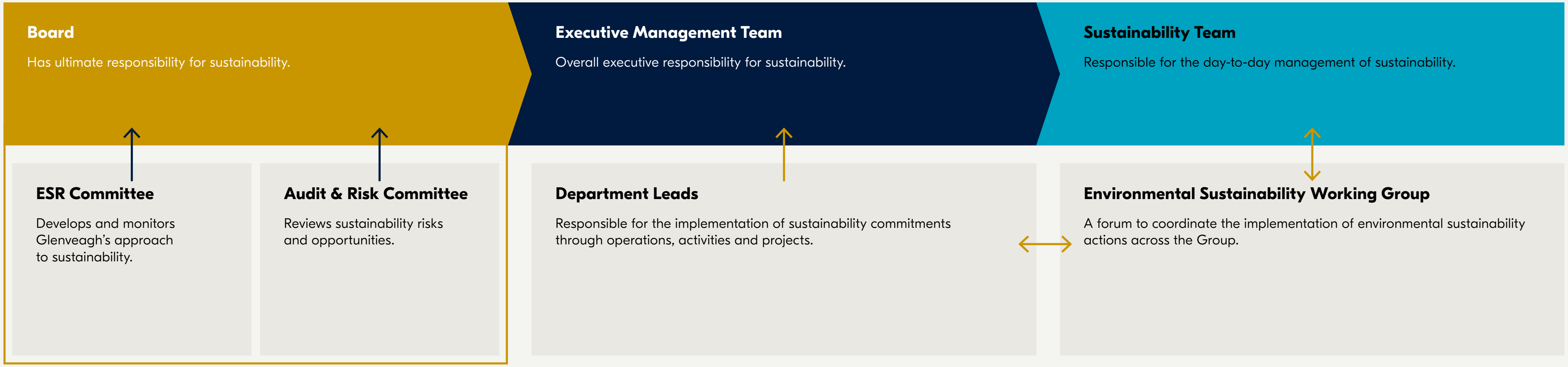
The Audit and Risk Committee ('ARC') has responsibility with respect to sustainability risks and opportunities as part of its wider responsibility for the risk management of the business, ensuring that our controls and mitigants are adequate and effective.

The Executive Committee, led by the CEO, has overall executive responsibility for sustainability. This is a regular agenda item with the committee discussing sustainability issues, reviewing performance and progress against targets. The Chief Strategy Officer has specific executive responsibility for sustainability.

The sustainability team is led by the Head of Sustainability. The team is responsible for day-to-day management of sustainability, providing a framework within which all parts of the business can work. The team reports to the Chief Strategy Officer.

Department leads are accountable for the implementation of sustainability through operations, activities and projects.

In 2023, a new Environmental Sustainability Working Group will be set up. This will provide a forum for the coordinated implementation of environmental sustainability actions across the company, in particular those to support our net zero, biodiversity and circular economy ambitions.



ENVIRONMENT, SOCIAL AND GOVERNANCE PERFORMANCE CONTINUED

We monitor a range of ESG indicators across our business activities, and many of these align to our strategic priorities.

Environmental

Indicator	Link to strategy	Link to material issues	UN SDGs	Measure	Unit	2022	2021[2]	2020[2]
Climate – carbon emissions[1]				100sqm of units completed	100sqm	**1,563**	1,255	875
		04 06 08 11 12 13 14 18 23		Scope 1 – combustion of fuel	tCO_2e	**3,567**	3,048	2,700
				Scope 2 – location based	tCO_2e	**813**	518	519
				Scope 2 – market-based	tCO_2e	**227**	189	247
				Total Scopes 1 and 2 – location based	tCO_2e	**4,380**	3,566	3,219
				Total Scopes 1 and 2 – market-based	tCO_2e	**3,794**	3,237	2,947
				Scopes 1 and 2 per 100sqm of completed units – location based	tCO_2e/100sqm	**2.8**	2.8	3.7
				Scopes 1 and 2 per 100sqm of completed units – market-based	tCO_2e/100sqm	**2.4**	2.6	3.4
				Total Scope 3 GHG emissions	tCO_2e	**223,332**	188,618	128,645
				Total Scopes 1, 2 and 3 – location based	tCO_2e	**227,712**	192,184	131,864
				Total Scopes 1, 2 and 3 – market-based	tCO_2e	**227,126**	191,854	131,592
				Emissions per 100sqm completed homes – Scopes 1, 2 and 3 – location based	tCO_2e/100sqm	**145.7**	153.1	150.7
				Emissions per 100sqm completed homes – Scopes 1, 2 and 3 – market-based	tCO_2e/100sqm	**145.3**	152.8	150.4
				Scope 3 emissions categories				
				Waste	tCO_2e	**195**	120	78
				Business travel	tCO_2e	**44**	18	17
				Other fuel and energy	tCO_2e	**1,119**	894	1,077
				Upstream transportation and distribution	tCO_2e	**7,143**	6,442	4,715
				Employee commute	tCO_2e	**1,093**	908	879
				Capital goods – construction materials	tCO_2e	**102,083**	80,526	52,309
				Capital goods – assets	tCO_2e	**678**	769	176
				Purchased goods and services	tCO_2e	**55,642**	42,372	25,880
				Occupant energy use (over 50 years) – regulated	tCO_2e	**17,637**	24,855	22,539
				Occupant energy use (over 50 years) – unregulated	tCO_2e	**30,888**	26,770	17,639
				Occupant emissions – refrigerants	tCO_2e	**1,388**	1,085	508
				End-of-life treatment of product	tCO_2e	**5,423**	3,857	2,828

ENVIRONMENT, SOCIAL AND GOVERNANCE PERFORMANCE CONTINUED

Environmental continued

Indicator	Link to strategy	Link to material issues	UN SDGs	Measure	Unit	2022	2021[2]	2020[2]
Climate – energy efficiency		04 06 08 11 12 13 14 18 23	12 13	Fuel and electricity consumption from sites and offices	mWh	**16,707**	13,779	13,580
				Operation energy intensity	mWh/100sqm	**11**	11	16
Climate – low carbon homes		04 06 08 11 12 13 14 18 23	7 9 12 13	Proportion of total homes with Building Energy Rating (BER) of A1	%	**55%**	–	–
				Proportion of total homes with Building Energy Rating (BER) of A2	%	**44%**	82%	72%
				Proportion of total homes with Building Energy Rating (BER) of A3	%	**0.2%**	18%	28%
				Average kilowatt hours per sqm per year across all homes delivered	kwh/m2/yr	**30**	45	46
				Homes incorporating renewable energy	%	**99.7%**	94%	71%
		04 06 08 11 12 13 14 18 23	9 12	Proportion of off-site manufactured houses as a share of all houses sold	%	**71%**	77%	85%
				Off-site manufactured timberframe houses	%	**70%**	76%	85%
				Other house types	%	**30%**	24%	15%
Resource use and circular economy		04 06 08 11 12 13 14 18 23	9 12 13	Construction waste	Tonnes	**10,381**	6,191	3,661
				Construction waste per 100sqm build	Tonnes/100sqm	**6.6**	4.9	4.2
				Construction waste recycled	%	**8.9%**	10.2%	6.1%
				Construction waste recovered	%	**91.1%**	89.8%	93.9%
Biodiversity		03 07 09 20	15	Biodiversity risks assessed at % of sites	%	**100%**	100%	100%

ENVIRONMENT, SOCIAL AND GOVERNANCE PERFORMANCE CONTINUED

Social

Indicator	Link to strategy	Link to material issues	UN SDGs	Measure	Unit	2022	2021	2020
Consumers and end-users		13 15 22 25 29	7 11	Core ASP	€'k	**330**	308	311
				Proportion of core homes priced below the new market median	%	**73%**	69%	72%
				First-time buyers (% of private sales)	%	**88%**	87%	82%
				Proportion of customers who would recommend us to a friend	%	**91%**	89%	83%
Own workforce		15 17 22 24 25	3 4 5 7 8 10	Average number of employees[3]	Headcount	**411**	329	318
				Average number of salaried employees	Headcount	**316**	247	206
				Great Place to Work Survey Score	%	**78%**	72%	–
				Annual employee turnover	%	**14%**	10%	11%
				Glenveagh's graduate programme participants	Headcount	**33**	24	12
				Total training hours (ex. Health and Safety training)	Hours	**6,522**	3,919	2,266
				Training hours per monthly salaried employee (ex. Health and Safety training)	Hours	**19**	16	11
				Women in workforce – all employees	%	**30%**	27%	24%
				Women amongst new graduates	%	**33%**	30%	18%
				Total Recordable Incident Rate	TRIR	**3.54**	2.38	2.43
				Health and Safety total training hours	Hours	**5,205**	3,644	1,932
				Health and Safety training hours per all employees	Hours/Employee	**11**	11	6
				Average monthly Health and Safety audit compliance score across all sites	%	**88%**	89%	88%
				Proportion of independent audits	%	**20%**	30%	20%
Affected communities		20	11 16	Donations to charities/local communities	€'k	**394**	129	n/a
				Employee fundraising	€'k	**18**	19	n/a

ENVIRONMENT, SOCIAL AND GOVERNANCE PERFORMANCE CONTINUED

Governance

Indicator	Link to strategy	Link to material issues	UN SDGs	Measure	Unit	**2022**	2021	2020
Ratings		04 06 08 10 12 13 14 18 23	13 Climate Action; 16 Peace, Justice and Strong Institutions	CDP Climate Change		**B**	A-	B
				MSCI		**AA**	AA	BBB
				Sustainalytics		**19.3 Low Risk**	19.3 Low Risk	23.9 Medium Risk

1. *The assessment of Glenveagh's GHG emissions footprint has been carried out in line with the principles and guidelines provided by the two relevant GHG protocol standards: GHG Protocol Corporate Accounting and Reporting Standard (2004), and its supplement GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The assessment methodology also considers the following sector specific guidance: RICS professional standards and guidance, UK – Whole life carbon assessment for the built environment 1st edition, November 2017. The organisational boundary for Glenveagh's GHG assessment has been determined on an operational-control basis. The assessment considers the six greenhouse gases covered by the Kyoto and Montreal Protocols: carbon dioxide (CO_2), methane (CH4), nitrous oxide (N2O), sulphur hexafluoride (SF6), perfluorocarbons (PFCs) and hydrofluorocarbons (HFCs). The total footprint is expressed as carbon dioxide equivalent (CO_2e) applying the Global Warming Potential values provided by IPCC (2007). A third-party verification (ISO 14064-3) was completed for reported emissions. This was carried out by Clearstream Solutions Ltd. A copy of their GHG verification statement and more details on our methodology is available at https://glenveagh.ie/corporate/sustainability.*
2. *2021 and 2020 emissions data has been restated to improve the accuracy of reporting and to reflect both improved methodology and data availability in calculation of all categories of emissions reported. This data was not subject to verification.*
3. *Average number of employees displayed in this table excludes Non-executive Directors. The headcount on the last day of each month is used to calculate the average.*

ENVIRONMENT, SOCIAL AND GOVERNANCE PERFORMANCE CONTINUED

Non-financial information statement

Our annual report contains a range of non-financial information. A summary of this can be found in the table below.

Reporting requirement	Relevant policies	More information on our impact and risks
Environmental matters	> Sustainability policy. > Waste and resources policy. > Climate change policy. > Environmental policy. > Sustainable procurement policy.	> Embracing innovation (page 35). > Driving operational excellence (page 34). > Environmental performance (pages 43 and 44). > Action and disclosure on climate change (pages 51 to 56). > Risk management report (pages 57 to 66).
Social and employee matters	> Community engagement policy. > Health and safety policy. > Diversity and inclusion policy. > Charitable giving policy. > Customer service policy.	> Placing the customer first (page 31). > Valuing and developing our colleagues (pages 32 and 33). > Creating sustainable and thriving places (pages 36 and 37). > Social performance (page 45). > Risk management report (pages 57 to 66).
Respect for human rights	> Human rights, anti-slavery, and human trafficking policy. > Whistleblowing policy. > Diversity and inclusion policy. > Vendor code of conduct.	> Valuing and developing our colleagues (pages 32 and 33). > Corporate governance (pages 70 to 108). > Our stakeholders (pages 26 to 29). > Risk management report (pages 57 to 66).
Anti-corruption and bribery matters	> Whistleblowing policy. > Anti-bribery policy.	> Audit and risk committee report (pages 86 to 89).
Business model	Information on our business model can be found on pages 20 to 23.	
Non-financial KPIs	Our non-financial KPIs can be found on page 106. Glenveagh also monitors and reports performance through additional data which can be found on pages 43 to 46.	
Principal risks	Our principal risks and uncertainties can be found on pages 59 to 66.	

SUSTAINABILITY ACCOUNTING STANDARDS BOARD DISCLOSURES

We have chosen to disclose sustainability topics and accounting methods in line with the Home Builders Sustainability Accounting Standard issued by the Sustainability Accounting Standards Board ('SASB').

According to the SASB industry level materiality map, the following categories are 'the most likely material issues for companies in the home builders' industry. The below table references accounting metrics within this report and other sources.

Activity metric	Code	Category	**2022**	2021	2020
Number of controlled lots	IF-HB-000.A	Quantitative	**15,198**	17,014	14,147
Number of homes delivered	IF-HB-000.B	Quantitative	**1,358**	1,150	700
Number of active selling communities[1]	IF-HB-000.C	Quantitative	**12**	15	16

Topic	Code	Accounting metric	**2022**	2021	2020
Land use and ecological impacts	IF-HB-160a.1	Number of (1) lots and (2) homes delivered on redevelopment sites.	**(1) 2,103 (2) 186**	(1) 3,611 (2) 248	(1) 4,005 (2) 25
	IF-HB-160a.2	Number of (1) lots and (2) homes delivered in regions with High or Extremely High Baseline Water Stress.	**(1) 0 (2) 0**	(1) 0 (2) 0	(1) 0 (2) 0
	IF-HB-160a.3	Total amount of monetary losses as a result of legal proceedings associated with environmental regulations.	**€nil**	€nil	€nil
	IF-HB-160a.4	Discussion of process to integrate environmental considerations into site selection, site design, and site development and construction.	As part of the land acquisition process all our sites are screened for their ecological attributes, proximity to sensitive habitats, and areas of significant biodiversity value. The sites are assessed by competent environmental experts using the appropriate recognised Irish and European Union ('EU') regulations. All potential sites are assessed and designed within the context of the national planning framework, local development standards, local authority development plans, zoning requirements, and development standards. In order to manage our environmental performance and minimise ecological impacts during construction we maintain and continually improve our ISO 14001:2015 Environmental Management System. We manage our systems and work activities to facilitate continual improvement and enhance environmental performance. We also measure our environmental performance and level of compliance by conducting self-monitoring, regular inspections, audits and reviews.		

1. *The scope of active selling communities includes those communities or developments open for sales with at least five homes or lots remaining to sell as of the last day of the reporting period.*

SUSTAINABILITY ACCOUNTING STANDARDS BOARD DISCLOSURES CONTINUED

Topic	Code	Accounting metric	2022	2021	2020
Workforce health and safety	IF-HB-320a.1	(1) Total recordable incident rate ('TRIR') and (2) fatality rate for (a) direct employees and (b) contract employees.[2,3] Accident data includes Glenveagh employees, contractors, suppliers, and public. Our data collection process does not segregate employees from contractors.	**(1) 3.54** **(2) 0**	(1) 2.38 (2) 0	(1) 2.43 (2) 0
Design for resource efficiency	IF-HB-410a.1	(1) Number of homes that obtained a certified HERS® Index Score and (2) average score. Note that the HERS certification standard is not applicable within the Republic of Ireland. Information on mandatory Energy Performance Certificates is provided as an alternative. Note that ratings range from BER A1 to BER G.	**(1) 1,358** **(2)** **55% of homes were A1 rated** **44% of homes were A2 rated** **0.2% of homes were A3 rated**	(1) 1,150 (2) 82% of homes were A2 rated 18% of homes were A3 rated	(1) 700 (2) 72% of homes were A2 rated 28% of homes were A3 rated
	IF-HB-410a.2	Percentage of installed water fixtures certified to WaterSense® specifications.	Note that WaterSense® specifications are not applicable within the Republic of Ireland. All units in our developments include fixtures that have flow restrictors and aerators or are sized to reduce the water usage of our homes.		
Design for resource efficiency	IF-HB-410a.4	Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers.	Building Control Acts 1990 to 2014, local government requirements through planning, and the European Union Regulations 2014 (SI 426 of 2014) are all integrated into the energy efficiency of the homes Glenveagh builds. Non-compliance with these standards implies a substantial number of Group-wide risks. There are climate-related risks associated with unexpected market outcomes that are included into the Sustainability Risk and Opportunity Register, as they could have an impact on Glenveagh's financial and operational performance. One such risk is the shift in consumer preferences towards more energy efficient homes. New homeowners are becoming more environmentally aware and there is a risk that Glenveagh may lose market share if the energy efficiency of our homes does not meet customer expectations. Glenveagh homes are more energy efficient than the average house, and since November 2020 nearly all our homes have been A2 rated or better. The key to us building to this standard is attention to detail during the design and construction process, which includes improved insulation measures, airtightness detailing, higher quality materials used, and the use of renewable technologies in our homes, such as heat pumps. Our marketing team communicates these sustainability features to customers at all stages of the purchasing process, from initial marketing brochures to detailed information upon completion of the home.		

2. Reportable Incidents in Ireland are where a person is absent for more than 3 days not including the day of injury.
3. In our 2020 sustainability report, we incorrectly disclosed '0' for (a) and (b) for 2019. This should have been '1'.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD DISCLOSURES CONTINUED

Topic	Code	Accounting metric	2022	2021	2020
Community impacts of new developments	IF-HB-410b.1	Description of how proximity and access to infrastructure, services, and economic centres affect site selection and development decisions.	At Glenveagh, we consider where the house is located as well as where people live. It is important to us that our developments reflect the local built environment. Therefore, we take a holistic approach to public infrastructure, understanding the needs and requirements specific to each development, with respect to the surrounding environment, public infrastructure, and amenities. Access to sustainable transport infrastructure – including public transport, cycle lanes and walking routes – is central to the development process for every scheme. As part of this process, we engage with public bodies, local communities and local authorities to ensure we consider all aspects of infrastructure provision, current and future.		
	IF-HB-410b.2	Number of (1) lots and (2) homes delivered on infill sites[4].	**(1) 1,668** **(2) 83**	(1) 4,196 (2) 248	(1) 3,662 (2) 25
	IF-HB-410b.3	(1) Number of homes delivered in compact developments and (2) average density[5].	**(1) 1,186** **(2) 14**	(1) 672 (2) 15.8	(1) 313 (2) 16.1
Climate change adaptation	IF-HB-420a.1	Number of lots located in 100-year flood zones.	**0**	0	0
	IF-HB-420a.2	Description of climate-change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks.	For each risk and opportunity the register identifies: the description of the risk/opportunity; its potential impact; the time-horizon; the likely impact it will have and the magnitude of this; as well as control description and its effectiveness. Risks and opportunities are ranked on a scale ranging from insignificant risks (1) to catastrophic risks (5). Any given risk with a score above 3 – 'Moderate' – is considered to have a substantive financial or strategic impact on the business, which would require greater allocation of management effort. This is aligned with our approach adopted through the CDP reporting benchmarks. See **pages 51 to 56** for more detail on climate risks		

4. Infill sites defined as those sites that are surrounded by other developments from both sides.
5. Compact developments are defined as those sites with 13 or more units per acre.

ACTION AND DISCLOSURE ON CLIMATE CHANGE

Action and disclosure on climate change.

At Glenveagh, we understand the immediate need for action on climate.

The Intergovernmental Panel on Climate Change ('IPCC') has delivered its strongest warnings yet, and legislation and action plans at European and national levels are clear about what needs to happen. With construction and the built environment sectors accounting for 37% of Ireland's carbon emissions, we acknowledge the role we need to play as a leading Irish homebuilder.

Our stakeholders also told us how important action on climate change is to them, and we are committed to providing clear and transparent disclosures to them.

Glenveagh is required to report against the Task Force on Climate-related Financial Disclosures ('TCFD') recommendations and recommended disclosures in its Annual Report covering financial year ended 31 December 2022 according to the Financial Conduct Authority (FCA) listing rule LR 9.8.6 R(8). Glenveagh is compliant with the TCFD recommendations and recommended disclosures, with the exception of Strategy 2.b (impact on business strategy and financial planning) and c (resilience to scenarios). We will complete work throughout the year with a view to full compliance in 2023. We will also explore how we can further improve all of the TCFD disclosures as we become increasingly mature in our approach.

Our climate action journey

2023

- Net Zero Transition Plan published.
- Successfully completed our first sustainability-linked financing facility.

2022

- Joined Irish Green Building Council ('IGBC').
- Signed Low Carbon Pledge committing to setting science-based targets ('SBTs').
- Commenced Hydrotreated Vegetable Oil ('HVO') trials.
- CDP rating B.

2021

- Sustainability governance structures set up.
- First climate target set.
- CDP rating A-.
- Electric vehicles ('EVs') introduced to fleet.
- Published full Scope 3 emissions.

2020

- First sustainability report published.
- Reported Scope 1 and 2 emissions with external assurance.
- First CDP disclosure – B rating achieved.

2019

- Sustainability approach agreed by Board.

2017

- Company founded.

ACTION AND DISCLOSURE ON CLIMATE CHANGE CONTINUED

GOVERNANCE

Board oversight of climate-related risks and opportunities

The Board sets the strategic direction for Glenveagh taking consideration of a wide array of relevant issues including climate change. In approving the evolved business strategy 'Building Better' during 2022, the Board took account of the materiality of climate change risks and opportunities as defined through the materiality assessment. Action on climate-change has therefore been integrated throughout the business strategy.

The Board's approach to climate is informed by dedicated training sessions with external specialists, presentations from internal experts and the outputs from the Group's materiality assessment and stakeholder engagement. The Board receives regular updates on sustainability, and in particular climate change, throughout the year.

The Board's appraisal of climate risk is indicated through its strategic decision making. In 2022, it made two significant decisions with respect to climate change:

1. It identified climate change as a principal risk for the Group.
2. It approved the Group's commitment to setting science-based targets.

The Board is supported on climate change by two Board committees.

- The Environmental and Social Responsibility ('ESR') Committee is responsible for developing and monitoring our approach to sustainability (including climate change). Throughout 2022, the committee discussed in detail with management the development of the Group's net zero approach and the commitment to setting science-based targets. This committee also reviewed and considered the climate-related risks and opportunities in advance of their consideration by the Audit and Risk Committee ('ARC'). The ESR Committee's report can be found on page 104.
- The ARC is responsible for reviewing our climate risks and opportunities and ensuring that our controls and mitigants are adequate and effective. Climate risks are included in our risk register which is a standing item at committee meetings. In addition, climate risks and opportunities were reviewed specifically during 2022 and the ARC recommended that climate change be identified as a principal risk for the Group. The ARC's report can be found on page 86.

Management's role in assessing and managing climate-related risks and opportunities

The Executive Committee has overall responsibility for implementing the business strategy as agreed by the Board, which includes our approach to climate change. Climate change, as part of sustainability, is a regular agenda item for this committee. As the most senior executive, the CEO has responsibility for the management of climate-related initiatives under our agreed business strategy. The CEO also agrees the annual objectives for the Chief Strategy Officer who has specific executive responsibility for climate. Management is supported by the sustainability team, led by the Head of Sustainability. The team is responsible for day-to-day management of sustainability, providing a framework within which all parts of the business can work.

Additional information with regard to governance of sustainability in Glenveagh can be found on **page 42**.

STRATEGY

In reviewing our business strategy during 2022, action on climate played a significant part in formulating our strategic priorities ensuring we adequately manage the risks and take advantage of the opportunities where possible. Action on climate is embedded throughout our strategic priorities.

The following pages set out the climate-related risks and opportunities that we have identified over the short, medium, and long term as well as their potential impacts and what we are currently doing in response. In 2023, we will test the resilience of our business strategy through climate-related scenario analysis.

> "IN APPROVING THE EVOLVED BUSINESS STRATEGY 'BUILDING BETTER' DURING 2022, THE BOARD TOOK ACCOUNT OF THE MATERIALITY OF CLIMATE CHANGE RISKS AND OPPORTUNITIES AS DEFINED THROUGH THE MATERIALITY ASSESSMENT."

How climate action is embedded in our strategic priorities

PLACING THE CUSTOMER FIRST

- High-quality, energy-efficient homes.
- Educating customers on reducing their carbon footprint.

VALUING AND DEVELOPING OUR COLLEAGUES

- Developing sustainability skills across the business.

ENSURING OPERATIONAL EXCELLENCE

- Driving efficiency in resource use to reduce GHG emissions.
- Using renewable fuels where possible.

DRIVING INNOVATION

- Driving innovation in design, materials used, offsite manufacturing etc. to reduce embodied carbon in our homes.

GROWING SUSTAINABLE AND THRIVING PLACES

- Building communities that support sustainability.
- Nature-based solutions to climate impacts/potential impacts.

ACTION AND DISCLOSURE ON CLIMATE CHANGE CONTINUED

OUR RISKS AND OPPORTUNITIES

Risk/Opportunity	Risk description	Potential impact	Our response
HIGHEST RATED TRANSITION RISKS			
SUPPLIERS' PACE OF CHANGE AND NET ZERO ALIGNMENT **Time frame:** Medium-long-term **Materiality:** High **Risk type:** Reputational, Technology, Market	There is a risk that key suppliers of high carbon impact materials and works on-site don't address climate change challenges fast enough for us to align with our planned net zero journey, with little or no alternative available.	Increased costs resulting from preferred suppliers' inability to scale or transition to meet our sustainability needs cost effectively.	Through the development of our Net Zero Transition Plan, we have begun identifying and assessing future trends and options to implement in the Group's operations. This has necessitated supplier engagement and collaboration to ensure suppliers are aware of such movements and understand what is expected of them. We have also begun vertical integration of our supply-chain with the acquisition of Harmony Timber Solutions and the development of key manufacturing capabilities.
CARBON PRICING **Time frame:** Medium-term **Materiality:** High **Risk type:** Policy and Legal, Technology, Market, Reputation	Failure to move away from carbon intensive products/services at a fast enough pace while carbon taxes continue to rise.	Increased costs due to carbon taxes. Impairment in carrying value of carbon-intensive assets (e.g. plant and machinery).	The development of our Net Zero Transition Plan and commitment to science-based targets puts us on a trajectory towards decarbonisation across our value chain. This will see a reduction in carbon emissions and a decrease in exposure to carbon-pricing risks. Increased supplier engagement keeps us informed on the cutting-edge trends in the low carbon economy and solidifies good business relationships. This assists us to quickly transition away from carbon intensive products/services.
OFF-SITE MANUFACTURING AND MODERN METHODS OF CONSTRUCTION ('MMC') **Time frame:** Medium-term **Materiality:** High **Risk type:** Technology	Failure to fully/quickly take advantage of off-site manufacturing and MMC to address net zero challenges.	Increased construction costs resulting from the continued reliance on skilled labour, time spent on-site and the absence of efficiency benefits from standardisation in build methodology.	The Group set up its Innovation Department which works closely with the sustainability team to ensure the benefits from MMC are maximised and that net zero targets are achieved. Furthermore, off-site manufacturing and MMC have been addressed in the development of the business strategy and sustainability has been interwoven throughout this. Additionally, the Group has begun the vertical integration of the supply-chain with the acquisition of Harmony Timber Solutions and the development of key manufacturing capabilities.
DEVELOPMENT OF LOW CARBON TECHNOLOGY **Time frame:** Medium-long-term **Materiality:** High **Risk type:** Technology, Market, Reputation	Lack of pace in the market developing adequate/appropriate low carbon technology combined with a faster shift to low carbon technology or products, leads to lack of supply, price rises and ultimately an inability for the Group to meet certain commitments and obligations.	Increased construction costs due to the lack of appropriate low carbon materials.	Through the development of the Group's Net Zero Transition Plan we have acknowledged the need to act quickly and engage with supply-chains to solidify strong relationships, ensuring we remain at the forefront of developments. Concurrently, the sustainability team and external consultants are also monitoring any developments in the area to assist in achieving this goal. Additionally, our commitment to low carbon technology will create increased demand in the market encouraging development to be undertaken at a faster pace within our value chain.

ACTION AND DISCLOSURE ON CLIMATE CHANGE CONTINUED

Risk/Opportunity	Risk description	Potential impact	Our response
HIGHEST-RATED PHYSICAL RISKS			
IMPACTS ON SUPPLY-CHAINS **Time frame:** Medium-term **Materiality:** High **Risk type:** Acute physical, market	Supply-chain is impacted by disruption due to frequent severe weather events causing delays to deliveries and subsequent delays to our schedules. Suppliers themselves are restricted or impacted by transition risks affecting availability and the cost of goods and services to us.	Increased construction costs resulting from disrupted construction programmes and availability of goods and services.	The Group has begun supply-chain integration as demonstrated through our investment in our manufacturing facilities. Increased supplier engagement will also raise awareness of the various climate risks that our suppliers may face.
SEVERE WEATHER EVENTS **Time frame:** Short-term **Materiality:** Low **Risk type:** Acute physical	More frequent storms, extreme rainfall, flooding and other severe weather events result in sites being closed for longer periods of time at greater frequency, as well as potentially unsafe conditions to people on construction sites during extreme weather events e.g. storms and heatwave conditions.	Increased construction costs due to prolonged construction programmes resulting from severe weather related delays.	Greater reliance on off-site construction will reduce the exposure to this risk. Health and Safety systems and procedures are in place with weather warnings being issued and safety procedures activated according to severity of weather.
HIGHEST RATES OPPORTUNITIES			
A STANDARD SETTER IN THE INDUSTRY **Time frame:** Medium-term **Materiality:** Medium **Opportunity type:** Product	Become a standard setter in the industry driving suppliers and partners to come on the journey with us as their partner of choice.	Decreased construction costs resulting from better bargaining positions.	Our Net Zero Transition Plan sets out our ambition to our stakeholders, including our suppliers and partners, with respect to climate change. Increased supplier engagement, which is a key action under the plan will facilitate increased opportunities to partner and collaborate with suppliers to take advantage of opportunities. Vertical integration of supply-chain and development of key manufacturing capabilities has already begun.
ALIGNMENT WITH GREEN MORTGAGES **Time frame:** Short-term **Materiality:** Medium **Opportunity type:** Product	Align our product with consumer green finance opportunities making Glenveagh houses the product of choice in the market.	Increased revenue due to alignment with customer financing options. Decrease in the cost or increase in the availability of capital.	Our homes are already highly energy efficient with 55% of Glenveagh homes having an A1 rating making all of our homes aligned with green financing opportunities. We will also educate our customers regarding the support available including green finance opportunities.
SUSTAINABILITY FINANCING **Time frame:** Short-term **Materiality:** Medium **Opportunity type:** Markets	Avail of green financing options due to performance against targets.	Decrease in the cost or increase in the availability of capital.	Successfully completed our first sustainability-linked financing facility in 2023.

ACTION AND DISCLOSURE ON CLIMATE CHANGE CONTINUED

RISK MANAGEMENT

Identifying and assessing climate-related risks and opportunities

Glenveagh's risk management framework is supplemented by a specific process to identify and assess climate-related risks and opportunities. This includes viewing risk over a longer timeframe than normal. Desk-based research including reviews of relevant climate-change literature on impacts and risks, peer reviews and review of the forthcoming regulatory requirements was carried out. From this a long list of potential climate risks and opportunities were developed, reviewed and consolidated further.

Timeframes were defined as follows:

- Short-term 0–3 years
- Medium-term 3–5 years
- Long-term + 5 years

An external consultant reviewed the list and it was also tested with stakeholders as part of our materiality assessment. The risks were then individually scored using our standard risk scoring approach i.e. assessing impact and likelihood and the effectiveness of controls in place, to come up with a residual score. The risks and opportunities presented on the previous pages are the output of this exercise and represent the highest-ranked for transition and physical risks as well as opportunities.

Managing climate-related risks and opportunities

Glenveagh has developed a number of actions which support the realisation of the opportunities identified and the mitigation of the risks. These actions are outlined on the previous pages alongside each of the risks and opportunities. Additional information can be found in our Net Zero Transition Plan, the strategic section of this report and in our CDP response.

Integrating climate-related risks into the organisation's overall risk management

Our risk management framework provides a common risk management process to identify, assess, mitigate, monitor and report risks which impact the business, including climate. Climate risks are included in our risk register along with all other relevant risks for the business and are managed in accordance with the framework. For the first time, climate change has been identified as a principal risk for the Group indicating its priority within our overall strategy. In addition, other principal risks are reviewed to ensure that climate-related elements are integrated where appropriate, e.g. availability and increased cost of materials and labour.

METRICS

Glenveagh monitors a number of metrics in the area of climate. Our detailed Scope 1, 2 and 3 emissions information can be found on page 43. Our assurance certificate and methodology document can be found at https://glenveagh.ie/corporate/sustainability. We also monitor the following metrics to assess our climate related risks and opportunities:

- Proportion of total homes with Building Energy Rating (BER) of A1 and A2.
- Average kilowatt hours per sqm per year ($kwh/m^2/yr$) across all homes delivered.
- CDP score.

In 2021, we set a target to achieve a 25% reduction in our direct emissions (Scopes 1 and 2) intensity by 2025 against a 2020 baseline (tonnes of CO_2e per 100 sqm of completed homes). Our 2022 emissions represent an 24% reduction compared to the 2020 baseline. As part of the development of our Net Zero Transition Plan, we have developed both near-term GHG emissions reduction targets and long-term net zero GHG emissions targets for Scopes 1, 2 and 3. These targets have been developed in line with guidance from the Science Based Targets initiative ('SBTi') and have been submitted to the SBTi for validation.

> FOR THE FIRST TIME, CLIMATE CHANGE HAS BEEN IDENTIFIED AS A PRINCIPAL RISK FOR THE GROUP INDICATING ITS PRIORITY WITHIN OUR OVERALL STRATEGY.

NEAR-TERM TARGET

46%

absolute reduction in Scopes 1 and 2 by 2031*

55%

reduction in Scope 3 emissions intensity (tCO_2e/100sqm) by 2031*

LONG-TERM TARGET

Net Zero

in Scopes 1 and 2 by 2050*

Net Zero

in Scope 3 by 2050*

BUSINESS AMBITION FOR 1.5°C

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

** Subject to validation.*

ACTION AND DISCLOSURE ON CLIMATE CHANGE CONTINUED

OUR NET ZERO TRANSITION PLAN

Throughout 2022, we focused on developing our Net Zero Transition Plan, which sets out the actions that we will take to put us on a 1.5°C pathway and achieve the ambitious targets that we set. Our Net Zero Transition Plan can be found here: https://glenveagh.ie/corporate/sustainability

Now → 2050

Targets	Actions			Supported by:
	Scopes 1 and 2			
46% absolute reduction in Scopes 1 and 2 by 2031*	**Transition sites to renewable fuel**		Transition fleet to EV; Renewable electricity; Increased efficiency; Electrification	Robust governance
Net Zero for Scopes 1 and 2 by 2050*				Transparent reporting
	Scope 3			
55% reduction in Scope 3 emissions intensity (tCO_2e/100sqm) by 2031*	**Supplier engagement**	Subcontractor engagement	Innovation; Raising awareness; Data quality	Stakeholder engagement
Net Zero for Scope 3 by 2050*				Risk management

Aligned to a 1.5°C trajectory

** Subject to validation.*

RISK MANAGEMENT REPORT

Risk management report

Our approach to risk management is embedded across all levels and departments of our business with a focus on site-level risk, to ensure that barriers to achieving strategic objectives are identified and mitigated.

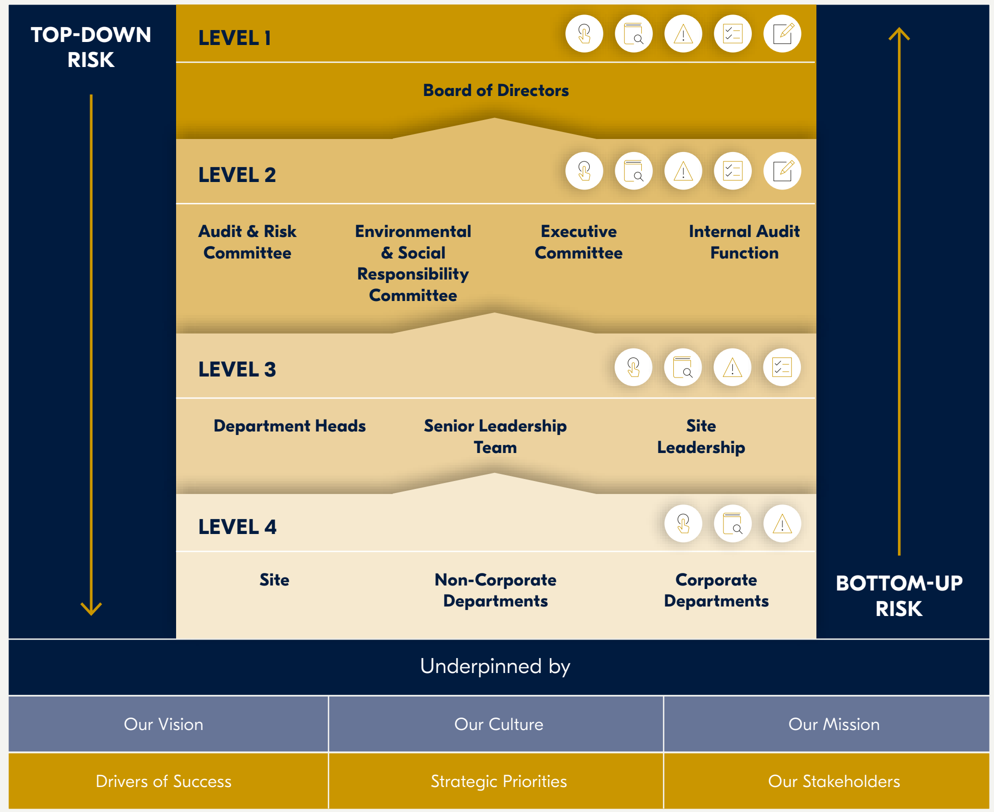
The Board and senior management set the tone for risk management in the business through regular interaction, review and ownership of key risks.

The Board is responsible for ensuring Glenveagh maintains the appropriate level of risk to achieve its strategic objectives, while also ensuring good corporate governance and prudent risk management is implemented. The Board has approved our risk management framework which provides a common risk management process to identify, assess, mitigate, monitor and report risks which impact the business. Our risk management process is an integrated approach with input across all levels of the Group that aims to ensure that all risks to which Glenveagh is exposed are identified, and understood, and appropriate mitigating controls are implemented to manage the risks effectively and protect the business.

As part of its oversight responsibilities, the audit and risk committee ('ARC') is responsible for reviewing the adequacy and effectiveness of Glenveagh's internal controls and risk management process (page 55). Our risk register and principal risks are a standing agenda item for each ARC meeting.

The risk register is used to support the risk management process and document risks, controls and their approved ratings based on likelihood and impact from both an inherent and residual risk perspective. The risk register is not a static list, but a dynamic process to ensure risk is managed and mitigated effectively. The Board formally reviews and approves the risk register on at least a bi-annual basis.

Our risk management framework



KEY TO RISK MANAGEMENT

Identify · Assess · Mitigate · Monitor · Report

RISK MANAGEMENT REPORT CONTINUED

Glenveagh has implemented a line of defence model

Line of defence	Function	Responsibilities
Level 1	Board of Directors	Overall responsibility for determining the nature and extent of the significant risks it is willing to take in achieving the Group's strategic objectives and for setting the Group's risk appetite.
Level 2	Executive, Audit & Risk Committee, Environmental & Social Responsibility Committee and internal audit	Committees have responsibility for risk monitoring and, ensuring policies are implemented throughout the business. Internal audit provides risk assurance within the business, with responsibility for providing additional assurance on the effectiveness of risk management and internal controls, to the Executive Committee and the Audit and Risk Committee.
Level 3	Department Heads & senior leadership team	Risk owners within the business with responsibility for ensuring risk management is embedded in day-to-day activities and taking a proactive approach to risk identification and mitigation.
Level 4	Department teams	Identify risks within the business with responsibility for implementing mitigation plans. Take a proactive approach to identifying, assessing and mitigating risk.

Climate Risk and Opportunities

In line with the recommendations of the Task Force on Climate Related Financial Disclosures ('TCFD') reporting requirements, the Group has considered climate-related impacts within the organisation under the pillars of Governance, Strategy, Risk Management and Metrics and Targets, as outlined on pages 51 to 56. The Group undertook a specific process to identify and assess climate-related risks and opportunities informed by relevant climate-change literature, peer reviews and forthcoming regulatory requirements. A long list of potential climate risks and opportunities was developed, reviewed and consolidated. These risks were then individually scored in line with our risk management framework.

Risks include both transition risks, i.e. those associated with the transition to a decarbonised economy, and physical risks i.e. impacts from changes in weather and climate.

In 2022, climate change moved from an emerging risk to a principal risk for the first time.

Risk management in action

Risk management is embedded in the day-to-day activities of the business through aligning key strategic KPIs and remuneration metrics of executive and senior management with risk management objectives.

Certain risk management and compliance activities across Glenveagh are reported monthly to the Board and Executive Committee, with input received from across the business to respond to risk in line with the risk management framework.

At Board level, the Environmental and Social Responsibility Committee maintains responsibility for compliance with the evolving regulatory disclosure landscape and our key targets in respect of sustainability.

The environmental health and safety ('EHS') department is a dedicated resource whose activities are mainly focused on risk management throughout the business. The certification to ISO 14001 environmental management and ISO 45001 occupational health and safety, led by the EHS department, demonstrates our commitment to managing our environmental impact and continued improvement of health and safety standards in the workplace.

The services and utilities department is a dedicated resource whose activities are mainly focused on the risk management of product quality and building regulations throughout the business. The certification to ISO 9001 quality management, demonstrates our commitment to monitoring the quality of our products and drive for continuous improvement.

There are a number of corporate office departments whose activities support EHS and also assist in maintaining a focus on risk management including information technology, human resources and internal audit. In addition, third parties are engaged where necessary to assist and provide additional assurance in relation to risk management.

A key component of financial risk management is the executive and senior management-led development of the annual budget and strategy planning, and quarterly reforecast processes which are used to monitor progress against plan and assess risk across all existing and emerging risk categories.

Glenveagh has also invested significantly in technology, site infrastructure and people to improve our control processes and systems to respond to the everyday operational risks that are faced by all companies in our industry. We purchased our third manufacturing facility in Co. Wicklow. This, coupled with the standardisation of house typologies and construction methodologies, further derisks our medium, and long-term housing delivery targets.

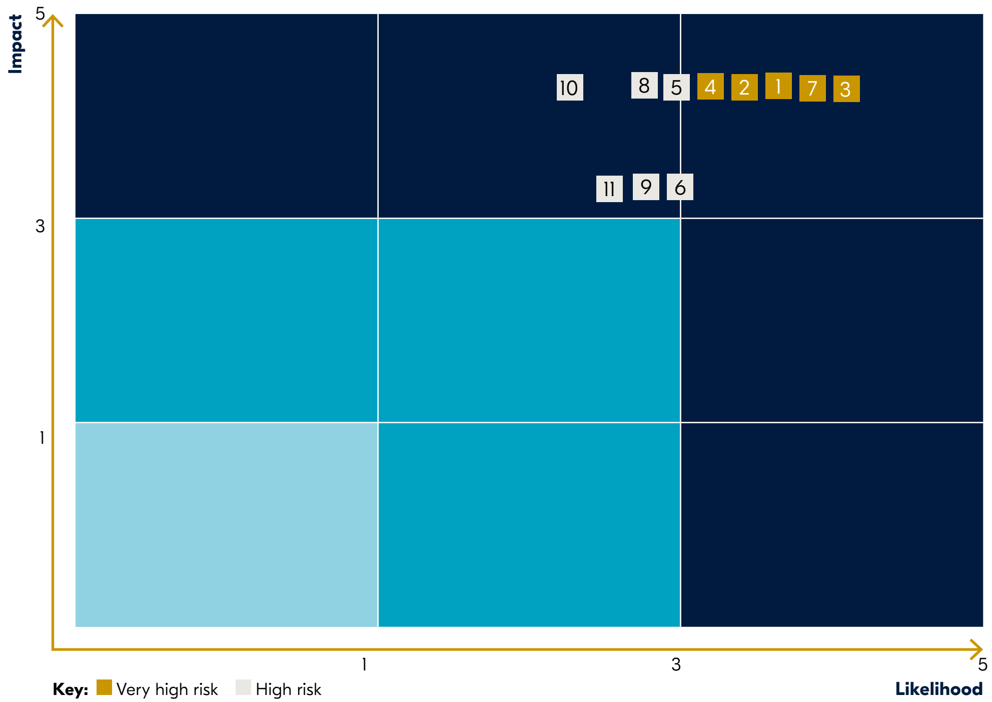
88%

H&S score in 2022

RISK MANAGEMENT REPORT CONTINUED

Principal risks and uncertainties

The Board has carried out a robust assessment of the principal risks facing the business. Arising from the risk management process, principal risks and uncertainties have been identified which could have a material impact on the business in achieving our strategic objectives. The Board and ARC have reviewed the principal risks and have considered the new risks introduced for 2022.



Principal risks

01	Adverse changes to government policy & regulations (operational risk)
02	Climate change (external risk)
03	Availability and increased cost of materials and labour (operational risk)
04	Adverse macroeconomic conditions (external risk)
05	Mortgage availability and affordability (external risk)
06	Failure to obtain expected planning permission (operational risk)
07	Inadequate project management (operational risk)
08	Attracting, retaining and developing people (operational risk)
09	Data protection and cyber security (operational risk)
10	Insufficient health and safety procedures (operational risk)
11	Decline in product quality (reputational risk)

> “RISK MANAGEMENT IS EMBEDDED IN THE DAY-TO-DAY ACTIVITIES OF THE BUSINESS THROUGH ALIGNING KEY STRATEGIC KPIS AND REMUNERATION METRICS OF EXECUTIVE AND SENIOR MANAGEMENT WITH RISK MANAGEMENT OBJECTIVES.”

RISK MANAGEMENT REPORT CONTINUED

Table legend:

No change to risk rating | Increased risk rating | Decreased risk rating | New risk

Risk category	Risk or uncertainty and potential impact	Management's view	Key mitigating considerations	Risk rating change
Operational risk	**1. Adverse changes to government policy and regulations** A change in the domestic political environment and/or government policy (including tax legislation, support of the housebuilding sector, Part V allowance and first-time buyer assistance) could adversely affect Glenveagh's financial performance.	The provision of social and affordable housing will remain a significant political issue into the future until a sustained response to the supply/demand gap occurs. The current government has implemented or committed to policies which provide significant tailwinds to the construction industry such as: > Help to Buy (due to expire at the end of 2024). > New rental tenure scheme (cost-rental) and First Home scheme (shared equity scheme) in the Affordable Housing Act 2021. > Introduction of a €450 million subvention fund to assist in the delivery of urban apartments and five-year increase in social housing stock of at least 50,000. > Introduction of the Land Development Agency Act 2021 and Large-scale Residential Developments (LRDs). However, uncertainty exists regarding the formation of any future government and the potential policy headwinds that this might bring for the construction industry. Political influence has and can result in the government quickly enacting changes to legislation and policy. Further potential changes to legislation such as the zoned land tax or concrete levy could adversely impact Glenveagh.	Glenveagh's management and Board monitor government policy and political developments on an ongoing basis. Our site forecasts are conservative by nature and allow for expected negative changes in government policy and regulation. We have the capability to redesign developments as appropriate should this be required. Glenveagh will consider alternative strategies where required to align to any changes in the domestic political environment. Our land bank assembly is focused on affordability, first-time buyers, attractive locations and within the parameters of government support schemes. We will continue to develop partnerships with local authorities. We will continue to engage constructively with trade associations and the government.	
	Changes to zoning rules as a result of the National Planning Framework ('NPF') could result in sites being dezoned, rezoned or phased which would adversely impact the carrying value of land, units available within our land portfolio and ultimately diminish Glenveagh's ability to achieve financial targets.	Our view is that the NPF's population growth assumption is inadequate, and the allocation of zoned units is disproportionately weighted in favour of cities in Ireland. The resulting impact is that local authorities will have reduced unit allocations for zoning and therefore will have to decrease the quantum of zoned land in their jurisdiction. Glenveagh is therefore at risk of having sites within such jurisdictions: > Dezoned: the site is no longer zoned residential, > Rezoned: the site's zoning is changed to a category other than residential, or > Phased: the site retains its zoned residential status however the land would not be available for release in the short-term.	Glenveagh's management is prioritising planning lodgements for sites within our land bank that are in jurisdictions at risk of zoning reductions. Glenveagh's planning department engages in the statutory plan-making process to seek to protect the assets of the business. As part of the site-purchase due diligence, the land acquisition team is in communication with the planning department to assess the planning and zoning risk under the NPF for potential new site acquisitions. Glenveagh's planning department is adopting innovative approaches to achieving minimum density requirements and is seeking to influence forthcoming policy around density. The Government has made a commitment to review the NPF.	
External risk	**2. Climate change** Changes in climate could impact Glenveagh either through the physical impacts of climate change or the risks and opportunities associated with the transition to a net zero economy. Failure to meet evolving stakeholder and legislative requirements could adversely affect our ability to raise capital, financial performance, reputation and lead to litigation and fines.	Action on climate change has become a major focus for countries, corporates and citizens alike in particular in the last few years. The adoption of the Paris Climate Agreement at international level, the European Green Deal and the Climate Action and Low Carbon Development (Amendment) Act 2021 in Ireland all signal the direction of travel. The reporting framework is further set for us through the widespread adoption of TCFD and the forthcoming disclosure requirements under both the Corporate Sustainability Reporting Directive ('CSRD') and International Sustainability Standards Board ('ISSB'). Against the background of these developments, our stakeholders, including investors and customers, have set out their expectations regarding this agenda and expect action in line with a 1.5°C world. It is management's view that in order to future-proof the business and ensure continued access to capital, now is the right time to take positive action for the changes that need to be made. Additionally, the business needs to respond to consumer preferences and provide the energy efficient and sustainable product customers want. It is also our view that there are opportunities in this space to innovate to address not only this challenge but to continue to be a leader in the area of sustainable housebuilding.	We have robust governance in place with an Environmental & Social Responsibility Committee at Board-level, executive responsibility and we have established a Sustainability department. Our innovation department has been established in line with our mission and specifically to provide sustainable high-quality homes. Climate change is a key focus area for the overarching Group strategy and action is integrated throughout each of the strategic priorities. We are launching our Net Zero Transition Plan in March 2023 to align our strategy with a 1.5°C world and we will submit our science-based targets to the Science Based Targets Initiative ('SBTi') for verification. We provide sector-leading A1-rated homes.	

RISK MANAGEMENT REPORT CONTINUED

Table legend:

No change to risk rating Increased risk rating Decreased risk rating New risk

Risk category	Risk or uncertainty and potential impact	Management's view	Key mitigating considerations	Risk rating change
Operational risk	**3. Availability and increased cost of materials and labour** Shortages, increased costs of materials and labour and the low availability/higher cost of more sustainable materials could lead to an increase in construction costs and delays in the completion of units. If the Group is unable to control its costs or pass on any increase in costs to the purchasers of the Group's product, appropriately source the requisite labour, and/or renegotiate improved terms with suppliers and contractors, the Group's margins may reduce which could have an adverse impact on the Group's business operations and financial condition. In addition, if ethical or responsible procurement procedures are not being implemented and followed this could lead to reputational damage and/or litigation.	The construction sector has seen significant increased material costs over the past 12 months due to a range of issues including continuing supply-chain constraints, commodity-price increases, the impacts of escalating energy costs and fuel-cost inflation in relation to transportation. The business continues to leverage its purchasing power and scale to negotiate strong terms with both domestic and international suppliers allowing us to purchase more competitively than the wider market. In addition, the supply-chain investment in our timber-frame factory and soil recovery facility allow the business to shield itself from the full effect of the increases that the wider market experienced. As we progress our net zero strategy, we will need to engage with our suppliers to ensure that they come on the journey with us and can provide the materials necessary at an affordable cost to drive down our embodied carbon emissions. From a labour perspective, the end of all COVID-19 unemployment schemes and the slowdown in the one-off housing and renovation markets due to the significant cost inflation has resulted in encouraging labour availability as we open new construction sites. The Group has also seen the benefits of several recruitment and training initiatives which ensure we continue to attract and retain a high-performing workforce. In the short term, our continued investment in supply-chain initiatives and standardisation will be a significant contributor to managing both materials and labour-cost increases. Over the medium to long term, modular build and off-site construction are further mitigants that the business is exploring. A significant benefit from a modular build/off-site construction approach is a reduction in the reliance on skilled trade labour on site, therefore shielding the business from any skilled labour shortages or cost increases over the medium to long term. Additionally, a reduction in housing typologies through increased standardisation of the Glenveagh product and construction methodology will further de-risk the business from shortages or increased costs of materials and labour. This reduced variation in packages procured and construction programmes, enhances our purchasing power and increases Glenveagh's attractiveness as the partner of choice for subcontractors and suppliers.	We have fixed cost contracts in place with subcontractors and suppliers where possible. We have the potential to expand our purchasing network should it be required and are not over-reliant on any one supplier. Glenveagh engages in financial planning and continuously monitors and reviews budgeted versus actual costings. We continuously evaluate partnerships at a site-level with outsourced labour providers to ensure agreements are in line with the market rates. We engage in continuous communications with our subcontractor network and supply-chain, to ensure they are aware of our plans and to reduce the impact of current trading conditions. We have strong relationships across the construction industry in Ireland and with our existing and wider subcontractor network. Our size and reputation in the market remain highly attractive to subcontractors and suppliers. Through acquisition and investment we continue to develop in-house manufacturing capabilities in timber-frame and light gauge steel.	
External risk	**4. Adverse macroeconomic conditions** Glenveagh operates in a property market that is cyclical by nature, which can lead to volatility of property values and market conditions. Geopolitical uncertainty can lead to a potential adverse impact on Glenveagh's asset valuations and financial performance factors such as a slowdown in economic growth, increased interest rates and a decline in consumer confidence.	Market sentiment and transaction levels can change quickly, requiring us to adopt a flexible approach to our investment decisions. Glenveagh's capital allocation policy allows the flexibility to reconfigure capital allocations that best fits a particular economic cycle. Notwithstanding the more challenging economic environment, the Irish economy has remained resilient in FY2022 with continued growth expected in FY2023. Consumer confidence remains strong and is underpinned by government support intitaives (e.g. Help to Buy, First Home scheme), low unemployment levels, population growth and strong corporate and household balance sheets. From a supply perspective, the Irish housing market remains materially undersupplied. The fragmented nature of the market, the inability of smaller builders to access capital and a defunct planning system are all contributory factors to supply remaining below the levels required, in the short to medium term.	We aim to maintain a reasonable but limited stock of land (c. four to five years). We avoid any long-term exposure through strict land acquisition policies which are reviewed and updated on a regular basis to meet market sentiment and demand. We have a robust acquisition policy and approval process in place to ensure the best value is achieved on assets and that they are aligned to our strategic objectives. The Urban and Partnerships segments will assist in reducing the cyclical nature of the business through the delivery of apartments and houses for the rental market as well as schemes with local authorities or other government bodies. Management and the Board actively monitor geopolitical risks and seek expert industry advice where required.	

RISK MANAGEMENT REPORT CONTINUED

Table legend:

No change to risk rating | Increased risk rating | Decreased risk rating | New risk

Risk category	Risk or uncertainty and potential impact	Management's view	Key mitigating considerations	Risk rating change
External risk	**5. Mortgage availability and affordability** Glenveagh understands that affordable mortgage finance is a crucial funding source for buyers in the residential market in Ireland. Constraints on the availability and costs of mortgage financing and any adverse impact on this may have a negative impact on sales of Glenveagh's products and ultimately our profitability, due to a potential decline in customer demand. Two mortgage providers have withdrawn from the Irish market creating the potential for reduced competition and delays in the application process.	Mortgage demand remains strong; in 2022 the level of mortgage approvals in the Republic of Ireland increased by 9.3% in comparison to 2021 to 58,276 approvals. 2022 mortgage volumes increased by 21% to 52,634 drawdowns[1]. We are seeing a slight shift in the market where the growth was previously being driven primarily by first-time buyers (54.4% volume in 2021 to 46.8% in 2022) to remortgages and top-ups which have increased by a combined 70% in 2022 when compared to 2021[1]. Mortgage affordability remains a significant issue, with house prices continuing to rise nationwide. The average first-time buyer's mortgage drawdown rose by 9.15% year-on-year to €270,508[1]. In addition, the potential for further interest-rate increases creates additional challenges for first-time buyers. The affordability hurdle remains the biggest challenge for prospective buyers, despite the government offering First Home scheme where the state and participating banks pay up to 30% of the cost of a new home in return for a percentage share.	Management and the Board continuously monitor government policy around mortgage availability. We regularly engage with mortgage advisors to gain valuable insights into the market and the impact of regulatory changes impacting mortgage lending. We have increased the frequency of cashflow and sales reporting to facilitate accurate business continuity planning. Our strategy can speed up delivery if required. New home buyers can continue to avail of Green Mortgage which offer lower interest rates for purchasing an energy efficient home. The Central Bank have adjusted their macro-prudential framework to allow first-time buyers to borrow up to four times their gross income, increasing affordability for prospective buyers.	
Operational risk	**6. Failure to obtain expected planning permission** Failure to obtain planning permission on sites in our one to three year sales pipeline or renew existing planning permission without significant changes could result in failure to meet unit delivery and return on investment targets.	Obtaining the necessary planning permission on sites, to materially de-risk our unit delivery targets and build flexibility into our land bank, is a key strategic objective. Management's progress in obtaining planning permission has been affected by the legal challenges and lengthy delays that can arise through the planning process. The planning process is currently in a transitionary phase with the Strategic Housing Development ('SHD') planning process now replaced by the LRDs operates similar to the SHD process in dealing with larger applications. The government is intending to publish a new planning bill in the coming months, which the Group has contributed to through various industry forums and submissions. The delays experienced in the planning process have limited the rate at which units have progressed through planning, with a significant number of units awaiting decision from An Bord Pleanala ('ABP'). Management do not have any immediate concerns as the Group has planning permission for over 80% of the Group's expected deliveries in 2023. Overall, the Group has over 5,000 units with full planning permission in place. To de-risk 2024 and 2025 delivery targets, management have focused the Company's land acquisition strategy to ensure, at a minimum, 50% of the sites purchased are acquired with or subject to planning permission. Currently, over 30% of our land portfolio is planned and more than 3,500 planning lodgments were completed in 2022 which will further increase the planned units in our land bank. It is worth noting, from an Urban perspective, the business has limited exposure as most Urban sites are through the planning process. Furthermore, management have been prudent and realistic with unit delivery dates within the Group delivery matrix which forms the starting point of forecasting, financial and strategy planning. Finally, the Company has put in place the appropriate organisational structure within the Planning department to achieve our strategic goals. The Planning department is focused on the short-term needs of the business (i.e. progressing a large volume of units through planning within the existing processes), but also focuses on mapping out the long-term strategy for sites and the planning route these will take, based on the planning processes available.	We ensure there is strong alignment between the planning and acquisitions departments to ensure planning-related issues are avoided, or identified and rectified on a timely basis. We have ongoing monitoring, liaising, engaging and networking processes with both local and national government agencies. We have a set strategy for Suburban planning applications, which is reported monthly and reviewed periodically, for any required changes. We have a strategy in place for planning applications currently lodged through the SHD planning process. We have put in place the appropriate organisational structure within the planning department to achieve our strategic goals. We envisage that the new LRD planning process will provide more timely decisions on planning applications. We envisage the new Planning Act will be enacted in 2023. The act will bring greater clarity, consistency and certainty to how planning decisions are made. The draft bill is currently at the pre-legislative scrutiny stage.	

1. Source: Banking and Payments Federation Ireland ('BFPI').

RISK MANAGEMENT REPORT CONTINUED

Table legend:

No change to risk rating | Increased risk rating | Decreased risk rating | New risk

Risk category	Risk or uncertainty and potential impact	Management's view	Key mitigating considerations	Risk rating change
Operational risk	**7. Inadequate project management** Inadequate oversight of the cost and delivery of development projects adversely affects expected return on investment.	As the business continues to scale, project management will play a key role in managing timelines to meet unit delivery targets and control costs to deliver gross margin and return on equity targets. Timely and accurate reporting against financial metrics and the construction programme facilitates decision-making on a site-by-site or overall portfolio basis. The Group has in place a commercial department that has oversight of all project costs and timelines. The Commercial Director works with an experienced quantity surveying and estimating teams that are responsible for: > pre-acquisition, planning and pre-construction stage budget preparation; > preparing build of quantities ('BoQ') to secure sub-contractors based on a detailed scope; > robust financial planning and forecasting for each site; and > continuously monitoring and reviewing budget versus actual costings. The Group also has in place a dedicated services and utilities department with responsibility for working with Irish Water and ESB to ensure timely connection to the water and electric grids, to deliver units in line with site openings and practical completion dates. The procurement department forecasts material packages 12 months in advance to lock in prices and guarantee supply, in advance of commencing construction on site. In addition, the procurement department works with suppliers to de-risk the supply of scarce or at-risk materials through consignment stock agreements. Management has implemented a new project management office to centralise processes, reporting and communication across departments. This has been facilitated by an external Company that has been engaged to review and improve our end-to-end processes and advise on how best to automate these. Through this process a construction committee has now been established, which is responsible for reviewing reporting, decision-making at site-by-site or overall portfolio-level and communicating actions across departments. Our suite of IT systems provides real time reporting/information for more accurate decision-making relevant to projects at a financial, programme and management level.	The Group has fixed-cost contracts in place with sub-contractors and suppliers where possible. The Group has an appointed Commercial Director who is responsible for: > reviewing pre-acquisitions budgets prior to engaging in the site acquisition process; > engaging in continuous monitoring and reforecasting of costs at the pre-construction stage as sites move through planning; and > completing a cost plan/bill of quantities at the pre-construction start/post-planning stage, which acts as the budget for the site build. The commercial department organisational structure ensures oversight of all costs as the business matures in line with the business plan. Glenveagh's integrated ERP system provides commercial reporting, automated payment and subcontractor accrual functions which facilitates real-time reporting for more accurate decision-making relevant to projects at a cost-object, element and subproject level. Frequent Executive Committee and Board meetings. Glenveagh continuously reviews the site delivery matrix and updates this as necessary. We engage in continuous communications with our subcontractor network and supply chain to ensure they are aware of our plans. We employ highly experienced and qualified project managers and quantity surveyors who oversee a robust financial planning process for each development and continuously monitor and review the budget versus actual costings. This includes regular updates to the Executive Committee and Board. We have a formal budget sign-off procedure in place for each site. The commercial department has a dedicated estimating team to assist with reviews at pre-acquisition-stage budget preparation, planning-stage budget preparation, and pre-construction-stage budget preparation, with a focus on site development and value engineering. The estimating team is also responsible for the preparation of site development, curtilage & sub-structure BoQs to secure subcontractors based on a detailed scope, which facilitates thorough cost management and forecasting. The commercial team uses our reporting software which is linked directly with the Glenveagh ERP system. This ensures that budgets and cost data are managed and verified automatically, with forecasting and variances being tracked and reviewed.	

RISK MANAGEMENT REPORT CONTINUED

Table legend:

No change to risk rating | Increased risk rating | Decreased risk rating | New risk

Risk category	Risk or uncertainty and potential impact	Management's view	Key mitigating considerations	Risk rating change
Operational risk	**8. Attracting, retaining and developing people** The success of the Group is dependent on recruiting, retaining and developing highly skilled, diverse and competent people. The Group is aware that we need to have an inclusive and equitable working environment and ensure that we engage and challenge our employees so that they can positively impact the business. The loss of key personnel and/or the inability to attract/retain adequately skilled and qualified people could adversely impact business performance.	As the business continues to grow in line with our targets, management is aware there will be a greater need to recruit high quality skilled staff to ensure site employee and head office headcount keeps pace with growth. The growth of the business also brings with it opportunities for increased responsibility and advancement for current staff and there needs to be a continued focus by management on the development of existing staff and succession planning. We are also conscious of the need to continue to develop our employer-value proposition and build our employer brand. Areas such as Equity, Diversity and Inclusion, employee engagement and flexible working conditions will be of greater importance as we compete in a market with full employment.	Glenveagh offers competitive and attractive remuneration packages and where appropriate long-term interest alignment. We offer the opportunity for advancement through creating a positive working environment. We have a graduate programme across all departments to develop and ensure progression within the business. We have in place a performance management and appraisal process, which includes open channels of communication and feedback, and development plans for employees. We are developing a succession plan to ensure continuity of high quality service and knowledge retention. We have a dedicated learning and development team with a focus on developing and deploying continuous professional development and upskilling of staff. We have implemented flexible working arrangements for staff as well as offering support to ensure employees have suitable working-from-home arrangements. We ensure that all staff have access to relevant internal and external training. We are committed to the Great Place to Work credentials to further improve our internal and external culture and reputation. We have a corporate affairs team that is responsible for enhancing internal and external communications. We have put in place various initiatives at senior and middle management levels to address the greater need to recruit and maintain existing skilled staff, to ensure the site and head office employee headcount keeps pace with the continued growth of the business. We have invested in new HR software to support the organisation as it grows, providing more timely management information and freeing up resources to focus on core employee-related activities.	Increased risk rating

RISK MANAGEMENT REPORT CONTINUED

Table legend:

No change to risk rating | Increased risk rating | Decreased risk rating | New risk

Risk category	Risk or uncertainty and potential impact	Management's view	Key mitigating considerations	Risk rating change
Operational and reputational risk	**9. Data protection and cyber security** Glenveagh uses information technology to perform operational and marketing activities and to maintain its business records. A cyber attack could lead to potential data breaches or disruption to our systems and operations, which in turn could lead to damage to our reputation and potential loss of customers and revenue. Any security or privacy breach of the information technology systems may also expose Glenveagh to liability and regulatory scrutiny.	As businesses move to a hybrid working model, the threat from cyber attacks remains high. Enhanced controls, penetration-testing and security awareness training have been implemented which allow for better detection and prevention from cyber attacks. However methods of attack continue to evolve and are becoming more sophisticated, requiring additional technical controls and awareness training. Email-based attacks remain a significant risk. An email security platform is in place and is constantly reviewed and improved to address new threats.	Glenveagh's IT director leads our initiatives in mitigating the risk of cyber and data security breaches further. We have a personal data retention policy in place to manage the information held appropriately. We use internal and external back-up systems under the supervision of a third-party service provider pursuant to agreements that specify certain security and service-level standards. We have in place sensitive data and password protection and all such information is stored in secure locations and fully encrypted systems. Glenveagh is proactively managing the cyber threat, is continuously monitoring and evolving systems internally and has engaged a third party to assist and ensure that best practices are implemented to identify and remediate any potential weaknesses or control gaps. We have put in place a schedule of specific cyber security training-related training programmes. We have enabled multi-factor authentication for all users. A new VPN connection has been established increasing the resilience and security of the connection to facilitate remote working. Glenveagh's IT Director completes security assessments and implements suggested changes on a periodic basis. We have a cyber incident response service in place. We have a Chief Information Security Officer service in place to continuously review and improve all security related policies and procedures.	No change to risk rating

RISK MANAGEMENT REPORT CONTINUED

Table legend:

No change to risk rating · Increased risk rating · Decreased risk rating · New risk

Risk category	Risk or uncertainty and potential impact	Management's view	Key mitigating considerations	Risk rating change
Operational risk	**10. Insufficient health and safety procedures** Glenveagh is focused on the wellbeing of its employees, contractors, subcontractors and the general public. We understand that failure to implement and adhere to the highest standard of health and safety practices could lead to a significant risk to health, safety, and welfare of staff and other parties, resulting in increased costs and negatively impact the timely and safe delivery of a project. Additionally, any failure in health or safety performance or compliance, including delays in responding to changes in health and safety regulations may result in financial and/or other penalties.	The wellbeing of our people remains of paramount importance to management and the Board. We strive to ensure the highest standards of health and safety across our workforce and sites, with health and safety KPIs forming part of remuneration metrics. We continue to implement all the necessary steps to maintain the health and welfare of our employees, subcontractors and customers. Management has increased the proportion of sites having independent audits to 20% and we have continued to maintain our health and safety audit scoring at 88% (2021: 89%). Glenveagh has achieved ISO 45001 health and safety management systems certification, maintained our grade A Safe-T certificate, and increased training hours per employee.	Glenveagh has an experienced health and safety team in place with a specific health and safety plan for each site. We have a wealth of experience, adopt best practice and regulations and have developed and implemented formal best-practice policies and procedures to support and promote a robust health and safety environment. Glenveagh has developed an accredited health and safety management system and is certified to ISO 45001 by the National Standards Authority of Ireland. Glenveagh ensures all staff are appropriately and adequately trained. We hold a Grade A Safe-T certificate which is the industry health and safety auditing standard. We undertake monthly health and safety audits through both internal and external parties. We circulate a weekly incident monitoring report to construction management. There is adequate insurance cover in place to deal with any claims that may arise due to injury.	No change
Reputational risk	**11. Decline in product quality** Glenveagh's brand and customer satisfaction are crucial to our performance and any negative incidents including construction defects, material environmental liabilities (including hazardous or toxic substances), quality deficiencies or perceptions thereof could adversely impact sales, and possibly result in litigation cases against the business.	Our continued focus on improving the quality of design and product is an essential component of our homes. We continue to evolve the design of our end-product to meet the demands of changing lifestyles, as well as the rapidly changing levels of expectations from our customers. Continued investment and expansion in our manufacturing facilities, the development of modular build and offsite manufacturing and the standardisation and reduction in our house typologies are some of the measures we have undertaken to ensure we deliver high quality homes.	Glenveagh has in place robust quality-control procedures and strictly adheres to Building Control (Amendment) Regulations requiring (among other stipulations) the appointment of suitably qualified engineers and architects. We have a dedicated quality manager to manage and report on site quality. We have a dedicated environmental officer to advise on the business challenges, from an environmental perspective, on a daily basis. Glenveagh has an experienced and professional support team in place. We have a dedicated customer care team in place. We have an ISO 9001 certified quality management system to monitor product quality and drive continuous improvement.	No change

FINANCIAL REVIEW

Glenveagh continued its strong growth momentum in 2022 **across all segments of the business.**

Michael Rice Chief Financial Officer

FINANCIAL REVIEW CONTINUED

Glenveagh continued its strong growth momentum in 2022 across all segments of the business, with our highest Suburban unit deliveries, significant progress in the monetisation of our Urban portfolio, and planning lodged for both of our Partnership projects.

This significant growth has not come at the expense of further progress on our capital efficiency strategy, with the business returning approximately €150 million to shareholders in the year, bringing the overall returns over a two-year period to over €250 million. The business has also reduced its total equity to below €700 million for the first time since 2017, Glenveagh's first year in operation.

Group performance

Total Group revenue was €645 million (2021: €477 million) from two main income streams:

- €455 million in our Suburban business, which predominantly relates to our 1,354 Suburban units closed in the year;
- €190 million from our Urban business, which includes our land disposal in East Road and the revenue generated from a number of forward-funds, which are the Premier Inn hotel in Castleforbes and our apartment developments in Citywest and Castleknock.

Glenveagh's Suburban revenue of €455 million represents significant growth for the primary segment of the business and equates to a 64% increase in revenue versus 2021. The Group delivered 1,354 core units in the year at an average selling price of approximately €330k (FY 2021: €308k) reflecting the Group's strong operational performance in a challenging environment. ASP increased by 7% as a result of a change in portfolio mix and house-price inflation in the period.

Glenveagh finished the year with 408 Suburban units contracted or reserved for FY 2023 (FY 2021: 605). Though forward sales rates were lower than prior year levels, this is being actively managed to benefit from strong underlying market demand, that is further supported by updated Housing for All initiatives and the change to the Central Bank of Ireland's macroprudential rules, both of which became effective in January 2023.

We continued to actively manage suburban unit reservations in the first two months of the year and these now stand at 803 units. This progress demonstrates the strong underlying demand for suburban housing, supported by the updated government and Central Bank initiatives.

The Group's gross profit for the year amounted to €108.1 million (2021: €83.1 million) with an overall gross margin of 16.8% (2021: 17.4%).

Suburban gross margins improved as the business benefitted from a full year not impacted by COVID-19 related restrictions. FY 2022 margin was 18.4% and with suburban margin in the second half of the year higher still, we anticipate further improvement in the FY 2023 margin to approximately 19%.

Urban gross margin was 12.9% in FY 2022, modestly below guidance, reflecting the transaction mix in the period, in particular the impact of the forward sale of our development in Cluain Mhuire, Blackrock, where revenue and profits will now be fully recognised at completion.

Our operating profit was €70.1 million (2021: €50.6 million). The Group's central costs for the year were €36.1 million (2021: €30.1 million), which along with €1.9 million (2021: €2.4 million) of depreciation and amortisation, gives total administrative expenses of €38.0 million (2021: €32.5 million).

Net finance costs for the year increased significantly to €7.1 million (2021: €4.8 million), predominantly impacted by increased interest rates which have impacted the overall market.

Overall, the Group delivered an earnings per share of 7.6 cents (2021: 4.5 cents), an increase of 69%.

Balance sheet

In line with our continuing commitment to drive capital efficiency, we have reduced the Group's net assets to €693.1 million at 31 December 2022 (2021: €784.1 million). This has been achieved through a considered and strategic reduction in the land portfolio to €458.5 million (2021: €562.7 million). We believe that further reductions can be made in our land portfolio, while still supporting the significant growth the business has projected in the coming years.

The Group has continued to invest in work-in progress in line with the growth strategy of the business, with a year-end balance of €227.2 million (2021: €204.5 million). The increase year-on-year predominantly relates to the Urban business, where we have ongoing construction for the office development in Castleforbes and the apartment development at Cluain Mhuire, Dublin, both of which are due for completion in 2024.

The business has increased its non-current assets during the year, with increases in both goodwill and property, plant and equipment, resulting from our continued investment in innovation and our supply-chain initiatives. The acquisition of Harmony Timber Solutions Limited, along with our investment in additional timber frame and soil recovery facilities, will enhance our off-site manufacturing capabilities considerably. The focus for the business is to now integrate these capabilities effectively and maximise the value of these investments.

€645m

Total Group revenue

€108.1m

Gross profit for 2022

FINANCIAL REVIEW CONTINUED

> THE GROUP'S UNWAVERING FOCUS ON CAPITAL EFFICIENCY AND CASH-GENERATION PLACES THE BUSINESS IN AN EXCELLENT POSITION FOR CONTINUED LONG-TERM OPERATIONAL GROWTH.

At 31 December 2022, the reduced equity figure reflected the three share buyback programmes completed by the Group to date, which total over €250 million. In 2022, a total of 135.7 million shares had been repurchased and subsequently cancelled.

Albeit from a relatively low base, the Group made considerable progress in increasing Return on Equity (ROE) to 7.1% from 4.6% in 2021, an increase of 250bps.

Cash flow

In line with our continued focus on capital efficiency and reducing inventory, the business generated significant cash, with €140.9 million generated from operating activities (2021: €104.3 million). The main drivers of this cash-generation are €72.4 million from the Group's profitability, and €83.4 million from the reduction in inventory.

This cash-generation allowed the business to invest in line with our capital allocation priorities, predominantly focused on acquisitions and capital expenditure of €27.2 million and the two separate share buyback programmes totalling €146.3 million in the year.

The business vigorously managed its cash flow requirements and ended the year in a net debt position of only €13.8 million, demonstrating the strength and resilience of our balance sheet. This provides a very strong platform for further capital-allocation initiatives in 2023.

Group financing

In February 2023, the Group finalised a new five-year sustainability linked finance facility of €350 million, consisting of €100 million term component, and a revolving credit facility of €250 million, which is a direct replacement of our previous €250 million debt facility. This new facility is with our existing banking syndicate, at interest rates consistent with those of the previous facility and includes financial and sustainability covenants that better reflect the current strategy and growth ambitions of the business.

This facility will ensure that the business has the appropriate financial structure to support the operational growth of the business over the next five years, while also ensuring the business can maximise its return on equity for shareholders.

Investor relations and share price

Glenveagh is committed to interacting with the international financial community to ensure a full understanding of the Group's strategic plans and targets and its performance against these. During the year, the executive management and investor relations team presented at four capital market conferences and conducted 111 institutional one-on-one and group meetings.

The Group has had a strong share-price performance throughout FY 2022 relative to its peer group, aided by the strong profitability and the initiatives introduced to improve the capital efficiency of the business. The Group's shares traded between €0.84 and €1.27 during the year (2021: €0.82 to €1.24). The share price at 31 December 2022 was €0.85 (31 December 2021: €1.23) giving a market capitalisation of €539.9 million (2021: €950.8 million).

Outlook

The Group continues to see a very positive long-term outlook in the Irish residential housing market, and we believe we are very well-positioned to take advantage of that opportunity. Notwithstanding the Group's forecasted 2023 performance, which has been shaped specifically by planning momentum, the business has a busy development schedule across our sites, including opening new sites for first deliveries in 2024.

The Group has forward-sales of 803 Suburban units which reflects significant progress from our announcement on 5 January 2023 and also demonstrates the strength of the underlying demand for Suburban homes.

We currently anticipate earnings per share for FY 2023 to be 7.5 – 8.0 cents.

The Group's unwavering focus on capital efficiency and cash-generation, along with our new €350 million debt facility, places the business in an excellent position for continued long-term operational growth and maximising returns for shareholders, with our Return on Equity target of 15% in 2024 continuing to be our key capital metric.

Michael Rice
Chief Financial Officer

INTRODUCTION FROM THE CHAIRMAN

Dear shareholders,

On behalf of the Board, I am pleased to present the Corporate Governance Report for the year ended 31 December 2022.

Corporate Governance Code
The Board is committed to the highest standards of corporate governance and for the year ended 31 December 2022, the Corporate Governance Report, in conjunction with the Audit and Risk Committee report, the Remuneration Committee report, the Nomination Committee report and the Environmental and Social Responsibility Committee report, describes how the Company has applied the principles and followed the provisions of the 2018 UK Corporate Governance Code (the 'Code') and the Irish Corporate Governance Annex (the 'Annex') and details any departures from the specific provisions.

During 2022, we complied with the Code and the Annex with the following exceptions:

> Provision 9, in relation to the appointment of an Executive Chairman at IPO; and
> Provision 41, workforce engagement on executive pay.

Further details in relation to these matters are provided on pages 81 and 92, respectively, and the Board will keep them under review during 2023.

> The Code can be found at www.frc.org.uk
> The Annex can be found at www.euronext.com

INTRODUCTION FROM THE CHAIRMAN CONTINUED

> AS A BOARD, WE ARE COMMITTED TO ACHIEVING THE TARGETS SET BY BALANCE FOR BETTER BUSINESS FOR ISEQ 20 COMPANIES.

Sustainability, including climate change
Glenveagh acknowledges the role that it needs to play as one of Ireland's leading homebuilders and has integrated sustainability throughout its business strategy. Performance against our environmental, social, and governance ('ESG') indicators can be found on page 43. The Board are particularly conscious of the Group's impact on climate change, and have set ambitious targets in this area. Details of these and the work to comply with the requirements of the Task Force on Climate-related Financial Disclosures ('TCFD') are set out on page 51. Building sustainable homes has been part of Glenveagh's strategy for many years, and as a Board, we continue to give a considerable amount of time and focus to the oversight of sustainability matters.

Board composition and succession
The Nomination Committee continues to lead the process for Board appointments and ensuring that plans are in place for systematic Board and senior management succession. Richard Cherry chose not to seek re-election at the Annual General Meeting ('AGM') in April 2022 and, on behalf of the Board, I would like to thank Richard for his contribution to Glenveagh since joining the Board in 2017.

During 2022, the Nomination Committee conducted a request for proposal ('RFP') to select an executive search provider to advise it as it began the process of identifying a new Non-executive Director for proposal to the Board. Further details in relation to the nomination process are provided in the report of the Nomination Committee on page 83.

As a Board, we are committed to achieving the targets set by Balance for Better Business for ISEQ 20 companies. The Nomination Committee remains cognisant of the diversity targets directed by forthcoming EU legislation, as well as by investor and stakeholder expectations, as it progresses through the nomination process in early 2023.

Board evaluation
The Board and each of its committees evaluate their performance on an annual basis in order to assess if any improvements can be made. In 2022, we conducted an internal Board performance evaluation, overseen by our Company Secretary, and I am happy to report that the evaluation found that the Board and its committees continue to operate effectively, while providing some insight into opportunities for further development.

You can read more about our evaluation process on page 85.

Priorities for the year ahead
As a Board we have a demanding year ahead with a number of environmental and social priorities; these include overseeing the implementation of our net zero transition plan, approving strategies in the important areas of biodiversity and circular economy, along with continued progress on our overall strategy, including the development of our senior leaders, and maintaining a robust internal control environment and risk management framework.

Conclusion
I believe that the Board is well-positioned to provide the strategic oversight and leadership required for Glenveagh to continue to deliver long-term sustainable success and continued returns for shareholders.

The 2023 AGM will be held on 8 June 2023 and the Board looks forward to the opportunity to engage with our shareholders in person.

Further details will be published in the Notice of Annual General Meeting, which will be sent or made available to shareholders, and is also available on the Company's website, www.glenveagh.ie

John Mulcahy
Chairman

Glenveagh corporate website
The Glenveagh website www.glenveagh.ie contains additional information about our corporate governance:

- Composition of principal Board and Board committees;
- Terms of reference for the Board committees; and
- Details of AGM, proxy voting by shareholders, including votes withheld

CORPORATE GOVERNANCE REPORTING

CODE PRINCIPLE: BOARD LEADERSHIP

Board of Directors



Name	**John Mulcahy (74)**	**Stephen Garvey (43)**	**Michael Rice (40)**
Job title	Chairman	Chief Executive Officer	Chief Financial Officer
Nationality	Irish	Irish	Irish
Date of appointment	Appointed to the Board on 11 August 2017 and as Chair of the Nomination Committee on 28 April 2022.	Appointed to the Board on 9 August 2017.	Appointed to the Board on 1 November 2019.
Skills and experience	John is a chartered surveyor with over 40 years' experience in the Irish real estate sector. Previously, he was a member of the board (from 2012 to 2014), and head of asset management (from 2011 to 2014), at National Asset Management Agency and, prior to that, was chairman and CEO of JLL's operations in Ireland from 2002 to 2010. John was also a founding member of the RICS Asset Valuations Standards Committee and the Property Advisory Committee of the National Pension Reserve Fund.	Stephen Garvey was appointed Chief Executive Officer in August 2019. Stephen is responsible for delivering on Glenveagh's vision that everyone should have the opportunity to access great-value, high-quality homes in flourishing communities across Ireland. Stephen has over 20 years' experience in the construction and property industry in Ireland. Prior to founding his own successful residential development business, Bridgedale Homes, Stephen worked with a number of Ireland's largest property developers. From 2014 to 2017, Stephen advised and managed the acquisition of Irish residential development opportunities on behalf of TIO RLF. A co-founder of Glenveagh, Stephen has led the growth and development of Glenveagh since IPO.	Michael Rice is Glenveagh's Chief Financial Officer. Michael joined Glenveagh in September 2017 having previously worked as the group financial controller of Kingspan Group plc. Michael oversees a wide range of functions including finance, treasury, corporate governance, IT, corporate affairs and investor relations. He is a qualified chartered accountant with significant experience of finance management in both domestic and international environments.
Other appointments	John is the chairman of IPUT plc and a board member of TIO ICAV, and Quinta do Lago S.A., a Portuguese resort developer.		
Committee memberships			

KEY

- Audit and Risk Committee
- Environmental and Social Responsibility Committee
- Remuneration Committee
- Nomination Committee
- Chair of Committee

Robert Dix (70)	**Cara Ryan (50)**	**Pat McCann (71)**	**Camilla Hughes (53)**	**Chloe McCarthy (38)**
Senior Independent Director	Independent Non-executive Director	Independent Non-executive Director	Independent Non-executive Director	Company Secretary
Irish	Irish	Irish	British	Irish
Appointed to the Board on 26 September 2017.	Appointed to the Board on 1 September 2019 and as Chair of the Audit and Risk Committee on 3 September 2020. Cara is also the Glenveagh Workforce Engagement Director.	Appointed to the Board on 1 September 2019 and as Chair of the Remuneration Committee on 28 April 2022.	Appointed to the Board and as Chair of the Environmental and Social Responsibility Committee on 1 July 2021.	
Robert Dix was formerly a partner and head of transaction services at KPMG Ireland, where he worked for 20 years before his retirement in 2008. He now operates his own firm, Sopal Limited, which advises organisations on capital markets, corporate governance and strategic planning issues. Robert is a graduate of Trinity College Dublin and a Fellow of Chartered Accountants Ireland.	Cara is a Non-executive Director, with over 20 years' experience at board level in publicly listed and private companies, in both regulated and non-regulated entities. Cara was the director of finance of Manor Park Homebuilders, an Irish housebuilding company and she was formerly a non-executive director of IFG Group plc, a listed financial services group in Dublin & London and was the managing director of IFG Investment Managers until 2006. Cara holds a BA in Economics from University College Dublin and a MSc in Investment & Treasury from Dublin City University.	Pat has 50 years' experience in the hotel industry, having begun his career in 1969 with Ryan Hotels plc. He joined Jurys Hotel Group plc in 1989 and became chief executive of Jurys Doyle Hotel Group plc in 2000. Pat founded Dalata Hotel Group plc in 2007 and acted as CEO until 31 October 2021. He is a non-executive director of a number of private companies and was appointed to the board of Ibec in 2017. Pat completed his term as president of Ibec in September 2020. He is a former non- executive director of EBS Building Society, Greencore Group plc and Whitfield Private Hospital. He has served as national president of the Irish Hotels Federation and as a member of the National Tourism Council.	Camilla is a highly experienced ESG and capital markets adviser, having spent over twenty-five years in financial services, and investment banking. She currently provides independent ESG advisory services to corporates and banking teams in M&A, capital raisings, shareholder engagement and ESG reporting at Rothschild & Co in the Global Advisory business, based in London. Her work focuses on helping publicly listed and privately owned companies around climate and sustainability strategies, including governance issues, and connecting them to ESG capital at all stages of corporate life cycle. Previous to expanding her executive career, Camilla has worked at Credit Suisse, UBS and Market Pipe, an early-stage Fintech SaaS business included in the Techtrak 100. She holds a Bachelor of Arts degree and MA (Hons) in Philosophy, Politics and Economics from Oxford University and is an alumna of the Cambridge University Institute for Sustainability Leadership and Sustainable Finance.	Chloe is an ICSA qualified Company Secretary and a barrister-at-law in Ireland. Chloe was called to the Bar of Ireland in 2008 and was a member of the Law Library for a number of years before gaining experience at international law firms including Taylor Wessing in London, Allens Linklaters in Sydney and A&L Goodbody in Dublin. Prior to joining Glenveagh at IPO in 2017, Chloe was the assistant company secretary at Aegon Ireland plc.
Robert is the CEO of Sopal Limited and a non-executive director and chairman of Quinn Property Group.	Cara is the chair of Mercer Ireland Limited and a member of its board risk committee and remuneration committee, a non-executive director of Stonebond Properties and a non-executive director and chair of the audit committee of BNP Fund Administration Services in Ireland.	Pat is the deputy chairman at The National Maternity Hospital and a non-executive director of Ibec and Quinn Property Group.		

CODE PRINCIPLE: BOARD LEADERSHIP AND COMPANY PURPOSE

Role of the Board

The Board is responsible for setting the Company's purpose, strategy and values, promoting the long-term sustainable success of the Group while generating shareholder-value and contributing to the society in which it operates. The Board provides effective leadership by developing and guiding the strategic direction of the Group, understanding the key risks faced by the Group and determining the risk appetite of the Group and ensuring that a robust internal control environment and risk management framework are in place.

The Board has overall responsibility for the management of the Group's activities and has put in place a framework of controls and delegated authorities, which enables the Group to appraise and manage risk effectively. To assist in discharging its responsibilities, the Board has established an Audit and Risk Committee, a Remuneration Committee, a Nomination Committee and an Environmental and Social Responsibility ('ESR') Committee. A high-level overview of the delegated authority flow from the Board is shown in the diagram on page 77.

The composition of each of the Board committees is fully aligned with the provisions of the Code and is detailed in the reports of the relevant committees on pages 82 to 105.

The terms of reference for each of the Board committees and the schedule of matters reserved for the Board are reviewed on an annual basis and made available on the Group's website, www.glenveagh.ie.

Details of the activities of the Board during the year can be found on the next page.

Board meetings

The Board convenes with sufficient frequency to ensure the effective discharge of its duties during the year and holds additional meetings when required. In line with the easing of COVID-19 restrictions, the Board met in person for all nine meetings held during the year. In addition to formal Board meetings, the Board also convened for a number of strategy and training sessions in 2022.

Time commitment

The time commitment required of Directors is considered on appointment, and on an annual basis by the Board. All Directors are expected to allocate sufficient time to discharge their duties effectively and confirm this as part of the annual Board evaluation. Each year, the schedule of regular meetings to be held in the following calendar year is agreed with each of the Directors. If a Director is unable to attend a scheduled meeting, they are encouraged to communicate their views on the relevant agenda items in advance to the Chairman or the Company Secretary for noting at the Board meeting.

Attendance at Board and committee meetings

	Board	Nomination Committee	Remuneration Committee	Audit and Risk Committee	ESR Committee
Current Directors					
John Mulcahy	9/9	3/3	n/a	n/a	n/a
Stephen Garvey	9/9	n/a	n/a	n/a	4/4
Michael Rice	9/9	n/a	n/a	n/a	n/a
Robert Dix	9/9	3/3	n/a	5/5	4/4
Cara Ryan	9/9	n/a	6/6	5/5	n/a
Pat McCann	9/9	3/3	6/6	5/5	4/4
Camilla Hughes	9/9	3/3	6/6	n/a	4/4
Past Directors					
Richard Cherry	3/3	0/1	2/2	0/1	n/a

MEETINGS DURING THE YEAR

AGM · Board meeting · Committee meeting · Training days

January
Board training
Remuneration Committee meeting

February
ESR Committee Meeting

March
Board meetings
Audit & Risk, and Nomination Committee meetings

April
Board meeting
Annual General Meeting

May
Board meeting
Audit & Risk, Nomination and ESR Committee meetings

July
Board meeting

September
Board meeting
Audit & Risk, Remuneration and ESR Committee meetings

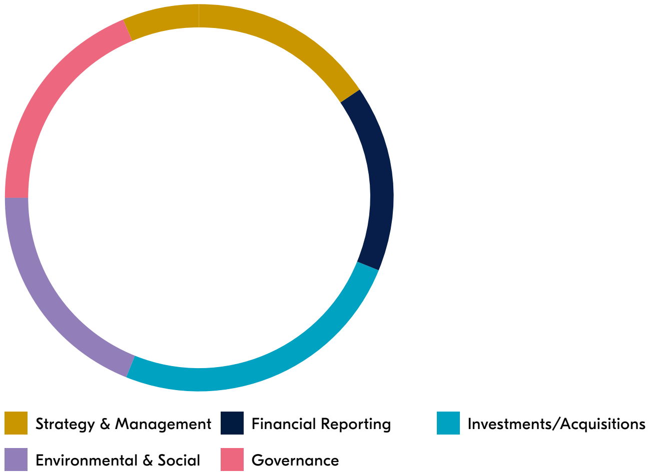
October
Board training day (including strategy session)
Board meeting
Audit & Risk and Remuneration Committee meetings

November
Audit & Risk and ESR Committee meetings

December
Board meeting
Nomination and Remuneration Committee meetings

CODE PRINCIPLE: BOARD LEADERSHIP AND COMPANY PURPOSE CONTINUED

The Board's key activities during the year were:



What did the Board do this year?

Activity	Description
Strategy & Management	> Engaged with senior management in detailed strategic planning sessions and received reporting on strategy implementation throughout the year, as part of the annual strategic planning cycle. > Reviewed and challenged operational and financial reporting from the Chief Executive Officer and the Chief Financial Officer. Monthly management reporting includes an analysis of the Group's performance against KPIs and updates in relation to health and safety, planning, construction, sales, customer satisfaction, investment, operations, finance, HR and investor relations. > Reviewed and approved the Group's updated manufacturing strategy. > Continued to assess the capital allocation priorities of the Group and identified excess capital for return to shareholders through the initiation of a third buyback programme.
Environmental & Social	> Reviewed quarterly management reporting in relation to the Group's environmental and social responsibilities. > Received training in the form of presentations from external advisors on recent developments including; EU Sustainable Finance Action Plan and Taxonomy, Corporate Sustainability Reporting Directive and ESG trends. > Supported management in partnering with Clúid Housing to provide emergency accommodation for up to 40 Ukrainian families, in addition to matching voluntary donations by staff to a minimum commitment of €250,000.
Financial Reporting	> Reviewed and approved Budget 2023. > Reviewed and approved the 2022 Annual Report and Audited Financial Statements, on the recommendation of the Audit & Risk Committee. > Reviewed and approved the 2022 Interim Financial Statements, on the recommendation of the Audit & Risk Committee. > Reviewed and approved the Group's full-year and half-year financial results announcements.
Governance	> Reviewed the findings from the internally facilitated Board performance evaluation in 2022 and agreed areas of focus for the Board in 2023. > Considered Board members' potential conflicts of interests. > Received updates from the Chairs of the Board committees at each scheduled Board meeting. > Reviewed and approved the 2022 Notice of Annual General Meeting for circulation to shareholders. > Reviewed and approved the schedule of matters reserved for the Board and the terms of reference for each of the Board committees. > Reviewed and approved the terms of reference for the expanded executive committee ('ExCo'), following the Chairman's transition to a non-executive role.
Investments/ Acquisitions	> Reviewed all site acquisitions approved by the ExCo under its delegated authority from the Board. > Considered and approved the disposal of the East Road site. > Considered and approved the acquisition of Harmony Timber Solutions Limited. > Reviewed management updates in relation to pipeline sites and the progression of existing land bank assets. > Reviewed and challenged post-acquisition investment performance against management models. > Reviewed and approved capital expenditure associated with the Group's updated manufacturing strategy.

CODE PRINCIPLE: BOARD LEADERSHIP AND COMPANY PURPOSE CONTINUED

Culture and Values

Glenveagh's vision is that everyone should have the opportunity to access great-value, high-quality homes in flourishing communities across Ireland. The Board believes that building homes and communities is a worthy cause and will positively impact Irish society.

The Board continues to support management in forging a new path, innovating at every stage of the homebuilding process. To do this, the Board fosters a culture of fresh thinking, teamwork and trust to challenge the status quo. The Board is committed to ensuring the continued alignment of Glenveagh's strategic decisions with its purpose and culture, through both the setting of non-financial KPIs in health and safety and customer satisfaction, and through its regular assessment of policies and practices across the business.

The Board assesses and monitors Glenveagh's culture through a number of employee engagement measures including the workforce engagement forum, which is attended by Cara Ryan as the Board's Workforce Engagement Director, regular employee engagement surveys and the Group's whistleblowing reporting mechanisms.

Further details in relation to the role of the Workforce Engagement Director can be found on page 81.

The Board recognises the significant role the people of Glenveagh have played in delivering our success to date and strives to continue to be a great place to work for every single employee.

OUR VALUES

Our values encompass the culture and conduct we expect from all our employees in the day-to-day operations of our business.

Safety-first | Collaborative | Innovative | Customer-centred | Can-do

Examples of ways that the Board and its committees monitor and assess culture

Who	What
The Board	> The operational and financial reporting presented at every scheduled Board meeting contains detailed people updates covering health and safety, recruitment and retention, and learning and development. > The Board reviews customer satisfaction survey scores on a monthly basis.
Board Members	> The Workforce Engagement Director meets with employee representatives every six months in order to facilitate direct feedback to the Board on culture and the working environment. > Board training days and site visits provide opportunities for the Non-executive Directors to engage with employees of all levels across the Group's operations.
ESR Committee	> The committee receives regular updates on diversity and inclusion, health and safety and culture within the Group, with progress in these areas measured and assessed through employee survey results. > The committee considered and approved the introduction of a Group Equity, Diversity and Inclusion ('EDI') Strategy, including the adoption of targets and goals for each level of the organisation. > The committee reviewed and approved the Group's first report under the Gender Pay Gap Information Act 2021.
Audit and Risk Committee	> The committee receives and considers regular internal audit reports, covering a wide range of the Group's operations and providing insight into the operational culture of the business. > The committee reviews and approves the Group Whistleblowing Policy and reporting mechanisms.
Remuneration Committee	> The committee evaluates the Group's non-financial performance against defined safety and customer satisfaction measures, assessed through externally managed customer surveys and site audits. These non-financial KPIs account for 30% of the annual bonus. > In addition to setting the pay for the Executive Directors and members of the ExCo (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.
Nomination Committee	> The committee recognises that succession planning is key to maintaining the Group's culture and it focuses on developing people internally and having a promising pipeline of talent to fill key senior management positions. > The Board is committed to achieving diversity and inclusion across the Group and, through the committee, continues to progress towards meeting the targets and goals set both internally and externally.

CODE PRINCIPLE: BOARD LEADERSHIP AND COMPANY PURPOSE CONTINUED

GOVERNANCE FRAMEWORK
DELEGATED AUTHORITY FLOW

Board

See Board of Directors on **page 72 and 73**

Nomination Committee

See report on **page 82**

Audit & Risk Committee

See report on **page 86**

Remuneration Committee

See report on **page 90**

ESR Committee

See report on **page 104**

Executive Management Team

ExCo

On 1 January 2022, the Executive Directors Stephen Garvey and Michael Rice were joined on the ExCo by Wesley Rothwell (Chief Commercial Officer), Conor Murtagh (Chief Strategy Officer), Barney O'Reilly (Head of Construction) and Tony McLoughlin (Managing Director – Planning, Design, Manufacturing and Operations). The Company Secretary Chloe McCarthy also attends ExCo meetings. The ExCo has responsibility for day-to-day running of the Group's operations, as delegated by the Board in the ExCo's terms of reference.

General Data Protection Regulation ('GDPR') Committee

The GDPR Committee was established in July 2022 and is responsible for providing oversight and high-level support for data privacy and implementation of GDPR within the Group. The committee is comprised of the CFO, the Chief Commercial Officer, the Chief Strategy Officer and the Company Secretary.

Operating Business

Senior Leadership Team ('SLT')

The SLT is comprised of over 30 senior members of management and is aimed at keeping the senior leaders in the business informed of the day-to-day business and performance of the Company. Members of the SLT present at the meetings, providing insight into various parts of the business. The SLT is also used to update senior leaders on strategy, people, performance and culture.

Construction Committee

The Construction Committee is comprised of senior members of the business with specific responsibility for areas of construction operations.

The Construction Committee meetings are held monthly to review all construction projects.

CODE PRINCIPLE: DIVISION OF RESPONSIBILITIES

There is a clear division of responsibilities within the Group between the Board and executive management. Responsibility for day-to-day running of the Group's operations is delegated by the Board to the ExCo, with the Board reserving to itself a formal schedule of matters over which it retains control.

The roles of the Chairman and the Chief Executive Officer are clearly segregated and the division of responsibilities between them is set out in writing and reviewed by the Board on an annual basis. The table below summarises how there is a clear division of responsibilities between the leadership of the Board and the executive leadership of the business.

Position	Description
Chair	The Chairman, John Mulcahy, is responsible for leadership of the Board, promoting its effectiveness in all aspects of its role and ensuring its key duties are discharged to an acceptable degree. The Chairman ensures that the Board members receive accurate and timely information, enabling them to play a full and constructive role in the development and determination of the Company's strategy. He is responsible for creating an environment which encourages open dialogue and constructive challenge, and he ensures that there is effective communication with the shareholders.
Chief Executive Officer ('CEO')	The CEO, Stephen Garvey, is accountable to and reports to the Board and is responsible for running the Group's business. He is charged with the execution of agreed strategy and implementation of the decisions of the Board, with a view to creating value for shareholders and the wider stakeholder base. The CEO is ultimately responsible for all day-to-day management decisions, acting as a direct liaison between the Board and management and communicating to the Board on behalf of the Group's external stakeholders. The CEO also chairs the ExCo.
Chief Financial Officer ('CFO')	The CFO, Michael Rice, is responsible for managing the financial affairs of the Group. His areas of responsibilty include finance, treasury, corporate governance, IT, corporate affairs and investor relations and he works closely with the CEO to manage the Group's operations. The CFO is a member of the ExCo and GDPR committee.
Senior Independent Director	The Senior Independent Director, Robert Dix, is available to shareholders who have concerns that cannot be addressed through the Chairman or CEO and will attend meetings with major shareholders as necessary. The Senior Independent Director acts as a sounding board for the Chairman and serves as an intermediary for the other Directors as necessary. He is also responsible for leading the annual performance review of the Chairman.
Non-executive Directors	Of the seven Board members, four are Independent Non-executive Directors. The Company's Non-executive Directors have a key role in the appointment and removal of Executive Directors, and the assessment of their performance. The Non-executive Directors constructively challenge and debate management proposals and hold to account the performance of management and of individual Executive Directors against the agreed performance objectives. The Non-executive Directors have direct access to the senior management team within the Group and contact with the business is encouraged by the Board and assists the Non-executive Directors in constructively challenging management and offering advice and guidance on strategic decisions.
Company Secretary	The Company Secretary, Chloe McCarthy, supports the Chairman and the Executive Directors in fulfilling their duties and is available to all Directors for advice and support. She is responsible for ensuring compliance with Board procedures and for the Group's commitment to best practice in corporate governance. The Company Secretary is also responsible for ensuring compliance with the Group's legal and regulatory obligations.

CODE PRINCIPLE: DIVISION OF RESPONSIBILITIES CONTINUED

Shareholder and stakeholder engagement

The Code provides that the Board should ensure effective engagement with, and encourage participation from shareholders and stakeholders. Further details regarding the Board's engagement with key stakeholders can be found on page 80.

Shareholders

The Board recognises the importance of engaging with shareholders and values regular dialogue. The Group prioritises effective dialogue with shareholders to ensure that we capture and embrace feedback relating to areas of interest and areas of concern. This commitment is formalised through the Group's comprehensive investor relations programme. The views of shareholders are communicated to the Board through the Executive Directors and they receive monthly updates on institutional shareholder meetings, broker reporting and general market commentary, all of which assists the Board in understanding and taking account of the view of shareholders. In addition, the Chairman and Senior Independent Director remain available to meet with shareholders on request, should they have any issues or concerns that cannot be resolved through the usual IR channels, and up-to-date contact details are available on the Group's website, www.glenveagh.ie.

Investors and analysts

In addition to the detailed presentations and roadshows conducted after the announcement of interim and full-year results, the Group runs an active investor relations programme that includes all financial announcements, presentations and regular ongoing dialogue with the investment community, apart from when the Group is in a close period. The CEO, CFO and Head of Investor Relations regularly meet with institutional investors and analysts throughout the year and participate in a number of industry conferences. This year, executive management attended in-person conferences, roadshows and investor meetings as outlined on the next page.

Further details in relation to the Group's investor engagement during 2022 is provided in the stakeholder engagement section on page 28.

Annual General Meeting

The AGM gives shareholders an opportunity to receive a presentation on the Group's activities and performance during the year, to ask questions of the Chairman and, through him, the Board committee chairs and members, and to vote on each resolution put to the meeting. The AGM also provides the Board with a valuable opportunity to communicate with private investors and the Board encourages all shareholders to attend the meeting each year and to put forward any questions they may have to the Directors at the conclusion of the formal business of the meeting.

In line with the easing of COVID-19 restrictions, the Board was delighted to once again meet with shareholders in person at the 2022 AGM. Shareholders who were unable to attend the AGM in person were invited to remotely access the AGM via a virtual meeting platform which included a mechanism for lodging questions in advance of and during the meeting.

The 2023 AGM will be held on 8 June 2023 at The Westbury Hotel, Balfe Street, Dublin 2.

Private shareholders

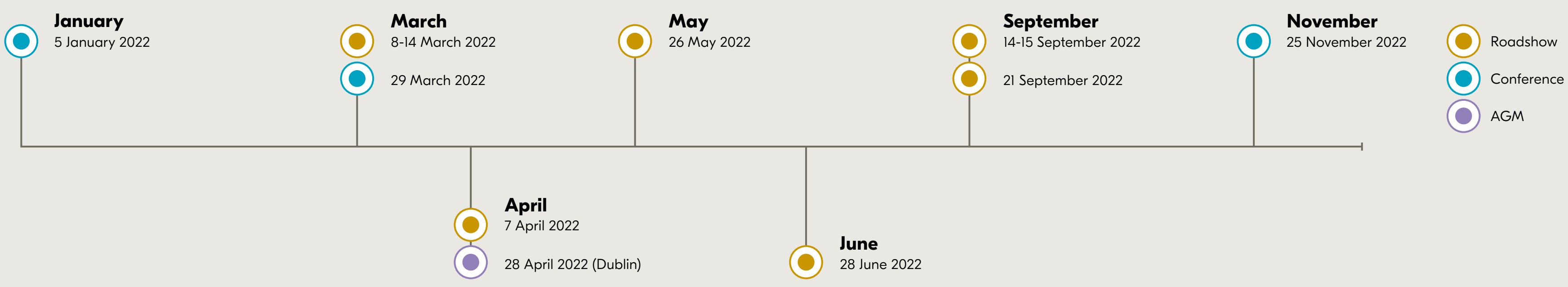
The Company Secretary, Chloe McCarthy, oversees communication with private shareholders, and ensures direct responses as appropriate in respect of any matters raised by shareholders.

Website

Glenveagh's website is an important channel for interacting with all stakeholders, including shareholders, and it provides a library of all relevant shareholder communications, financial results and updates, and a history of our share price performance.

All material information reported to the Regulatory News Service is published at www.glenveagh.ie/corporate/investor-centre.

TIMELINE OF STAKEHOLDER ENGAGEMENT



CODE PRINCIPLE: DIVISION OF RESPONSIBILITIES CONTINUED

OTHER STAKEHOLDERS

It is critical for the success of the Group that it engages with all of its key stakeholders, seeks their views and takes into consideration their interests as part of its decision-making process. Board engagement with other key stakeholders during 2022 is summarised in the table below.

Further detail in relation to the wider Group's engagement with key stakeholders is provided on pages 26 to 29.

Stakeholder	How the Board engages	Activity during 2022
Employees	> Monthly in-house and externally facilitated health and safety audits of all Group sites. > Board visits to sites, manufacturing facilities and head office. > Employee engagement surveys. > Designated Non-executive Director with responsibility for workforce engagement.	> Monthly reporting of health and safety audit results. > Continued recognition of the importance of health and safety, maintaining it as one of the Group's two non-financial annual bonus metrics. > Approved the Group's EDI strategy and set clear targets across all levels of the business. > Approved the movement of head office to modernise and improve the work environment for staff. > Received and considered feedback from the 2022 Great Place to Work employee engagement survey. > Visits by Cara Ryan, in her capacity as Workforce Engagement Director, to meet with employee representatives on-site every six months. > Ongoing review of leading employee satisfaction indicators, including turnover rates, training and development levels, and benefits available to staff.
Customers	> Externally facilitated customer satisfaction surveys. > Customer Care department reporting and metrics.	> Monthly reporting of customer satisfaction survey results. > Regular review of customer care data and issue tracking. > Continued recognition of the importance of customer satisfaction, maintaining it as one of the Group's two non-financial annual bonus metrics.
Communities	> Consultation with communities throughout the site planning process. > Support of local community initiatives and Group charity partners.	> Regular review of housing need in the communities in which the Group operates. > Supported the development and publication of the Group's Compact Growth Strategy, demonstrating Glenveagh's role as a thought leader in this area. > Supported management in responding to the humanitarian crisis in Ukraine through an initiative with Clúid Housing to provide emergency accommodation in Ireland for up to 40 displaced Ukrainian families.
Government & regulators	> Regular communication with industry bodies, planning authorities and Government representatives. > Communication with regulators including the LSE, Euronext Dublin, the FCA and the Central Bank of Ireland.	> Direct engagement through the Executive Directors with housebuilding bodies and local and national planning authorities and government representatives. > Engagement with regulatory authorities through the Company Secretary.
Suppliers & partners	> Board visits to manufacturing facilities and development sites. > Surveys of contractors and supply-chain partners.	> Monthly reporting from construction operations and procurement departments. > Approved the expansion of the Group's manufacturing operations and increased supply-chain integration and partnerships across different building methodologies.

CODE PRINCIPLE: DIVISION OF RESPONSIBILITIES CONTINUED

Workforce engagement

The Board is committed to meeting its responsibilities to all stakeholders in the business, and places significant value on the maintenance of successful relationships with the Group's workforce, suppliers, customers and the communities in which it operates.

Cara Ryan is designated as the Non-executive Director with responsibility for employee engagement on behalf of the Board. In her position as the Workforce Engagement Director, Cara continued to work with the Company Secretary and the Head of Human Resources to develop meaningful two-way dialogue between employees across the Groups' operations and the wider Board. During the year, Cara held two meetings with representatives from each department in the business and provided an opportunity for them to ask questions directly of the Board.

Feedback from these meetings has continued to be very positive, with employees welcoming the opportunity to meet with a Non-executive member of the Board. Equally the Board recognises the importance of ongoing communication and 'reporting back' to the workforce, to demonstrate that it has listened to and acted upon feedback, and the Board remains committed to continuing to enhance its engagement activities and strengthen its relationship with the workforce.

Board information

Each month, the Directors receive financial and operational information to help them discharge their duties. In order to allow sufficient time to review, Board papers are circulated digitally at least one week before each Board meeting. Directors have access to independent professional advice at the Company's expense, if they consider it appropriate.

Independence

As required by the Code, Provision 9 prescribes that the Chairman should be independent on appointment. The Board is of the collective belief that John Mulcahy's role as a Non-independent Chairman during the period from IPO to 31 December 2022 enabled him to bring his extensive knowledge and experience of the Irish residential housing market to his leadership of the Board.

As announced at the Company's 2021 AGM, John transitioned to a Non-executive Chairman role on 1 January 2022. While John has stepped down from his executive duties, the Board unanimously considers that his commitment and contribution as Chairman is essential to the continued effective leadership of the Board and the Group.

Given John's prior executive role within the Company, the Senior Independent Director remains willing and available to assume any additional responsibilities, as required. There is also a clear division of responsibilities between the Chairman and the CEO. As such, the Board remains satisfied that no one individual or group has dominated its decision-making and that there has been sufficient challenge of executive management in meetings of the Board.

The independence of each of the Non-executive Directors is considered on appointment, and on an annual basis by the Board. The Board has reviewed the independence of all Non-executive Directors and determined that they continue to be independent within the provisions of the Code.

The Board gave particular consideration to the continued independence of Robert Dix and Pat McCann, noting that both currently act as non-executive directors at Quinn Property Group. The Board was aware of this relationship on appointing Pat to the Board in 2019, and remains satisfied that Robert and Pat continue to demonstrate objectivity and autonomy in both character and judgement, irrespective of their relationship outside the Company, and will continue to act objectively and in the best interests of the Company.

Conflicts of interest

The Board considers potential conflicts of interest as a standing agenda item at each meeting and a conflicts of interest register is maintained by the Company Secretary, setting out any conflicts of interest which a Director has disclosed to the Board in line with their statutory duty.

The Company has established a comprehensive conflict of interest policy and, in line with that policy, each Director reviews the conflict of interest register and provides an updated declaration of interests form to the Company Secretary on an annual basis.

CODE PRINCIPLE: COMPOSITION, SUCCESSION AND EVALUATION
NOMINATION COMMITTEE REPORT

Nomination Committee Report

Chair, Nomination Committee
John Mulcahy

Committee members and attendance

Name	Position	Attendance
John Mulcahy	Chair	
Pat McCann	Member	
Robert Dix	Member	
Camilla Hughes	Member	
Richard Cherry	Member	

Quick facts

- John Mulcahy has chaired the Nomination Committee since April 2022.
- A majority of committee members are Independent Non-executive Directors, in line with the Code.
- The committee met three times during the year ended 31 December 2022.

Link to terms of reference
nomination-committee-terms-of-reference (glenveagh.ie)

On behalf of the committee, I am pleased to present the Nomination Committee report for the financial year ended 31 December 2022.

2022 was a year of transition for the Board, its committees and for the senior executive team. As announced at the 2021 AGM, I transitioned to the role of Non-executive Chairman with effect from 1 January 2022 and, as part of the succession planning for the smooth transition of my executive functions, the composition of the Group's executive committee was expanded with Tony McLoughlin (Managing Director – Planning, Design, Manufacturing and Operations), Wesley Rothwell (Chief Commercial Officer), Conor Murtagh (Chief Strategy Officer) and Barney O'Reilly (Head of Construction) joining the Executive Directors. Throughout 2022, the committee continued its engagement with management in relation to succession planning for these key Executives within the business.

Following Richard Cherry's decision not to seek re-election at the 2022 AGM, the committee reviewed all Board committee structures and Directors' responsibilities, and the following changes were recommended to the Board and approved with effect from the conclusion of the AGM:

- Pat McCann assumed the chair of the Remuneration Committee;
- I succeeded Pat as the chair of this committee, though he remains a member of the committee; and
- Pat also joined the Audit & Risk Committee.

Arising from the review of Board and committee composition during the year, the committee conducted an RFP in Q4 2022 to select an executive search provider to advise us, as we begin the process of identifying and appointing a new Independent Non-executive Director. Further details in relation to the appointment process are provided on page 83 of this report.

The Board is committed to achieving the targets set by Balance for Better Business for ISEQ 20 companies and by the FCA for UK-listed companies, though we acknowledge that the Board composition as at 31 December 2022 did not meet these targets. A detailed breakdown of Board diversity is provided on page 84 of this report. This committee will remain cognisant of these diversity and inclusion targets, as well as investor and stakeholder expectations in this regard, as we proceed through the nominations process in early 2023.

CODE PRINCIPLE: COMPOSITION, SUCCESSION AND EVALUATION CONTINUED
NOMINATION COMMITTEE REPORT CONTINUED

Committee's key roles and responsibilities
As a committee our responsibilities include:

- Regularly reviewing the structure, size and composition (including skills, experience and knowledge) of the Board and other senior management positions and making recommendations to the Board with regard to any proposed changes;
- Leading the process for appointments and ensuring that a formal, rigorous and transparent procedure is undertaken for effective and orderly succession to both Board and senior management positions;
- Promoting the development of greater diversity at Board-level and reviewing the Board diversity policy on an annual basis; and
- Reviewing the results of the annual Board performance evaluation process that relate to the composition of the Board and the time commitment required from Non-executive Directors.

Committee activities in 2022

March 2022	May 2022	December 2022
> Discussed and considered the results of the 2021 Board evaluation in relation to Board and committee composition and Directors' responsibilities and time commitments.	> Reviewed and discussed the Board skills matrix as a basis for preparing a draft candidate specification for a potential new Independent Non-executive Director.	> Considered RFP responses received from three potential third-party executive search advisors.
> Reviewed Board and committee structure, size and composition.	> Continued discussions in relation to Board succession and the potential initiation of an RFP to appoint a third-party executive search adviser.	> Considered and approved an initial draft candidate specification for the proposed new Non-executive Director appointment.

PROCESS FOR BOARD APPOINTMENTS
The process for Board appointments involves the committee first appointing a search agent for the assignment, following which it reviews and approves an outline of the role specification for the new appointee. The committee meets the search agent to discuss the specification and the search, following which the agent prepares an initial longlist of candidates. The committee defines a shortlist and holds interviews and ultimately, the committee makes a recommendation to the Board for its consideration. Following Board approval, and in line with the requirements of the FCA and Euronext Dublin listing rules, the appointment is announced to the market.

Following a detailed RFP process in Q4 2022, Odgers Berndtson (an executive search firm with no other connections to the Company or its Directors) was selected by the committee to advise on the appointment of a new Independent Non-executive Director in early 2023.

Step 01
The committee appoints a search agent and reviews and approves an outline brief and role specification.

Step 02
The agent prepares an initial longlist of candidates.

Step 03
The committee then selects a shortlist and hold interviews.

Step 04
The committee makes a recommendation to the Board for its consideration.

Step 05
Following Board approval, the appointment is announced in line with the requirements of the FCA and Euronext Dublin listing rules.

CODE PRINCIPLE: COMPOSITION, SUCCESSION AND EVALUATION CONTINUED
NOMINATION COMMITTEE REPORT CONTINUED

Board composition
The Board is currently comprised of seven Directors: the Non-executive Chairman, two Executive Directors and four Independent Non-executive Directors. As part of the annual Board evaluation process, the Board reviewed the overall balance of skill, experience, knowledge and independence of the Board and its committees. The Board is satisfied that it is of an appropriate size for the requirements of the business and that its composition provides a suitable balance of skills and experience across a number of industry sectors including construction, property development, capital markets, legal and financial services, which equip the Board members in effectively discharging their duties to the Company and its shareholders. The Board is satisfied that the balance of Executive and Non-executive Directors is suitable to facilitate constructive and effective challenge and debate.

Appointments to the Board
The Nomination Committee is responsible for leading the process for new Director appointments and has established a formal, rigorous and transparent procedure for the selection and nomination of candidates to the Board. There were no new appointments to the Board during 2022, but during the year the committee commenced the process of identifying a new Independent Non-executive Director following Richard Cherry's decision to step down from the Board.

Re-election
All Directors submit themselves for re-election at the Company's AGM.

Board diversity
The Board has adopted a Board diversity policy, intended to assist it, through the Nomination Committee, in achieving optimum Board and committee composition. The Board recognises the clear benefits of a diverse Board including diversity of experience, skills, background and gender and agrees that these differences should be considered in determining the optimum board composition. While all Board appointments are made on merit and with regard to the skills and experience that the Board requires to be effective, it is the Company's policy to develop over time the diversity of its Board without compromising the calibre of new Directors.

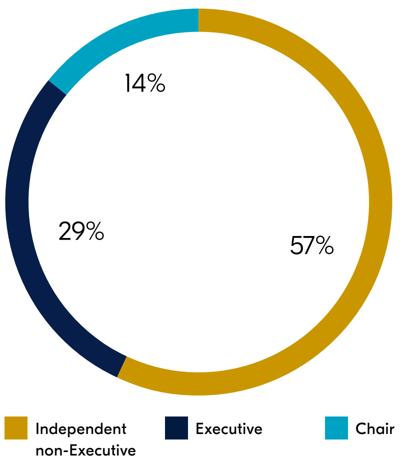
The Nomination Committee reviews the Board diversity policy annually, including assessing its effectiveness, and will discuss any revisions that may be required, recommending any such revisions to the Board for approval.

Through the ESR committee, the Board has approved targets for diversity and aims to reach 40% female representation and at least one Director from a minority ethnic group. Currently, female Directors account for 29% of the Board; there are no Directors who self-disclose as being from minority ethnic groups. Below Board level, female employees accounted for 14% of the senior management as at 31 December 2022, as defined by the Code, and 27% of senior management direct reports.

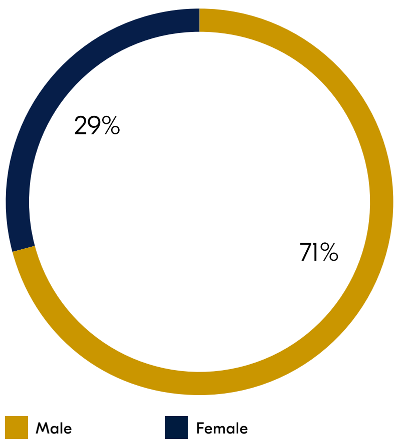
Directors' induction, training and development
The Board has established a formal induction process for new Non-executive Directors, providing them with a comprehensive understanding of their role and responsibilities as Directors, the business of the Group and the operations of the Board. The induction of Non-executive Directors is overseen by the Chairman with the assistance of the Company Secretary and includes meetings with respective management teams in each of the Group's business

BOARD COMPOSITION

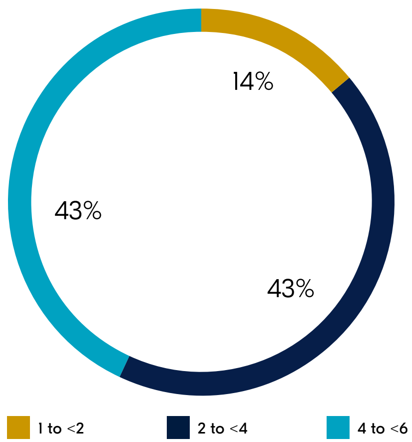
Balance of Executive and Non-executive Directors



Balance of male and female Directors



Length of tenure of Directors



CODE PRINCIPLE: COMPOSITION, SUCCESSION AND EVALUATION CONTINUED
NOMINATION COMMITTEE REPORT CONTINUED

lines and site tours of live construction projects. Newly appointed Directors have access to the Company Secretary's assistance and guidance around the workings of the Board, in addition to the experience gained with attendance at regular meetings. The Board is committed to continued training and development and all Directors receive regular updates on the Group's projects and activities and are encouraged to attend site tours facilitated by the Executive Directors. Directors also receive updates from the Company Secretary on legal and regulatory matters.

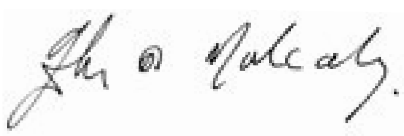
Annual Board evaluation

The Code specifies that the Board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual Directors, and that the Board should also have an externally facilitated evaluation at least once, every three years.

2020 was the first year of the Board's three-year review cycle. An external evaluation was conducted by the Institute of Directors in Ireland, to provide the Board with greater insights into its performance and to identify opportunities to improve its effectiveness. In 2021, the Board undertook an internally facilitated review by way of a comprehensive questionnaire to assess its performance and effectiveness. Some areas highlighted by the 2021 evaluation for potential improvement, and the agreed action items for implementation during 2022, are summarised in the adjacent table. The 2022 evaluation, being the third year of our cycle, was comprised of a questionnaire-based internal evaluation.

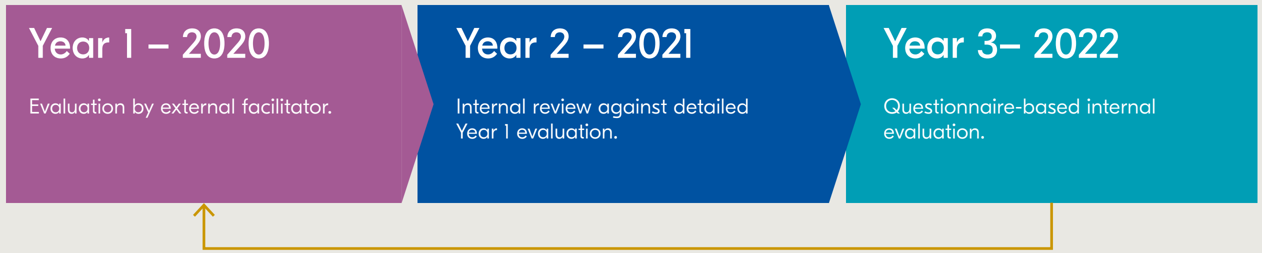
As part of the annual evaluation process, the Chairman also conducted one-on-one meetings with each individual Director, and the Senior Independent Director met with the Non-executive Directors to evaluate the performance of the Chairman during the year.

Having carefully considered the results of the 2022 Board evaluation in their totality, the Directors are satisfied with the effectiveness of the Board and its committees, and with the performance of the Chairman and the individual Directors.



John Mulcahy
Chair, Nomination Committee

BOARD EVALUATION

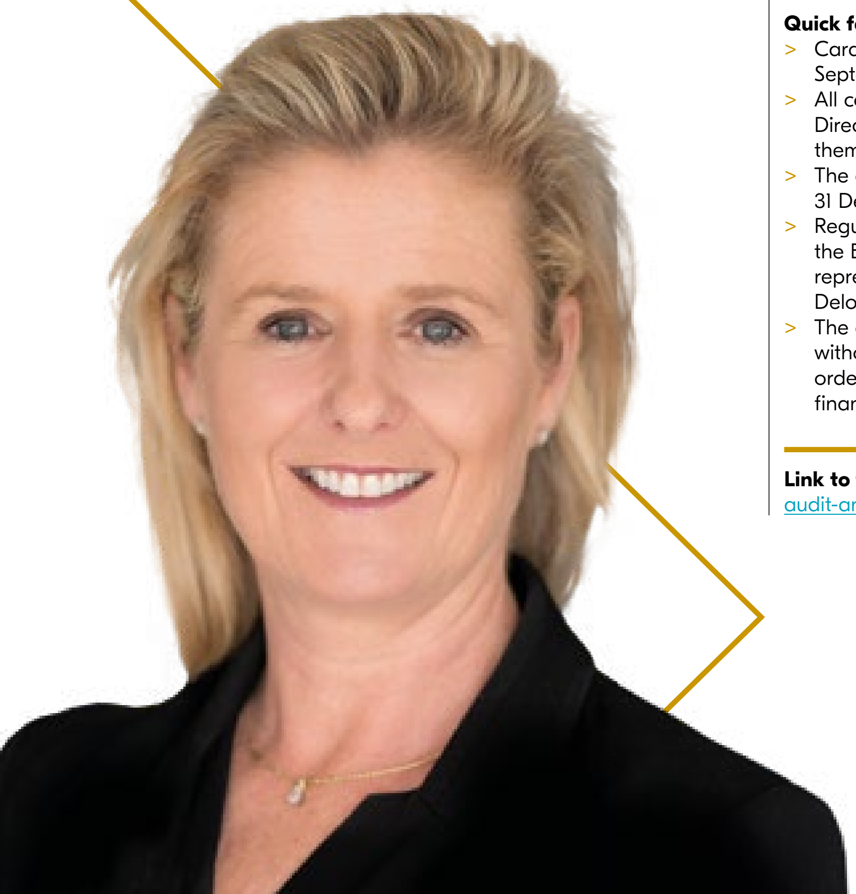


Focus areas highlighted in the 2021 review	Progress during 2022	Focus areas arising from 2022 review
The Board will continue to enhance its engagement with key stakeholders in the business, building on the work of the newly established ESR Committee.	During 2022, the Board engaged with key stakeholders across the Group. Details in relation to the Board's engagement with stakeholders are provided on page 80.	The Board will work to expand its meaningful engagement with all principal stakeholders and enhance its understanding of their interests and concerns.
The Board will prioritise in-person engagement between the Directors, both formally and informally, as COVID-19 restrictions are lifted.	In line with the easing of COVID-19 restrictions, the Board met in-person for all nine meetings held during 2022. In addition to formal Board meetings, the Board also convened for strategy and training sessions.	The Board will continue the development of Non-executive Directors through training on areas of operational focus for the business.
The Board will review and assess the structure and composition of the Board committees during the year, while also encouraging cross-committee interaction where appropriate.	The Nomination Committee reviewed all Board committee structures and Directors' responsibilities following Richard Cherry's decision not to seek re-election at the 2022 AGM and changes were recommended to the Board and approved with effect from the conclusion of the AGM.	Following Richard Cherry's departure in 2022, the Nomination Committee will focus on identifying a suitable new Independent Non-executive Director for recommendation to the Board in early 2023.
The Board will continue its work in relation to medium, and long-term succession planning for the Board and ExCo.	As part of the succession planning for the smooth transition of John Mulcahy's executive functions in 2022, the composition of the Group's ExCo was expanded.	Following the expansion of the ExCo in 2022, the Board will focus on succession planning for the Executive Directors.

CODE PRINCIPLE: AUDIT, RISK AND INTERNAL CONTROL
AUDIT AND RISK COMMITTEE REPORT

Audit and Risk Committee Report

Chair, Audit and Risk Committee
Cara Ryan



Committee members and attendance

Name	Position	Attendance
Cara Ryan	Chair	
Robert Dix	Member	
Pat McCann	Member	
Richard Cherry	Member	

Quick facts

- Cara Ryan has chaired the Audit and Risk Committee since September 2020.
- All committee members are Independent Non-executive Directors in line with the Code, and the Board considers them to have an appropriate level of experience.
- The committee met five times during the year ended 31 December 2022.
- Regular attendees at committee meetings include the Chair, the Executive Directors, the Group Financial Controller and representatives from KPMG LLP (the ‘External Auditor’) and Deloitte (the ‘Internal Auditor’).
- The committee meets with the Internal and External Auditors without management being present, on an annual basis in order to discuss any issues which may have arisen during the financial year.

Link to terms of reference
audit-and-risk-committee-terms-of-reference (glenveagh.ie)

On behalf of the committee, I am pleased to present the Audit and Risk Committee (‘ARC’) report for the financial year ended 31 December 2022. The composition of the committee is outlined in the table to the left; all committee members are Independent Non-executive Directors in line with the Code.

The committee continues to focus its efforts on assisting the Board by proactively managing its core areas of responsibility: the integrity of the Group’s financial reporting, risk management and internal control and assurance processes. The principal duties and responsibilities of the committee together with an overview of its activities for the year have been outlined in detail on pages 88 and 89 and summarised in the table on page 87.

Committee’s key roles and responsibilities

The Board believes the ARC to be a central pillar for effective corporate governance by providing independent and impartial oversight of the Company’s relevant functions. As a committee, our responsibilities include:

- Monitoring the integrity of the Group’s financial statements including reviewing significant financial reporting issues, judgements and other supplementary financial information contained in formal announcements and communications;
- Providing advice on whether the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provides the necessary information for shareholders to assess the Group’s position and performance, business model and strategy;
- Reviewing internal financial controls and the Group’s internal control and risk management systems;
- Reviewing the effectiveness of the audit process and the independence and objectivity of the external auditor;
- Monitoring and reviewing the effectiveness of the Group’s Internal and External Auditors;
- Developing and implementing policy on engaging the External Auditor to supply non-audit services, taking into account relevant guidance;
- Approving the External Auditor’s remuneration and terms of engagement, and making recommendations about its re- appointment;
- Receiving updates on the work undertaken to improve the Group IT and cyber security capabilities; and
- Reporting to the Board on how the committee has discharged its responsibilities.

CODE PRINCIPLE: AUDIT, RISK AND INTERNAL CONTROL CONTINUED
AUDIT AND RISK COMMITTEE REPORT CONTINUED

Committee activities in 2022

March 2022	May 2022	September 2022	October 2022	November 2022
> Reviewed the Annual Report to ensure it was fair, balanced and understandable and provided information enabling an assessment of Glenveagh's position and performance, business model and strategy.	> Received and considered the internal audit update.	> Reviewed and considered the internal audit update.	> Received and considered a review of the risk management process.	> Reviewed and considered the internal audit update.
> Reviewed the External Auditor's year-end report, including independence considerations.	> Received updates on the Company's deep-dive on climate risk presentation and on climate risk and opportunities.	> Reviewed structure, organisation and resources.	> Received and considered the principal risks to the business which included external and operational risks.	> Received and considered KPMG's audit plan and strategy 2022.
> Considered the net realisable value of inventories.		> Considered next steps on 2022 sustainability workplan update.		> Reviewed and considered the PLC obligations register.
> Reviewed the full-year financial report announcement, the Annual Report; and papers in relation to: > year-end accounting matters. > the preparation of the financial statements on the going-concern basis (see also Note 7 to the Group financial statements). > the making of a going concern and viability statement recommendation to the Board. > the making of the Director's compliance statement recommendation to the Board. > the making of management representations.		> Discussed in detail the 2022 interim financial results. > Received and considered the KPMG interim review findings report. > Considered and approved the 2022 interim financial statements and letter of representation.		> Undertook the annual review of Company policies. > Undertook the annual review of the committee's terms of reference.

Each scheduled meeting considered Directors' interests and reviewed risk register updates.

CODE PRINCIPLE: AUDIT, RISK AND INTERNAL CONTROL CONTINUED
AUDIT AND RISK COMMITTEE REPORT CONTINUED

Financial reporting and compliance

The committee reviewed, prior to their publication, the Group's Annual Report and financial statements and half-year and year-end results announcements issued during the year. The committee assessed whether suitable accounting policies had been adopted in the preparation of the results for the relevant period and whether management had made appropriate estimates and judgements. In particular, the committee focused on areas that involved a significant level of judgement or complexity. The committee also considered the view expressed by the External Auditor, KPMG, in making these assessments.

The primary issue considered by the committee in relation to the financial statements for the financial year ended 31 December 2022 was the Group's assessment of the carrying value of inventory at the reporting date, and profit recognised on completed units during the year.

The committee assessed the Group's ability to continue as a going concern and its viability statement prior to recommending both for approval by the Board. The committee considered the actual and potential implications on the Group's financial performance and position against the macro-economic environment and because of environmental or sustainability risks. These considerations included but were not limited to the impact on selling prices and strategies, development costs and construction programmes and put a focus on the adequacy of liquidity when reaching its conclusion.

During the financial year, the committee reviewed and recommended the Group's 2021 Annual Report and the condensed financial statements for the half-year ended 30 June 2022 to the Board for approval. The committee's review of the Annual Report and financial statements considered whether, taken as a whole, it was fair, balanced and understandable and provided the information necessary for shareholders to assess the Group's position and performance, business model and strategy. Having considered this, the committee confirmed to the Board its approval of the Annual Report and financial statements.

The committee considered the requirements of the Irish Companies Act 2014 in relation to the Directors' Compliance Statement and is satisfied that appropriate steps were taken to ensure compliance by the Group with these requirements.

Risk management and internal controls

The committee acknowledges its role to oversee the Group's risk management framework and internal-controls processes. This framework has been in place from the start of the financial year to the approval date of the 2022 Annual Report and financial statements and is set out on pages 57 to 66 of the strategic report.

The Group's internal controls manage risk and provide reasonable assurance against events or conditions that may result in material misstatement or loss to the Group. Internal control processes are regularly reviewed by the committee including an annual review by the Board of Directors through the Directors' Compliance Statement process. Throughout the year, the committee continued to engage with Group management to ensure that robust internal controls and risk management systems continue to apply.

The committee undertook an annual review of the Group's risk management and internal controls framework in October. The review focused on the strategic risks and internal controls to address these risks. This included:

- Assessment of the principal and emerging strategic risks faced by the Group;
- The key internal controls in place and their effectiveness to mitigate and manage these risks; and
- Determining scoring thresholds and risk ratings.

The risk register and the principal risks and uncertainties faced by the Group are outlined on pages 59 to 66 of this report. We have also discussed with Group management the additional work completed in respect of the viability and going concern statements to seek to assess the impact, in the short-to medium-term, of environmental and sustainability risks on the prospects of the Group.

The committee's key priorities for the year ahead will include a continued focus on assisting the Group with cyber security, emerging environmental and sustainability considerations and ensuring recommendations from Group internal audit reviews are implemented on time, and giving effect to the actions from the reviews of the Group internal audit function.

Significant issue considered	Committee activity
Carrying value of inventory The carrying value of the Group's inventory was €685.8 million at 31 December 2022 which comprises the cost of development land and development rights acquired, and the costs of the work completed thereon to date. Inventory is required to be carried at the lower of cost and net realisable value. At 30 June and 31 December 2022, management undertook an exercise to assess the net realisable value of the inventory balance in order to assess the carrying value at that date. There is a significant level of estimation involved in this exercise which includes a review of future cash flows associated with each individual site in order to validate current profitability projections which are also the key determinants of profit recognition as sales complete. As part of the assessment, the Group has re-evaluated its most likely exit strategies on all developments in the context of the current market environment and reflected these in revenue assumptions within the forecast models. The results of the exercises determined that no net adjustment to the carrying value was required at 30 June 2022 and 31 December 2022.	Management presented a summary of its review to the committee which included information in relation to the cross-functional approach taken to the net realisable value calculations, its policy for profit recognition on completed units, as well as the review process undertaken by senior management. Management's presentation included a summary of the results of the review for each development site with key assumptions highlighted for discussion. The committee robustly challenged management on the additional work completed in respect of the carrying value of inventory both at 30 June 2022 and 31 December 2022, to seek to assess the impact of the macro-economic environment and sustainability and environmental issues on the profitability of the Group's development sites and to understand the different scenario analysis completed. The committee considered the six-month interim approach and financial year-end approach to the net realisable carrying value of the inventory balance. It also considered the External Auditor's conclusion regarding management's assessment that no net impairment charge or reversal was required at 30 June 2022 and 31 December 2022. Based on the results of the process undertaken by management, the committee was satisfied with the carrying value of inventory at year-end and the profit recognised in the consolidated statement of profit or loss on units closed in 2022.

CODE PRINCIPLE: AUDIT, RISK AND INTERNAL CONTROL CONTINUED
AUDIT AND RISK COMMITTEE REPORT CONTINUED

Assurance oversight

Internal audit

The committee is responsible for the scope and operation of the internal audit function. The committee approves and monitors the planned work of internal audit which is informed by the strategic risk areas for the business and considers any identified ineffective controls and findings. The committee places a particular focus on control weaknesses identified by internal audit and the remediation plans put in place by management. A bi-annual update is provided to the committee by internal audit on the remediation plan progress made by management.

The committee met representatives from the Internal Auditor on four occasions during the financial year and considered the findings from their reviews of planning, procurement, internal financial controls, project management, cyber security and human resources. During the year, the committee considered the frequency of internal audit reviews in the context of the current and future scale of the business. To ensure the scope, extent and effectiveness of the internal audit function is appropriate the committee approved six internal audit reviews in the 2023 financial year.

External auditor

Audit effectiveness

KPMG were appointed as the Group's External Auditors in 2017. During 2021, the committee reviewed KPMG's reports on its 2021 audit and interim review for the six months ended 30 June 2022. It also reviewed and approved KPMG's audit plan in respect of the audit for the year ended 31 December 2022.

The effectiveness of the external audit process is assessed by the committee, which meets regularly throughout the financial year with the audit partner, with and without management. In conducting this review, the committee concluded that the audit process as a whole had been conducted robustly and that the team selected to undertake the audit had done so thoroughly and professionally.

The committee considers and makes recommendations to the Board, to be put to shareholders for approval at the AGM, in relation to the appointment, re-appointment or removal of the External Auditor. KPMG attended four committee meetings in 2022.

In assessing the independence and objectivity of the External Auditor, the committee considered the internal processes which the External Auditor has in place to ensure their independence and objectivity is monitored and reviewed sufficiently. The committee considered senior management's satisfaction with KPMG.

Auditor independence and non-audit services

KPMG has formally confirmed its independence to the committee. To further ensure independence, the committee has a policy on the provision of non-audit services by the External Auditor that seeks to ensure services provided by the External Auditor are not, or are not perceived to be, in conflict with auditor independence. Analysis of fees paid or payable in respect of services provided by KPMG in the financial year are analysed in the table below:

	€'000
Audit fees	**255**
Non-audit fees	
Interim review fees	**20**
Tax services fees	**73**
Other non-audit services	**20**
Total	**368**

At the end of the financial year, non-audit fees paid to KPMG represented 44% of total audit fees.

It is the Group's practice to engage KPMG on assignments in addition to its statutory audit duties where its expertise and experience with the Group is important. KPMG provided certain tax services in the financial year which were considered and deemed appropriate by the committee.

The committee has approved a policy on the use of the External Auditor for non-audit services and continually monitors the ratio of audit to non-audit fees, acknowledging the legislation requiring fees for non-audit services to be capped at 70% of the average statutory audit fee over the previous three year period. Further, in reviewing non-audit services provided by the External Auditor, the committee considers whether the non-audit service is a permissible service under the relevant legislation, and any real or perceived threat to the External Auditor's independence and objectivity to include, among other considerations, a review of: the nature of the non-audit services; whether the experience and knowledge of the external auditor makes it the most suitable supplier of the non-audit services; and the economic importance of the Group to the External Auditor. The policy on the supply of non-audit services includes a case-by-case assessment of the services to be provided and the costs of the services by the External Auditor considering any relevant ethical guidance on the matter.

Whistleblowing, fraud and anti-bribery

The Group has whistleblowing, fraud and anti-bribery policies and reporting procedures in place that have been reviewed and approved by the Board. The policies are detailed in the employee handbook and published on the Group's intranet. All employees are required to acknowledge and confirm that they have read and understand these policies. Any reported cases of whistleblowing, fraud and bribery or alleged breach of these policies are appropriately investigated, with the results reported to the committee.

I am pleased to conclude that the ARC has met its obligations for 2022 and is looking forward to further adapting the Group's risk management framework to respond to the opportunities and challenges that 2023 will bring as the Group continues to deliver on its strategic objectives.

Cara Ryan
Chair, Audit and Risk Committee

CODE PRINCIPLE: REMUNERATION
REMUNERATION COMMITTEE REPORT

Remuneration Committee Report

Chair, Remuneration Committee **Pat McCann**

Committee members and attendance

Name	Position	Attendance
Pat McCann	Chair	6
Cara Ryan	Member	6
Camilla Hughes	Member	6
Richard Cherry	Member	2

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)]

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

CODE PRINCIPLE: REMUNERATION CONTINUED
REMUNERATION COMMITTEE REPORT CONTINUED

Committee activities in 2022

January 2022

- Concluded shareholder consultation on the proposed new remuneration policy for 2022.
- Finalised 2021 bonus pay-out level.
- Approved 2022 Bonus Metrics.
- Approved targets for the 2022 LTIP award.
- Reviewed remuneration for the new ExCo members and the Company Secretary.

March 2022

- Authorised the issue and allotment of shares to satisfy the exercise of vested LTIP option awards.
- Authorised the application to Euronext Dublin and the London Stock Exchange for a block listing of shares to satisfy LTIP options at exercise.
- Approved the establishment of a restricted share trust for the purpose of holding shares that are subject to restrictions on disposal.

April 2022

- Approved and adopted the amended LTIP Rules, following shareholder approval at the AGM.
- Approved the 2022 LTIP award grants.

September 2022

- Initiated a formal RFP process for the committee's external remuneration adviser.
- 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.

October 2022

- Considered the external remuneration adviser RFP presentations.
- Approved the appointment of Ellason as external remuneration adviser to the committee.
- Authorised the issue and allotment of shares to satisfy the exercise of SAYE options.
- Authorised the application to Euronext Dublin and the London Stock Exchange for a block listing of shares to satisfy SAYE options at exercise.

December 2022

- 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.
- Reviewed current progress of 2022 bonus metrics versus target.
- Annual review of committee terms of reference.

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.

CODE PRINCIPLE: REMUNERATION CONTINUED
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 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

CODE PRINCIPLE: REMUNERATION CONTINUED
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.	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. 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. Base salary for Executive Directors is inclusive of fees receivable by the Executive as a Director of the Group.	There are no prescribed maximum salaries or maximum increases. Increases normally reflect increases across the Group and in the market generally. 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.
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%).

CODE PRINCIPLE: REMUNERATION CONTINUED
REMUNERATION COMMITTEE REPORT CONTINUED

Variable remuneration

Annual bonus

Element/purpose	Operation	Maximum opportunity
To reward the achievement of annual performance targets.	Individuals receive annual bonus awards based on the achievement of financial and/or non-financial targets. 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. 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. The committee retains discretion to adjust any award to reflect the underlying financial position of the Group.	The maximum award for Executive Directors as a percentage of base salary is 150%. For 2023, the committee intends to apply the following maximum opportunities as a percentage of base salary: **CEO** 150% **CFO** 125% The amount payable for target performance is limited to 50% of the relevant maximum award opportunity. 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.

Long-term Incentive Plan (LTIP)

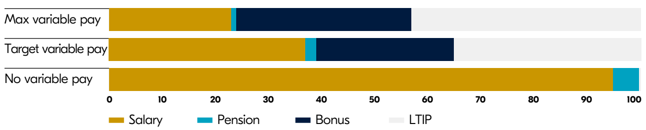
Element/purpose	Operation	Maximum opportunity
To incentivise long-term sustainable performance by granting shares which vest subject to the achievement of targets which are linked to Glenveagh's business strategy and central to its long-term success. The LTIP also contributes to Glenveagh's long-term interests by ensuring alignment between participants and the interests of shareholders.	Senior executives are eligible to participate in the LTIP. The LTIP involves the grant of nil-cost options over ordinary shares to participants based on a percentage of their gross base salary. 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. 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. 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. 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.	The LTIP rules permit awards to be granted up to 200% of base salary. The committee intends to make grants at the following levels in 2023 (as a percentage of base salary): **CEO** 200% **CFO** 175%

CODE PRINCIPLE: REMUNERATION CONTINUED
REMUNERATION COMMITTEE REPORT CONTINUED

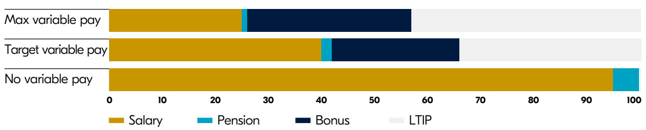
Relative proportion of fixed and variable remuneration

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.

CODE PRINCIPLE: REMUNERATION CONTINUED
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.

CODE PRINCIPLE: REMUNERATION CONTINUED
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 (€)[1]		Benefits (€)[2]		Employer pension contribution (€)[3]		Total fixed (€)		Annual bonuses (€)		LTIP		Total variable (€)		Total (€)	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022[7]	2021	2022	2021	2022	2021
Executive Directors																
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	500,00	311,850	545,643	–	1,045,643	311,850	1,521,764	690,370
Non-executive Directors																
John Mulcahy[4]	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[6]	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[5]	80,000	37,500	–	–	–	–	80,000	37,500	–	–	–	–	–	–	80,000	37,500
Total	**1,576,667**	**1,421,250**	**40,922**	**59,983**	**150,000**	**114,750**	**1,767,589**	**1,595,983**	**1,400,000**	**980,100**	**545,643**	**–**	**1,945,643**	**980,100**	**3,713,232**	**2,576,083**

(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
Profit before tax	50%	Threshold 25%	€46,260,000	€63.0m
		Target 50%	51,400,000	
		Max 100%	€62,828,000	
Operating margin	20%	Threshold 25%	9.00%	10.9%
		Target 50%	9.60%	
		Max 100%	10.50%	
Health and safety	15%	Threshold 25%	70% audit score	88%
		Target 50%	75% audit score	
		Max 100%	85%+ audit score	
Customer satisfaction	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
Executive Directors						
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%
Non-executive Directors						
John Mulcahy[1]	**€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[3]	**€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[2]	**€80,000**	€37,500	–	–	–	113.3%
Company performance						
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).

Average full time employee remuneration	**2022**	2021	2020	2019	2018	% Change 2022 vs 2021
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).

	Ordinary shares		Founder shares		Deferred shares		Ordinary shares under option**	
Name	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Stephen Garvey	**9,411,319**	9,411,329	**–**	81,453,077	**–**	–	**1,034,483***	–
Michael Rice	**169,333**	23,333	**–**	–	**–**	–	**1,452,941***	1,050,386*
Richard Cherry	**1,370,905**	1,371,069	**–**	–	**–**	–	**–**	–
John Mulcahy	**2,882,766**	2,682,766	**–**	18,100,684	**–**	–	**–**	–
Robert Dix	**350,000**	350,000	**–**	–	**–**	–	**–**	–
Cara Ryan	**28,000**	28,000	**–**	–	**–**	–	**–**	–
Pat McCann	**70,000**	70.000	**–**	–	**–**	–	**–**	–
Camilla Hughes	**–**	–	**–**	–	**–**	–	**–**	–
Chloe McCarthy	**–**	–	**–**	–	**–**	–	**420,606***	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

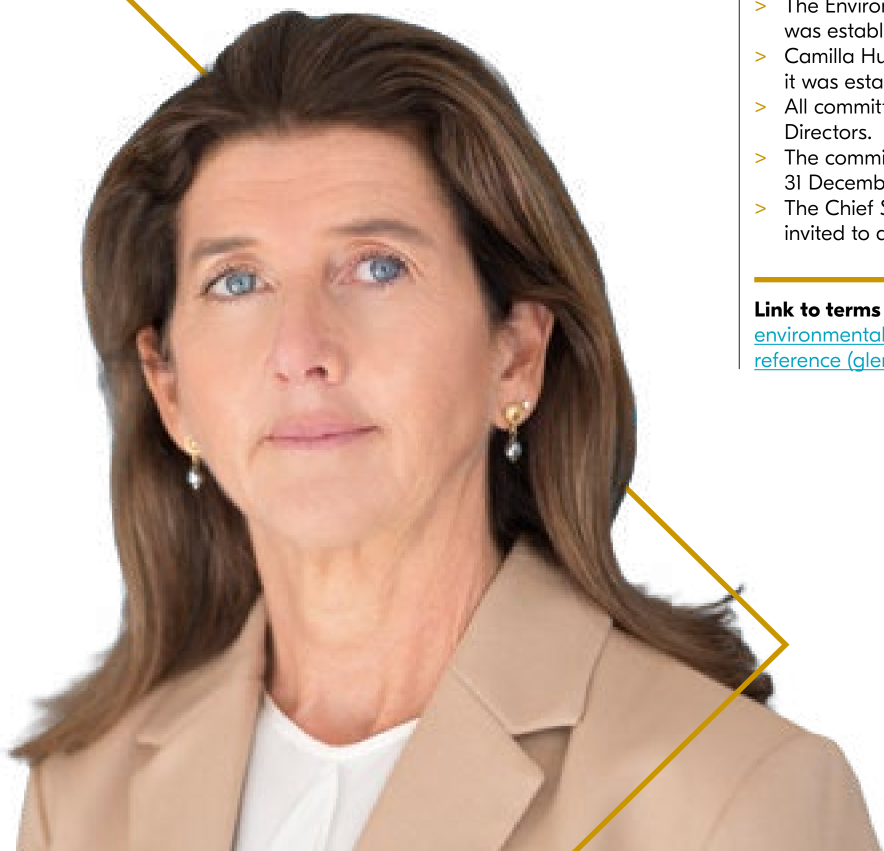
The founders of the Company (John Mulcahy, Justin Bickle (beneficially held by Durrow Ventures), and Stephen Garvey) subscribed for a total of 200,000,000 ordinary shares of €0.001 each for cash at par value during 2017, which were subsequently converted to Founder Shares in advance of the Company's 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.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY COMMITTEE REPORT

Environmental and Social Responsibility Committee Report

Chair, Environmental and Social Responsibility Committee **Camilla Hughes**



Committee members and attendance

Name	Position	Attendance
Camilla Hughes	Chair	4/4
Stephen Garvey	Member	4/4
Robert Dix	Member	4/4
Pat McCann	Member	4/4

Quick facts

> The Environmental and Social Responsibility ('ESR') Committee was established in July 2021.
> Camilla Hughes has chaired the Committee since it was established.
> All committee members but one are Independent Non-executive Directors.
> The committee met four times during the year ended 31 December 2022.
> The Chief Strategy Officer and Head of Sustainability were invited to all meetings.

Link to terms of reference

environmental-and-social-responsibility-committee-terms-of-reference (glenveagh.ie)

On behalf of the committee I am pleased to present the ESR Committee report for the financial year ended 31 December 2022.

The committee focuses its efforts on assisting the Board by proactively managing its core areas of responsibility: developing and monitoring the Group's approach to sustainability.

The principal duties and responsibilities of the committee together with an overview of its activities for the year have been outlined below and on the following page.

Committee's key roles and responsibilities

The Board strongly believes that sustainability is an inherent part of our business. As a Group, we are committed to playing a leading role in achieving a sustainable future. As a committee, our responsibilities include:

> Reviewing the environmental and social responsibility targets and areas of focus as set out in the Group's strategy;
> Ensuring compliance with the evolving regulatory disclosure landscape in respect of sustainability;
> Investigating any statutory prosecutions or notices in relation to environmental and community issues and make recommendations to the Board regarding any action to be taken; and
> Considering budgetary and financial implications of the environmental and social responsibilities strategy.

Areas of focus for the committee in 2022.

The committee reviewed the Group's approach to sustainability, its environmental and social responsibility targets and the progress being made against these. The main areas of focus in 2022 are outlined below.

> Development of the Group's Net Zero Transition Plan.
> Materiality assessment.
> Preparation for the Corporate Sustainability Reporting Directive ('CSRD').
> Equity, Diversity and Inclusion ('ED&I').
> Ongoing sustainability workplan.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY COMMITTEE REPORT CONTINUED

Committee activities in 2022

February 2022	May 2022	September 2022	November 2022
> Discussed in detail the results of the Great Place To Work ('GPTW') Survey.	> Received an update on external developments such as sustainability-related policy, legislation and important reports in Ireland and worldwide.	> Received an update on external developments such as sustainability-related policy, legislation and important reports in Ireland and worldwide.	> Received an update on external developments such as sustainability-related policy, legislation and important reports in Ireland and worldwide.
> Received an update on the Group's progress on its ED&I strategy.	> Received an update on the evolution of CDP.	> Received and considered the outputs of the Group's materiality assessment carried out by an external provider.	> Received an update on the Net Zero Transition Plan and proposed next steps to the Board for approval.
> Discussed the proposed Health and Safety Culture approach.	> Received an overview of the Group's approach to materiality and stakeholder engagement.	> Received an update on the Net Zero Transition Plan.	> Received and considered the ED&I strategy and Gender Pay Gap report.
> Received an update on the 2022 sustainability workplan.	> Received an update on the Net Zero Transition Plan.	> Received an overview of the proposed approach to biodiversity.	> Received an update on CSRD preparation.
	> Received and considered climate and ESG risks.	> Received an update on CSRD preparation.	> Discussed the 2023 sustainability workplan and budget.
	> Reviewed structure, organisation and resources with respect to sustainability.	> Discussed the 2022/23 sustainability workplan.	> Reviewed and approved the Terms of Reference for the Committee.
	> Considered next steps on 2022 sustainability workplan.		

The main focus throughout the year was the development of the Group's Net Zero Transition Plan. The committee received ongoing updates from management as work on this progressed in order to understand the options emerging and the commitments to be made.

As key stakeholders, the committee participated in the Group's materiality assessment which was carried out, by an external provider, to determine the most important sustainability issues. We also received and discussed the outputs of this assessment which allowed us to better understand the key priorities for a range of stakeholders, both internal and external.

Social aspects of sustainability also formed a key part of our agenda in 2022. This included understanding staff priorities through our GPTW survey results, our evolving approach to Health and Safety culture as well as an ongoing focus on ED&I including our first Gender Pay Gap report.

The committee also reviewed and approved the sustainability workplan presented by management.

As a standing item, the committee reviewed future obligations and recent external developments with respect to standards and legislation and assessed the Group's preparedness for these. These included the CSRD, the Gender Pay Gap Information Act 2021, the Climate Action Plan, the net zero standard from SBTi and the establishment of the International Sustainability Standards board.

I am pleased to conclude that the ESR Committee has made continued progress in its second year. With sustainability now fully embedded into our business strategy and at the core of future strategic decision making, I am looking forward to further evolving the Group's sustainability approach to respond to the needs of our stakeholders.

Camilla Hughes
Chair, Environmental and Social Responsibility Committee

DIRECTORS' REPORT

The Directors present their report and the consolidated financial statements of Glenveagh Properties plc ('Glenveagh' or the 'Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022.

Principal activities and business review

Glenveagh is a leading Irish homebuilder listed on Euronext Dublin and the London Stock Exchange. Supported by innovation and supply chain integration, Glenveagh is committed to opening up access to sustainable high-quality homes to as many people as possible in flourishing communities across Ireland.

Glenveagh is focused on three core markets – suburban housing, urban apartments and partnerships with local authorities and state agencies. The land bank that Glenveagh has assembled can deliver housing that is both in demand and affordable.

Shareholders are referred to the Chair's letter, the CEO's review and the CFO's review on pages 10, 14 and 67, respectively, which set out management's review of the Group's operations and financial performance in 2022 and the outlook for 2023.

These are deemed to be incorporated into the Directors' Report.

Results and dividends

Group revenue for the year ended 31 December 2022 was €644.7 million (2021: €476.8 million), gross profit was €108.1 million (2021: €83.1 million), profit after tax was €52.6 million (2021: €37.7 million) and basic earnings per share was 7.6 cents (2021: 4.5 cents).

The Company did not pay a dividend during the financial year ended 31 December 2022 (2021: €nil).

Key performance indicators

Group performance against 2022 key performance indicators is outlined in the table below. The key performance indicators upon which particular emphasis is placed are as follows:

	2022	2021	% change
KPIs financial			
Profit before tax	**€63,001**	€45,722	+37.8%
Operating margin	**10.9%**	9.7%	+12.4%
KPIs non-financial			
Customer satisfaction	**91%**	89%	+2%
Health and safety	**88%**	89%	-1%%

Group strategy

A review of the Group's strategic priorities is set out in the strategic report, which is deemed to be incorporated into the Directors' Report.

Principal risks and uncertainties

In accordance with Section 327(1)(b) of the Companies Act, 2014 (the 'Act'), the Company is required to give a description of the principal risks and uncertainties faced by the Group. These principal risks and uncertainties, and the steps taken to mitigate them, are detailed on pages 59 to 66 of the risk management report and deemed to be incorporated into the Directors' Report.

Directors and company secretary

The names of the Directors and Company Secretary and a biographical note on each appear on pages 72 to 73.

In accordance with the provisions contained in the Code, all Directors will voluntarily retire and be subject to election by shareholders at the 2023 AGM.

Directors' and Company Secretary's interests in shares

Details of the Directors' and Company Secretary's share interests and interests in unvested share awards of the Company are set out in the Remuneration Committee Report on page 103.

Share capital

The issued share capital of the Company as at 28 February 2023 consists of 607,638,221 ordinary shares and 81,453,077 deferred shares. Each share class has a nominal value of €0.001. Holders of ordinary shares are entitled to one vote per ordinary share at general meetings of the Company, while no voting rights are conferred on holders of deferred shares. The Company's deferred shares have nominal and no economic value and are, simply, a means of winding up the historic founder share scheme.

Further information on the Company's share capital and the rights attaching to the different classes of shares is set out in Note 26 to the consolidated financial statements.

The Group has a Long-term incentive plan in place, the details of which are set out at page 94 of the Remuneration Committee Report and in Note 14 to the consolidated financial statements.

Significant shareholdings

As at 31 December 2022 and 28 February 2023, the Company has been notified of the following interests of 3% or more in its ordinary share capital:

		31 December 2022		28 February 2023	
	Shareholder	Ordinary shares held	%	Ordinary shares held	%
1	Teleios Capital Partners	107,151,843	16.79	114,384,243	18.67
2	FIL Investment International	81,430,276	12.76	80,740,545	13.18
3	GIC	61,649,008	9.66	35,949,008	5.87
4	Pelham Capital Mgt	35,169,985	5.51	32,087,423	5.24
5	Man GLG	30,333,123	4.75	29,919,533	4.88
6	Notz, Stucki Europe	27,025,000	4.24	27,615,000	4.51
7	Lansdowne Partners	30,812,648	4.83	23,994,934	3.92
8	Paradice Investment Mgt	21,389,642	3.35	21,369,706	3.49
9	PM Capital	20,433,755	3.20	20,433,755	3.34
10	Schooner Investment Group	19,088,095	2.99	19,382,095	3.16
11	Helikon Investment	18,879,353	2.96	18,879,353	3.08
12	SAS Rue la Boétie	19,247,848	3.02	17,729,528	2.89

DIRECTORS' REPORT CONTINUED

Accounting records

The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Act with regard to maintaining adequate accounting records through the implementation and maintenance of appropriate accounting systems and resources, including the employment of suitably qualified accounting personnel and the provision of adequate resources to the Group finance department. The accounting records of the Company are maintained at Block B, Maynooth Business Campus, Maynooth, Co. Kildare.

Takeover regulations 2006

For the purposes of Regulation 21 of Statutory Instrument 255/2006 'European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006', the details provided on share capital and substantial shareholdings above, and the disclosures in relation to Directors' remuneration and interests in the Remuneration Committee report on pages 101 to 103 are deemed to be incorporated in this section of the Directors' Report.

Further required information in relation to the change of control provisions contained in the long-term incentive plan is set out below.

Long-term incentive plan

The Remuneration Committee will determine the extent to which any outstanding awards will vest with regard to the extent that the applicable performance condition has been satisfied up to the date of the change of control event.

Transparency regulations 2007

For the purposes of information required by Statutory Instrument 277/2007 'Transparency (Directive 2004/109/EC) Regulations 2007' concerning the development and performance of the Group, and the principal risks and uncertainties faced, the Chair's letter on pages 10 to 12, the CEO's review on pages 14 to 17, the CFO's review on pages 67 to 69 and the principal risks and uncertainties detailed on pages 59 to 66 are deemed to be incorporated in this part of the Directors' Report.

Corporate governance

The Directors are committed to achieving the highest standards of corporate governance. The Directors have prepared a Corporate Governance Report, which is set out on pages 70 to 81 and, for the purposes of s1373 of the Act, is deemed to be incorporated into the Directors' Report.

The Corporate Governance Report includes a detailed description of the way in which the Company has applied the principles of good governance set out in the Code and the Annex.

Directors' compliance statement

The Directors acknowledge their responsibility for securing the Company's compliance with its relevant obligations under Section 225(2)(a) of the Act (the 'Relevant Obligations').

In accordance with Section 225 (2) (b) of the Act, the Directors confirm that they have:

1. Drawn up a compliance policy statement setting out the Company's policies (that are, in the opinion of the Directors, appropriate to the Company) in respect of compliance with the Relevant Obligations;
2. Put in place appropriate arrangements or structures that, in the opinion of the Directors, provide a reasonable assurance of compliance in all material respects with the Company's Relevant Obligations; and
3. Conducted a review of the arrangements or structures that the Directors have put in place to ensure material compliance with the Company's Relevant Obligations during the financial year to which this report relates.

Going concern

The Directors have assessed the financial position of the Group in light of the principal business risks facing the construction industry as a whole and the Group's strategic plan. A number of considerations have been assessed as outlined in Note 7 of the consolidated financial statements. The Directors believe that the Group is well placed to manage and mitigate these risks. Thus, they have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for twelve months from the date of approval of the financial statements. For this reason, the Directors consider it appropriate to adopt the going concern basis in preparing the financial statements.

Viability statement

In accordance with the provisions of the Code, the Directors are required to assess the prospects of the Company, explain the period over which they have done so and state whether they have a reasonable expectation that the Company will be able to continue in operation and meet liabilities as they fall due over this period of assessment.

The Directors assessed the prospects of the Group over the three-year period to February 2026. The Directors concluded that three years was an appropriate period for the assessment, having regard to the following:

- The Group's strategic plan is predominantly based on a three-year horizon with longer-term strategic forecasting and any statement with foresight greater than three years having to be made with a considerable level of estimation; and
- In general, the inherent short cycle nature of the residential market in Ireland, including the Group's forward sales and project pipeline, does not lend itself to making long-term projection statements greater than three years.

It is recognised that such future assessments are subject to a level of uncertainty that increases with time, and therefore future outcomes cannot be guaranteed or predicted with certainty.

The Group's strategic plan was approved by the Board at its meeting in February 2023 and is based on forecasts undertaken by management of the relevant business functions. The plan reflects construction cost and house price inflationary assumptions which were reviewed at Board and management level. The underlying assumptions of the Group's strategic plan are subject to sensitivity analysis for scenarios that could reasonably materialise. The risk factors outlined in the risk management report on pages 57 to 66 were also considered in the strategic plan process.

Based on the above assessment the Directors have a reasonable expectation that the Company and the Group will be able to continue in operation and meet liabilities as they fall due over the three-year period.

Political donations

No political donations were made during the year that require disclosure under the Electoral Act 1997.

Subsidiary companies

Information in relation to the Group's subsidiaries is set out in Note 24 to the financial statements. The Group does not have any branches outside of Ireland.

Subsequent events

Information in respect of events since the year end is contained in Note 31 to the consolidated financial statements.

DIRECTORS' REPORT CONTINUED

Audit and Risk Committee

The Company has an established Audit and Risk Committee comprising of three independent Non-executive Directors. Details of the committee and its activities are set out on pages 86 and 87.

Auditor

KPMG, chartered accountants, were appointed statutory auditor on 21 August 2017 and have been re-appointed annually since that date. Pursuant to section 383(2) KPMG will continue in office and a resolution authorising the Directors to fix the auditor's remuneration will be proposed at the AGM.

Relevant audit information

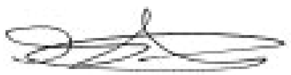
The Directors confirm that so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and that each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approval of financial statements

The financial statements were approved by the Board on 28 February 2023.

On behalf of the Board

Michael Rice
Director



Stephen Garvey
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES
IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the Directors to prepare Group and Company financial statements for each financial year. Under that law, the Directors are required to prepare the Group financial statements in accordance with IFRS as adopted by the European Union and applicable law including the Commission Delegated Regulation 2018/815 regarding the single electronic reporting format (ESEF) and Article 4 of the IAS Regulation. The Directors have elected to prepare the Company financial statements in accordance with FRS 101 Reduced Disclosure Framework as applied in accordance with the provisions of Companies Act 2014.

Under company law the Directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group's profit or loss for that year. In preparing each of the Group and Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or Company or to cease operations, or have no realistic alternative but to do so.

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

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

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

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

Each of the Directors, whose names and functions are listed on pages 72 to 73 of this annual report, confirm that, to the best of each person's knowledge and belief:

- The Group financial statements, prepared in accordance with IFRS as adopted by the European Union and the Company financial statements prepared in accordance with FRS 101 *Reduced Disclosure Framework*, give a true and fair view of the assets, liabilities, and financial position of the Group and Company at 31 December 2022 and of the profit or loss of the Group for the year then ended;
- The Directors' Report contained in the annual report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face; and
- The annual report and financial statements, taken as a whole, provides the information necessary to assess the Group's performance, business model and strategy and is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board

Michael Rice
Director

Stephen Garvey
Director

28 February 2023

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GLENVEAGH PROPERTIES PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Glenveagh Properties plc ('the Company') and its consolidated undertakings ('the Group') for the year ended December 31, 2022, contained within the reporting package 635400QUQ2YYGMOAK834-2021-12-31-en.zip, which comprise the Consolidated statement of profit or loss and other comprehensive income, the Consolidated and Company Balance Sheets, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows and related notes, including the summary of significant accounting policies set out in Note 1.

The financial reporting framework that has been applied in their preparation is Irish Law, including the Commission Delegated Regulation 2019/815 regarding the single electronic reporting format (ESEF) and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and Company as at December 31, 2022 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union, as applied in accordance with the provisions of the Companies Act 2014; and
- the Group and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Basis for opinion

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

We were appointed as auditor by the Directors on August 21, 2017. The period of total uninterrupted engagement is the 6 years ended December 31, 2022. We have fulfilled our ethical responsibilities under, and we remained independent of the Group in accordance with, ethical requirements applicable in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to public interest entities. No non-audit services prohibited by that standard were provided.

Conclusions relating to going concern

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

The risk that we considered most likely to adversely affect the Group's and Company's available financial resources over this period was the impact of construction cost inflation and/or a reduction in the volume of units sold.

As this was the risk that could potentially cast significant doubt on the Group's and the Company's ability to continue as a going concern, we considered sensitivities over the level of available financial resources indicated by the Group's financial forecasts taking account of reasonably possible (but not unrealistic) adverse effects that could arise from these risks individually and collectively and evaluated the achievability of the actions the Directors consider they would take to improve the position should the risks materialise.

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

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

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

Detecting irregularities including fraud

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

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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF GLENVEAGH PROPERTIES PLC

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

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

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

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

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

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

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

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

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

Key audit matters: our assessment of risks of material misstatement

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

In arriving at our audit opinion above, the key audit matter identified, was as follows (unchanged from 2021):

Carrying value of inventory €685.8 million (2021: €767.2 million) and profit recognition

Refer to, page 124 (accounting policy for inventories) page 123 (accounting policy for expenditure) and page 136 (financial disclosures – inventories).

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF GLENVEAGH PROPERTIES PLC

The key audit matter	How the matter was addressed in our audit
Inventories, relating to work-in-progress on sites under development and land yet to be developed, represent a significant asset of the Group. Work-in-progress comprises of the costs of the land being built on, direct materials and direct labour costs that have been incurred in bringing the inventories to their present location and condition. Work-in-progress per site is stated at the lower of cost and net realisable value ('NRV'), NRV being the estimated net selling price less costs to sell and management's estimated total costs of completion. The forecasting of selling prices and costs to complete is inherently judgemental and may be subject to estimation error. For each development project, site-wide residential development costs are allocated between units built in the current period and units to be built in future years, which requires further judgement. The Group recognises profit on each unit sale by reference to the overall expected margin to be achieved on the site. There is a risk that the assumptions of such forecasts and estimations may be inaccurate with a resulting impact on the carrying value of inventory or the amount of profit recognised.	Our audit procedures included, amongst others: – We obtained and documented our understanding of the process to determine the NRV of the Group's work-in-progress and tested the design and implementation of the key controls therein. – For all new land acquisitions, we inspected purchase contracts and agreed the costs of acquisition including related purchase costs. – We agreed a sample of costs incurred and included in inventory in the year such as direct materials and direct labour costs to supporting documentary evidence, which included checking that they were allocated to the appropriate site. – We inspected the Group's NRV reports on a sample basis and challenged the key inputs and assumptions in the following ways: – We agreed a sample of forecast costs to purchase contracts, supplier agreements or tenders and other relevant documentation. – We compared the forecast sales prices against recent prices achieved for similar properties and properties that were reserved/contracted to support the validity of the estimated sales price in the forecast. – We enquired as to whether there were any site-specific factors which may indicate that an individual site could be impaired. – We evaluated the sensitivity of the certain forecast development margin to a change in sales prices and costs and considered whether this indicated a risk of impairment of the inventory balance. – For sites in development, we compared actual unit sales and costs incurred to NRV estimates to assess that NRV estimates were updated and that the overall expected site margin was adjusted accordingly. – For completed sales, we tested the accuracy of the release from inventory to cost of sales recorded in the general ledger for consistency with the NRV reports for the relevant sites. – We considered the adequacy of the Group's disclosures regarding the carrying value of inventory. We found that the profit margins recognised on completed sales during the year accurately reflected the attributable costs of the units sold. We found that the key assumptions used in the calculations of NRV were within a reasonable range and supported the carrying value of inventory as at 31 December 2022, and the related disclosures in respect of work-in-progress to be appropriate.

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

Materiality for the Group financial statements as a whole was set at €3.3 million determined with reference to total revenue for the Group of which it represents 0.5%, which we consider to be one of the principal considerations for members of the Group in assessing its financial performance for the year. We have used the revenue benchmark in the current year because the group is entering into a mature stage and the importance placed on this metric by the users of the financial statements. In 2021, materiality for the Group financial statements was set at €4.8 million with reference to total assets of which it represented 0.5%. Performance materiality for the Group financial statements as a whole was set at €2.5 million (2021: €3.6 million). We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. In applying our judgement in determining performance materiality, we considered a number of factors including; the low number and value of misstatements detected and the low number and severity of deficiencies in control activities identified in the prior year financial statement audit.

We reported to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding €0.2 million (2021: €0.2 million) in addition to other identified misstatements that warranted reporting on qualitative grounds.

Materiality for the Company financial statements as a whole was set at €3.0 million (2021: €3.7 million). This was determined with reference to a 0.5% benchmark of total assets (2021: 0.5% of total assets). Performance materiality for the Company financial statements as a whole was set at €2.3 (2021: €2.8 million). We reported to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding €0.1 million (2021 €0.1 million).

We subjected all of the Group's reporting components to audits for group reporting purposes. The work on all components was performed by the Group audit team.

We used materiality to assist us to determine what risks were significant risks and to determine the audit procedures to be performed including those discussed above.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF GLENVEAGH PROPERTIES PLC

Other information

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Directors' Report, Chairman's Letter, CEO's Review, CFO's Review, Strategic Report, Risk Management Report, Sustainability Accounting Standards Board disclosures, Corporate Governance Statement, Audit and Risk Committee Report, Remuneration Committee Report, Nomination Committee Report and Environmental and Social Responsibility Committee Report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

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

Based solely on our work on the other information undertaken during the course of the audit, we report that, in those parts of the Director's report specified for our consideration:

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

Corporate governance statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability, that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code and the Irish Corporate Governance Annex.

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

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified;
- Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate;
- Director's statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities;
- Directors' statement on fair, balanced and understandable and the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks and the disclosures in the annual report that describe the principal risks and the procedures in place to identify emerging risks and explain how they are being managed or mitigated;
- Section of the annual report that describes the review of effectiveness of risk management and internal control systems; and;
- Section describing the work of the Audit Committee.

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

We have nothing to report in this regard.

In addition as required by the Companies Act 2014, we report, in relation to information given in the Corporate Governance Statement on pages 70 to 81, that:

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

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

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

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

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

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

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

- the disclosures of Directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made;
- the Company has not provided the information required by Section 1110N in relation to its remuneration report for the financial year December 31, 2021.
- the Company has not provided the information required by section 5(2) to (7) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 for the year ended 31 December 2021 as required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) (amendment) Regulations 2018.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF GLENVEAGH PROPERTIES PLC

Respective responsibilities and restrictions on use

Responsibilities of Directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 109, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Michael Gibbons 28 February 2023
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	**2022 €'000**	2021 €'000
Revenue	10	**644,706**	476,807
Cost of sales		**(536,655)**	(397,969)
Impairment reversal	19	**–**	4,219
Gross profit		**108,051**	83,057
Administrative expenses		**(37,956)**	(32,490)
Operating profit		**70,095**	50,567
Finance expense	11	**(7,094)**	(4,845)
Profit before tax	12	**63,001**	45,722
Income tax	16	**(10,434)**	(8,020)
Profit after tax attributable to the owners of the Company		**52,567**	37,702
Other comprehensive income		**–**	–
Total comprehensive profit for the year attributable of the owners of the Company		**52,567**	37,702
Basic earnings per share (cents)	15	**7.6**	4.5
Diluted earnings per share (cents)	15	**7.6**	4.5

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 €'000	As restated[1] 2021 €'000
Assets			
Non-current assets			
Goodwill	18	**5,697**	–
Property, plant and equipment	17	**51,750**	27,230
Intangible assets	18	**1,770**	1,214
Deferred tax asset	16	**619**	403
		59,836	28,847
Current assets			
Inventory	19	**685,751**	767,194
Trade and other receivables	20	**58,671**	32,380
Restricted cash	23	**458**	458
Cash and cash equivalents	27	**71,085**	141,176
		815,965	941,208
Total assets		**875,801**	970,055
Equity			
Share capital	26	**719**	952
Share premium	26	**179,416**	179,310
Undenominated capital	26	**335**	100
Retained earnings		**465,680**	558,468
Share-based payment reserve		**46,968**	45,251
Total equity		**693,118**	784,081
Liabilities			
Non-current liabilities			
Loans and borrowings	22	**71,221**	80,622
Lease liabilities	28	**4,216**	81
Trade and other payables	21	**3,500**	–
		78,937	80,703
Current liabilities			
Trade and other payables	21	**93,234**	57,488
Income tax payable		**565**	7,692
Loans and borrowings	22	**9,419**	39,625
Lease liabilities	28	**528**	466
		103,746	105,271
Total liabilities		**182,683**	185,974
Total liabilities and equity		**875,801**	970,055

Michael Rice
Director

Stephen Garvey
Director

28 February 2023

1. *See Note 6(i)(a) for more information on the restatement.*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

		Share Capital							
	Note	Ordinary shares €'000	Founder shares €'000	Deferred shares €'000	Undenominated capital €'000	Share premium €'000	Share-based payment reserve €'000	Retained earnings €'000	Total equity €'000
Balance as at 1 January 2022		**771**	**181**	**–**	**100**	**179,310**	**45,251**	**558,468**	**784,081**
Total comprehensive profit for the year									
Income for the year		–	–	–	–	–	–	52,567	52,567
Other comprehensive income		–	–	–	–	–	–	–	–
		771	181	–	100	179,310	45,251	611,035	836,648
Transactions with owners of the Company									
Equity-settled share-based payments		–	–	–	–	–	1,717	–	1,717
Lapsed share options	14	–	–	–	–	–	–	–	–
Conversion of founder shares to deferred shares	26	–	(181)	181	–	–	–	–	–
Cancellation of deferred shares	26	–	–	(100)	100	–	–	–	–
Exercise of options		2	–	–	–	106	–	–	108
Purchase of own shares	26	(135)	–	–	135	–	–	(145,355)	(145,355)
		(133)	(181)	81	235	106	1,717	(145,355)	(143,530)
Balance as at 31 December 2022		**638**	**–**	**81**	**335**	**179,416**	**46,968**	**465,680**	**693,118**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

		Share Capital						
	Note	Ordinary shares €'000	Founder shares €'000	Undenominated capital €'000	Share premium €'000	Share-based payment reserve €'000	Retained Earnings €'000	Total Equity €'000
Balance as at 1 January 2021		871	181	–	179,281	44,129	629,044	853,506
Total comprehensive profit for the year								
Income for the year		–	–	–	–	–	37,702	37,702
Other comprehensive income		–	–	–	–	–	–	–
		871	181	–	179,281	44,129	666,746	891,208
Transactions with owners of the Company								
Equity-settled share-based payments		–	–	–	–	1,219	–	1,219
Lapsed share options	14	–	–	–	–	(97)	97	–
Exercise of options		–	–	–	29	–	–	29
Purchase of own shares	26	(100)	–	100	–	–	(108,375)	(108,375)
		(100)	–	100	29	1,122	(108,278)	(107,127)
Balance as at 31 December 2021		771	181	100	179,310	45,251	558,468	784,081

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	**2022 €'000**	As restated[1] 2021 €'000
Cash flows from operating activities			
Profit for the financial year		**52,567**	37,702
Adjustments for:			
Depreciation and amortisation		**2,081**	2,406
Impairment of inventories reversal	19	**–**	(4,219)
Finance costs	11	**7,094**	4,845
Equity-settled share-based payment expense	14	**1,717**	1,219
Tax expense	16	**10,434**	8,020
(Profit)/loss on disposal of property, plant and equipment	12	**(1,501)**	1,707
		72,392	51,680
Changes in:			
Inventories		**83,360**	59,418
Trade and other receivables		**(26,290)**	(17,796)
Trade and other payables		**35,662**	14,306
Cash from operating activities		**165,124**	107,608
Interest paid		**(6,490)**	(4,009)
Tax (paid)/refund		**(17,778)**	705
Net cash from operating activities		**140,856**	104,304
Cash flows from investing activities			
Acquisition of property, plant and equipment	17	**(19,278)**	(15,701)
Acquisition of intangible assets	18	**(1,055)**	(1,012)
Acquisition of subsidiary undertakings	25	**(6,875)**	–
Cash acquired on acquisition	25	**847**	–
Transfer from restricted cash	23	**–**	250
Proceeds from the sale of property, plant and equipment		**2,036**	5,099
Net cash used in investing activities		**(24,325)**	(11,364)
Cash flows from financing activities			
Proceeds from loans and borrowings	22	**110,000**	130,000
Repayment of loans and borrowings	22	**(150,000)**	(107,500)
Transaction costs related to loans and borrowings	22	**–**	(2,993)
Purchase of own shares	26	**(146,260)**	(107,466)
Proceeds from exercise of share options	26	**108**	29
Payment of lease liabilities	28	**(470)**	(1,110)
Net cash used in financing activities		**(186,622)**	(89,040)
Net (decrease)/increase in cash and cash equivalents		**(70,091)**	3,900
Cash and cash equivalents at the beginning of the year		**141,176**	137,276
Cash and cash equivalents at the end of the year		**71,085**	141,176

1. *See Note 6(i)(a) for more information on the restatement.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

1 Reporting entity

Glenveagh Properties PLC ('the Company') is domiciled in the Republic of Ireland. The Company's registered office is Block B, Maynooth Business Campus, Maynooth Co. Kildare. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as 'the Group') and cover the financial year ended 31 December 2022. The Group's principal activities are the construction and sale of houses and apartments for the private buyer, local authorities and the private rental sector.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union which comprise standards and interpretations approved by the International Accounting Standards Board (IASB), and those parts of the Companies Act 2014, including the Commission Delegated Regulation 2018/815 regarding the single electronic reporting format (ESEF), applicable to companies reporting under IFRS and Article 4 of the IAS regulation.

2 Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union which comprise standards and interpretations approved by the International Accounting Standards Board (IASB), and those parts of the Companies Act 2014 applicable to companies reporting under IFRS and Article 4 of the IAS regulation.

3 Functional and presentation currency

These consolidated financial statements are presented in Euro which is the Company's functional currency. All amounts have been rounded to the nearest thousand unless otherwise indicated.

4 Use of judgements and estimates

The preparation of the Group's financial statements under International Financial Reporting Standards ('IFRS'), as adopted by the European Union, requires the Directors to make judgments and estimates that affect the application of policies and the reported amounts of assets, liabilities, income, expenses and related disclosures. Actual results may differ from these estimates.

Critical accounting judgements

Management applies the Group's accounting policies as described in Note 8 when making critical accounting judgements, of which no individual judgement is deemed to have a significant impact upon the financial statements.

Key sources of estimation uncertainty

The key source of significant estimation uncertainty impacting these financial statements involves assessing the carrying value of inventories as detailed below.

(a) Carrying value of work-in-progress, estimation of costs to complete and impact on profit recognition

The Group holds inventories stated at the lower of cost and net realisable value. Such inventories include land and development rights, work-in-progress and completed units. As residential development is largely speculative by nature, not all inventories are covered by forward sales contracts. Furthermore, due to the nature of the Group's activity and, in particular the scale of its developments and the length of the development cycle, the Group has to allocate site-wide development costs between units being built and/or completed in the current year and those for future years. It also has to forecast the costs to complete on such developments.

These estimates impact management's assessment of the net realisable value of the Group's inventory balance and also determine the extent of profit or loss that should be recognised in respect of each development in each reporting period.

In making such assessments and allocations, there is a degree of inherent estimation uncertainty. The Group has established internal controls designed to effectively assess and centrally review inventory carrying values and ensure the appropriateness of the estimates made. These assessments and allocations evolve over the life of the development in line with the risk profile, and accordingly, the margin recognised reflects these evolving assessments, particularly in relation to the Group's long-term developments. The impact of sustainability and other macroeconomic factors have been considered in the Group's assessment of the carrying value of its inventories at 31 December 2022, particularly with regard to the potential implications for future selling prices, development expenditure and construction programming. Management has considered a number of scenarios on each of its active developments and the consequential impact on future profitability based on current facts and circumstances together with any implications for future projects in undertaking its net realisable value calculations.

As part of the assessment, the Group has re-evaluated its most likely exit strategies on all developments in the context of the current market environment and reflected these in revenue assumptions within the forecast models. The results of this exercise determined that the net impairment charge or reversal required for the period was €Nil (2021: reversal of €4.2 million). Further detail is included in Note 19.

Management have performed a sensitivity analysis to assess the impact of a change in estimated costs for developments on which sales were recognised in the year. A 1%-4% increase in estimated costs recognised in the year, which is considered to be reasonably possible, would reduce the Group's gross margin by approximately 58-174bps (2021: 65bps).

5 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, both for financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values and reports directly to the Chief Financial Officer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
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5 Measurement of fair values (continued)

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assess the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit and Risk Committee.

Fair value is defined in IFRS 13, *Fair Value Measurement*, as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 14 Share-based payments arrangements; and
- Note 27 Financial instruments and financial risk management.

6 Changes in significant accounting policies

Amendments to standard IAS 37 Onerous Contracts – Cost of Fulfilling a Contract are effective from 1 January 2022 but they do not have a material effect on the Group's financial statements.

(i) New significant accounting policies

(a) Cash and cash equivalents

In April 2022, the IFRS Interpretations Committee issued an agenda decision clarifying the definition of cash and cash equivalents in the statement of cash flows stating that cash amounts that are only restricted by an obligation to a third party meet the definition of cash under IAS 7 Statement of Cash Flows. The title of the agenda decision is Demand Deposits with Restrictions on Use arising from a Contract with a Third Party (IAS 7 Statement of Cash Flow).

Prior to this clarification, the Group had not treated cash in demand deposit accounts that were contractually restricted as cash and cash equivalents in the statement of cash flows and had instead classified these balances as non-current assets – restricted cash. The Group considered these cash balances to not be available to the Group and disaggregated these cash balances from the cash balances that are available to the Group.

In accordance with this clarification, the Group has made an accounting policy change as a result of the IFRIC decision and has presented cash and cash equivalents for the purpose of its cash flow including these restricted balances and has restated the prior period accordingly.

The change in accounting policy has resulted in a change to prior year numbers in 2021 in the statement of financial position and the statement of cash flows. The change in classification for the purpose of statement of cash flows did not impact the overall statement of financial position other than the transfer of €25.0 million restricted cash from non-current assets to cash and cash equivalents in current assets.

(b) Contingent consideration

Contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

(c) Classification of liabilities as current or non-current (amendments to IAS 1)

The amendments, as issued in 2020, aim to clarify the requirements on determining whether a liability is current or non-current and apply for annual reporting periods beginning on or after 1

January 2023. However, the IASB has subsequently proposed further amendments to IAS 1 and the deferral of the effective date of the 2020 amendments to no earlier than 1 January 2024. Due to these ongoing developments, the Group is unable to determine the impact of these amendments on the consolidated financial statements in the period of initial application. The Group is closely monitoring the developments.

There have been no other changes to significant accounting policies during the financial year ended to 31 December 2022.

(ii) Other standards

The Group has not adopted the following new and amended standards early, and instead intends to apply them from their effective date as determined by the date of EU endorsement. The potential impact of these amendments to standards on the Group is under review:

- IAS 8 Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates and errors (amendment) (not yet effective)
- IAS 1 Presentation of financial statements: Amendments to IAS 1 presentation of financial statements and IFRS practice statement 2 making materiality judgements (amendment) (not yet effective)
- IFRS 16 Leases – COVID-19 related rent concessions beyond 30 June 2021 (amendment)
- Annual improvements to IFRS standards 2018-2020
- IAS 16 Property plant and equipment: Proceeds before intended use (amendment)
- IFRS 3 Business combinations: Reference to the Conceptual Framework (amendment)
- IFRS 17 Insurance contracts – amendments to IFRS 17 insurance contracts (amendment) (not yet effective)
- IAS 12 Income taxes – Deferred tax related to assets and liabilities arising from a single transaction (amendment) (not yet effective)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

7 Going concern

The Group has recorded a profit before tax of €63.0 million (2021: €45.7 million which included a non-cash impairment reversal of €4.2 million relating to the Group's inventory balance). The Group has an unrestricted cash balance of €46.1 million (31 December 2021: €116.2 million) exclusive of the minimum cash balance of €25.0 million which the Group is required to maintain under the terms of its debt facilities. The Group has committed undrawn funds available of €150.0 million (31 December 2021: €120.0 million).

Management has prepared a detailed cash flow forecast to assess the Group's ability to continue as a going concern for at least a period of twelve months from the signing of these financial statements. The preparation of this forecast considered the principal risks facing the Group, including those risks that could threaten the Group's business model, future performance, solvency or liquidity over the forecast period. These principal risks and uncertainties and the steps taken by the Group to mitigate them are detailed on page 60 to 66 of the Risk Management Report. The Group's business activities, together with the factors likely to affect its future development are outlined in our Strategic Report. Further disclosures regarding the Group's loans and borrowings are provided in Note 22.

The Group is forecasting compliance with all covenant requirements throughout the period of assessment under the current facilities including the interest cover covenant which is based on earnings before interest, tax, depreciation and amortisation (EBITDA) excluding any non-cash impairment charge or reversal. Other assumptions within the forecast include the Group's expected selling prices and sales strategies as well as its investment in work in progress which reflect updated development programmes.

Based on the forecasts modelled, the Directors have assessed the Group's going concern status for the foreseeable future. Having considered the Group's cash flow forecasts, the Directors are satisfied that the Group has the appropriate working capital management strategy, operational flexibility, and resources in place to continue in operational existence for the foreseeable future. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

8 Significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

8.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(iii) Joint operations

Joint operations arise where the Group has joint control of an operation with other parties, in which the parties have direct rights to the assets and obligations of the operation. The Group accounts for its share of the jointly controlled assets and liabilities and income and expenditure on a line by line basis in the consolidated financial statements.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

8.2 Revenue

The Group develops and sells residential properties and non-core land in addition to developing land under development agreements with third parties.

(i) Housing and land sales

Revenue is recognised at the point in time when control over the property has been transferred to the customer, which occurs at legal completion.

(ii) Development revenue

Revenue arising on contracts under a development agreement which give the customer control over properties as they are constructed, and for which the Group has a right to payments for work performed, is recognised over time. Revenue and costs are recognised over time with reference to the stage of completion of the contract activity at the balance sheet date where the outcome of a contract can be estimated reliably. This is measured by surveys of work performed to date. Variations in contract work, claims and incentive payments are included to the extent that it is probable that they will result in revenue, and they are capable of being reliably measured. When land is transferred at the start of a contract, revenue is not recognised until control has been transferred to the customer which includes legal title being passed to them. Where the outcome of a contract cannot be estimated reliably, contract revenue where recoverability is probable is recognised to the extent of contract costs incurred. The costs associated with fulfilling a contract are recognised as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

8 Significant accounting policies (continued)

8.3 Expenditure

Expenditure recorded in inventory is expensed through cost of sales at the time of the related property sale. The amount of cost related to each property includes its share of the overall site costs. Expenditure related to revenue recognised over time is expensed through cost of sales on an inputs basis. Administration expense is recognised in respect of goods and services received when supplied in accordance with contractual terms.

8.4 Taxation

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Temporary differences in relation to a right of use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purposes of recognising deferred tax.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary difference when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

8.5 Share-based payment arrangements

The grant date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions or market conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

8.6 Exceptional items

Exceptional items are those that are separately disclosed by virtue of their nature or amount in order to highlight such items within the consolidated statement of profit or loss for the financial year. Group management exercises judgement in assessing each particular item which, by virtue of its scale or nature, should be highlighted as an exceptional item. Exceptional items are included within the profit or loss caption to which they relate.

During the financial year, there were no costs considered exceptional items.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

8 Significant accounting policies (continued)

8.7 Property, plant and equipment

Property, plant and equipment is carried at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided to write off the cost of the assets on a straight-line basis to their residual value over their estimated useful lives at the following annual rates:

– Buildings 2.5%
– Plant and machinery 14-20%
– Fixtures and fittings 20%
– Computer Equipment 33%

The assets' residual values, carrying values and useful lives are reviewed on an annual basis and adjusted if appropriate at each reporting date.

Where an impairment is identified, the recoverable amount of the asset is identified and an impairment loss, where appropriate, is recognised in the statement of profit or loss and other comprehensive income.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within administration expenses in the statement of profit or loss and other comprehensive income.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

8.8 Intangible assets

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Computer software is capitalised as intangible assets as acquired and amortised on a straight-line basis over its estimated useful life of 3 years, in line with the period over which economic benefit from the software is expected to be derived.

Licence costs are capitalised as intangible assets as acquired and amortised on a straight-line basis over their estimated useful life in line with the period over which economic benefit from the software is expected to be derived.

The assets' useful lives and residual values are reviewed and adjusted, if appropriate, at each reporting date.

8.9 Inventory

Inventory comprises property in the course of development, completed units, land and land development rights. Inventories are valued at the lower of cost and net realisable value. Direct cost comprises the cost of land, raw materials and development costs but excludes indirect overheads. Land purchased for development, including land in the course of development, is initially recorded at cost. Where such land is purchased on deferred settlement terms, and the cost differs from the amount that will subsequently be paid in settling the liability, this difference is charged as a finance cost in the statement of profit or loss and other comprehensive income over the period to settlement. A provision is made, where appropriate, to reduce the value of inventories and work-in-progress to their net realisable value.

8.10 Financial instruments

Financial assets and financial liabilities

Under IFRS 9, financial assets and financial liabilities are initially recognised at fair value and are subsequently measured based on their classification as described below. Their classification depends on the purpose for which the financial instruments were acquired or issued, their characteristics and the Group's designation of such instruments. The standards require that all financial assets and financial liabilities be classified as fair value through profit or loss ('FVTPL'), amortised cost, or fair value through other comprehensive income ('FVOCI').

Classification of financial instruments

The following summarises the classification and measurement the Group has elected to apply to each of its significant categories of financial instruments:

Type	IFRS 9 Classification
Financial assets	
Cash and cash equivalents	Amortised cost
Trade receivables	Amortised cost
Other receivables	Amortised cost
Amounts recoverable on construction contracts	Amortised cost
Restricted cash	Amortised cost
Deposits for sites	Amortised cost
Construction bonds	Amortised cost
Financial liabilities	
Lease liabilities	Amortised cost
Trade payables	Amortised cost
Inventory accruals	Amortised cost
Other accruals	Amortised cost
Loans and borrowings	Amortised cost
Contingent consideration	Fair value through profit or loss

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
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8 Significant accounting policies (continued)

8.10 Financial instruments (continued)

Classification of financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents include cash, short-term investments with an original maturity of three months or less and minimum cash balances required under the terms of the debt facilities. Interest earned or accrued on these financial assets is included in finance income.

Trade and other receivables

Such receivables are included in current assets, except for those with maturities more than 12 months after the reporting date, which are classified as non-current assets. Loans and other receivables are included in trade and other receivables on the statement of financial position and are accounted for at amortised cost. These assets are subsequently measured at amortised cost. The amortised cost is reduced by impairment losses. The Group recognises impairment losses on an 'expected credit loss' model (ECL model) basis in line with the requirements of IFRS 9. Interest income and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Amounts recoverable on construction contracts

Amounts recoverable on construction contracts includes recoverable revenue recognised over time with reference to the stage of completion arising on contracts under a development agreement which are receivable within 12 months of the reporting date.

Deposits for sites

Deposits for sites includes a percentage amount paid of the total purchase price for the acquisition of land intended for development.

Restricted cash

Restricted cash includes cash amounts which are classified as current assets and held in escrow until the completion of certain criteria.

Construction bonds

Construction bonds includes amounts receivable in relation to the completion of construction activities on sites. These assets are included in trade and other receivables on the consolidated balance sheets and are accounted for at amortised cost.

Financial liabilities

Such financial liabilities are recorded at amortised cost and include all liabilities.

Loans and borrowings

Loans and borrowings include debt facilities, interest accrued and borrowing costs classified as current and non-current liabilities.

Contingent consideration

Contingent consideration includes amounts payable if conditions pertaining to the business combination are satisfied.

8.11 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle that obligation, and the amount has been reliably estimated.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability, where the effect of discounting is considered significant. The unwinding of the discount is recognised as a finance cost.

8.12 Pensions

The Group operates a defined contribution scheme. The assets of the scheme are held separately from those of the Group in a separate fund. Obligations for contributions to defined contribution plans are expensed as the related service is provided.

8.13 Leases

At the inception of a contract, the Group assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component and non-lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and motor vehicles. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
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8 Significant accounting policies (continued)

8.13 Leases (continued)

(i) As a lessee (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate with reference to its current financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'lease liability' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term lease. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

In certain instances the Group acts as a lessor in relation to certain property assets. These arrangements are not material to the Group's consolidated financial statements.

8.14 Share capital

(i) Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity (retained earnings).

(ii) Founder Shares

Founder Shares were initially issued as ordinary shares and subsequently re-designated as Founder Shares. Following re-designation, the instruments are accounted for as equity-settled share-based payments as set out at Note 8.5 above.

8.15 Finance income and costs

The Group's finance income and finance costs include:

- Interest income
- Interest expense

Interest income and expense is recognised using the effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

9 Segmental information

The Group has considered the requirements of IFRS 8 Operating Segments in the context of how the business is managed and resources are allocated.

The Group is organised into three key reportable segments, being Suburban, Urban and Partnerships. Internal reporting to the Chief Operating Decision Maker ('CODM') is provided on this basis. The CODM has been identified as the Executive Committee.

The Group currently operates solely in the Republic of Ireland and therefore no geographically segmented financial information is provided.

Suburban

The Suburban segment is focussed primarily on high quality housing (with some low rise apartments) with demand coming from private buyers and institutions. Our core Suburban product is affordable and located in well serviced communities predominantly in the Greater Dublin Area and Cork.

Urban

Urban's strategic focus is developing apartments to deliver to institutional investors. The apartments are located primarily in Dublin and Cork, but also on sites adjacent to significant rail transportation hubs. Urban's strategy is to deliver the product to institutional investors through a forward sale, or forward fund transaction providing longer term earnings visibility.

Partnerships

A Partnership will typically involve the Government, local authorities, or state agencies contributing their land on a reduced cost, or phased basis into a development agreement with Glenveagh. Approximately 50% of the product is delivered back to the government or local authority via social and affordable homes. This provides longer term access to both land and deliveries for the business and provides financial incentive by reducing risk from a sales perspective.

Segmental financial results

	2022 €'000	2021 €'000
Revenue		
Suburban	**454,540**	276,848
Urban	**190,166**	199,959
Partnerships	**–**	–
Revenue for reportable segments	**644,706**	476,807
Operating profit/(loss)		
Suburban	**70,353**	36,153
Urban	**21,532**	33,426
Partnerships	**(1,565)**	(1,050)
Operating profit for reportable segments	**90,320**	68,529
Reconciliation to results for the financial year		
Segment results – operating profit	**90,320**	68,529
Finance expense	**(7,094)**	(4,845)
Directors' remuneration	**(3,402)**	(2,576)
Corporate function payroll costs	**(6,081)**	(4,350)
Depreciation and amortisation	**(2,081)**	(2,406)
Professional fees	**(4,992)**	(3,451)
Share-based payment expense	**(1,717)**	(1,219)
Profit/(loss) on sale of property, plant and equipment	**1,501**	(1,707)
Other corporate costs	**(3,453)**	(2,253)
Profit before tax	**63,001**	45,722

There are no individual costs included within other corporate costs that is greater than the amounts listed in the above table.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

9 Segmental information (continued)

Segment assets and liabilities

	31 December 2022				31 December 2021[1]			
	Suburban €'000	**Urban €'000**	**Partnerships €'000**	**Total €'000**	Suburban €'000	Urban €'000	Partnerships €'000	Total €'000
Segment assets	**590,321**	**153,018**	**6,452**	**749,791**	613,168	183,848	2,519	799,535
Reconciliation to Consolidated Balance Sheet								
Deferred tax asset				**620**				403
Trade and other receivables				**785**				497
Cash and cash equivalents				**71,085**				141,176
Property, plant and equipment				**51,750**				27,230
Intangible assets				**1,770**				1,214
				875,801				970,055
Segment liabilities	**69,138**	**9,876**	**159**	**79,173**	–	–	–	–
Reconciliation to Consolidated Balance Sheet								
Trade and other payables				**17,561**				57,488
Loans and Borrowings				**80,640**				120,247
Lease liabilities				**4,744**				547
Income tax payable				**565**				7,692
				182,683				185,974

1. See Note 6(i)(a) for more information on the restatement. As a result of a change in reporting to the CODM in FY2022, liabilities are now split between reportable segments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

10 Revenue

	2022 €'000	2021 €'000
Suburban		
Core	**451,930**	276,848
Non-core	**2,610**	–
	454,540	276,848
Urban		
Core	**176,570**	126,217
Non-core	**13,596**	73,742
	190,166	199,959
Total Revenue	**644,706**	476,807

The Group has presented revenue as a split between core and non-core by business segment. This split is consistent with internal reporting to the Chief Operating Decision Maker ('CODM').

Core suburban product relates to affordable starter homes for first time buyers. Core urban product relates primarily to apartments suitable for institutional investors. Non-core suburban and urban product relates to high-end, private developments and sites. Non-core suburban and urban cost of sales is mostly attributable to land and development expenditure costs for high end, private developments and sites.

Urban core revenue includes income from the sale of land and development revenue from construction contracts that are recognised over time by reference to the stage of completion of the contract with the customer. Development revenue recognised in the financial year related to the development of the sites at Barn Oaks Apartments, Castleforbes and Carpenterstown and amounted to €82.1 million *(2021: €8.2 million)* with €32.1 million *(2021: €3.8 million)* outstanding in contract receivables (Note 20) at the year end. The payment terms for these contracts are between 30 and 90 days.

All revenue is earned in the Republic of Ireland.

11 Finance Expense

	2022 €'000	2021 €'000
Interest on secured bank loans	**7,049**	4,820
Finance cost on lease liabilities	**45**	25
	7,094	4,845

12 Statutory and other information

	2022 €'000	2021 €'000
Amortisation of intangible assets (Note 18)	**487**	487
Depreciation of property, plant and equipment (Note 17)*	**3,509**	3,144
Employment costs (Note 13)	**40,337**	33,481
(Profit)/Loss on disposal of property, plant and equipment	**(1,501)**	1,707
Audit of Group, Company and subsidiary financial statements**	**255**	235
Other assurance services	**20**	15
Tax advisory services	**30**	23
Tax compliance services	**43**	33
Other non-audit services	**20**	6
	368	312
Directors' remuneration		
Salaries, fees and other emoluments	**3,252**	2,461
Pension contributions	**150**	115
	3,402	2,576

* *Includes €2.1 million (2021: €1.2 million) capitalised in inventory during the year ended 31 December 2022.*

** *Included in the auditor's remuneration for the Group is an amount of €0.020 million (2021: €0.015 million) that relates to the Company's financial statements.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

13 Employment costs

The average number of persons employed by the Group (including Executive Directors) during the financial year was 423 *(Executive Committee: 6; Non-executive Directors: 5; Construction: 227; and Other: 185). (2021:336 (Executive Committee: 3; Non-executive Directors: 5; Construction: 176; and Other: 152)).*

The aggregate payroll costs of these employees for the financial year were:

	2022 Total €'000	2021 Total €'000
Wages and salaries	**33,734**	28,262
Social welfare costs	**3,540**	2,744
Pension costs – defined contribution	**1,346**	1,256
Share-based payment expense (Note 14)	**1,717**	1,219
	40,337	33,481

€15.4 million *(2021: €12.3 million)* of employment costs were capitalised in inventory during the financial year.

14 Share-based payment arrangements

The Group operates three equity-settled share-based payment arrangements being the Founder Share scheme, the Long-Term Incentive Plan ('LTIP') and the Savings Related Share Option Scheme (known as the Save As You Earn or 'SAYE' scheme). As described below, options were granted under the terms of the LTIP and SAYE schemes during the financial year.

(a) 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 entitle 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 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. Accordingly, no Founder Shares were converted to ordinary shares during the financial year. Following completion of the fifth test period, the scheme is now completed.

(b) LTIP

On 1 April 2022, the Remuneration Committee approved the grant of 4,568,698 options to certain members of the management team in accordance with the terms of the Company's LTIP. These options will vest on completion of a three-year service period from grant date subject to the achievement of certain performance condition hurdles based on the Company's Return on Equity (ROE) and Earnings per Share (EPS) across the vesting period. 50% of the awards will vest based on the Group's ROE for the financial year ended 31 December 2024. The EPS based options will vest based on the Group's EPS* for the financial year ended 31 December 2024. 25% of ROE based options vest should the Group achieve ROE of 11.0% with the remaining options vesting on a pro rata basis up to 100% if ROE of 16.2% is achieved. 25% of EPS based options will vest should the Group achieve EPS* of 12.0 cents per share with the remaining options vesting on a pro rata basis up to 100% if EPS* of 20.0 cents per share is achieved. In line with the Group's remuneration policy, LTIP awards granted to Executive Directors from 2020 onwards include a holding period of at least two years post exercise.

	Number of Options 2022	Number of Options 2021
LTIP options in issue at 1 January	**10,583,497**	7,675,456
Granted during the financial year	**4,568,698**	3,998,475
Forfeited during the financial year	**(264,729)**	(590,329)
Lapsed during the financial year	**–**	(381,595)
Exercised during the financial year	**(1,864,636)**	(118,510)
LTIP options in issue at 31 December	**13,022,830**	10,583,497
Exercisable at 31 December	**461,395**	58,057

LTIP options were exercised during the financial year with the average share price being €1.00 *(2021: €0.99)*. The options outstanding at 31 December 2022 had an exercise price €0.001 *(2021: €0.001)* and a weighted-average contractual life of 7 years *(2021: 7 years)*.

* *Group EPS is defined as Basic Earnings Per Share as calculated in accordance with IAS 33 Earnings Per Share subject to adjustment by the Remuneration Committee at its discretion, for items deemed not reflective of the Group's underlying performance for the financial year.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

14 Share-based payment arrangements (continued)

(b) LTIP (continued)

The EPS and ROE related performance conditions are non-market conditions and do not impact the fair value of the EPS or ROE based awards at grant date which is equivalent to the share price at grant date. The fair value of LTIP options granted in the prior periods was measured using a Monte Carlo simulation. There is no Total Shareholder Return (TSR) linked performance condition for options granted in the period and therefore no fair value exercise was performed related to this performance condition. Service and non-market conditions attached to the arrangements were not taken into account when measuring fair value. The inputs used in measuring fair value at grant date were as follows:

	2022	2021
Fair value at grant date	**€1.16**	€0.49
Share price at grant date	**€1.16**	€0.91
Valuation methodology	**N/A**	Monte Carlo
Exercise price	**€0.001**	€0.001
Expected volatility	**N/A**	36.1%
Expected life	**N/A**	3 years
Expected dividend yield	**N/A**	0%
Risk free rate	**N/A**	-0.7%

The exercise price of all options granted under the LTIP to date is €0.001 and all options have a 7-year contractual life. The expected share price and TSR volatility was based on the historical volatility of the Group over the expected life of the equity instruments granted.

The Group recognised an expense of €1.7 million *(2021: €1.2 million)* in the consolidated statement of profit or loss in respect of options granted under the LTIP.

(c) SAYE Scheme

Under the terms of the scheme, employees may save up to €500 per month from their net salaries for a fixed term of three or five years and at the end of the savings period they have the option to buy shares in the Company at a fixed exercise price. No options were granted in the current year or prior period and therefore no fair value exercise was performed.

Details of options outstanding and grant date fair value assumptions

	2022		2021	
	Number of Options 3 Year	**Number of Options 5 Year**	Number of Options 3 Year	Number of Options 5 Year
SAYE options in issue at 1 January	**799,740**	**165,000**	959,040	255,000
Granted during the financial year	**–**	**–**	–	–
Cancelled during the financial year	**(32,520)**	**–**	(130,500)	(90,000)
Exercised during the financial year	**(177,000)**	**–**	(28,800)	–
SAYE options in issue at 31 December	**590,220**	**165,000**	799,740	165,000

The weighted average exercise price of all options granted under the SAYE to date is €0.97 *(2021: €0.71)*.

The expected share price and TSR volatility was based on the historical volatility of a comparator group of peer companies over the expected life of the equity instruments granted together with consideration of the Group's actual trading volatility to date.

The Group recognised an expense of €0.06 million *(2021: €0.06 million)* in the consolidated statement of profit or loss in respect of options granted under the SAYE scheme.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

15 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share has been based on the profit attributable to ordinary shareholders and the weighted average numbers of shares outstanding for the financial year. There were 638,131,722 ordinary shares in issue at 31 December 2022 *(2021: 771,770,694)*.

	2022	2021
Profit for the financial year attributable to ordinary shareholders (€'000)	**52,567**	37,702
Weighted average number of shares for the financial year	**693,872,004**	840,694,786
Basic earnings per share (cents)	**7.6**	4.5

	2022* No. of shares	2021 No. of shares
Reconciliation of weighted average number of shares		
Number of ordinary shares at beginning of financial year	**771,770,694**	871,333,550
Effect of share buyback	**(78,865,173)**	(30,664,903)
Effect of SAYE maturity	**29,487**	4,359
Effect of LTIP maturity	**936,996**	21,780
	693,872,004	840,694,786

(b) Dilutive earnings/(loss) per share

Diluted earnings per share

	2022	2021
Profit for the financial year attributable to ordinary shareholders (€'000)	**52,567**	37,702
Weighted average number of shares for the financial year	**695,970,940**	845,809,433
Diluted earnings per share (cents)	**7.6**	4.5

	2022* No. of shares	2021 No. of shares
Reconciliation of weighted average number of shares (diluted)		
Weighted average number of ordinary shares (basic)	**693,872,004**	840,694,786
Effect of potentially dilutive shares	**2,098,936**	5,114,647
	695,970,940	845,809,433

* *The number of potentially issuable shares in the Group held under option or Founder Share arrangements at 31 December 2022 is 13,022,830 (2021: 191,590,335).*

** *Under IAS 33, Founders Shares and LTIP arrangements have an assumed test period ending on 31 December 2022. Based on this assumed test period no ordinary shares would be issued through the conversion of Founder Shares. Based on the assumed test period only the TSR performance condition was met related to LTIP options and therefore only ordinary shares related to this condition would be issued through the conversion of LTIP options.*

At 31 December 2022 Nil options (2021: Nil options) were excluded from the diluted weighted average number of ordinary shares because their effect would have been anti-dilutive.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

16 Income tax

	2022 €'000	2021 €'000
Current tax charge for the financial year	**10,650**	7,008
Deferred tax (credit)/charge for the financial year	**(216)**	1,012
Total income tax charge	**10,434**	8,020

The tax assessed for the financial year differs from the standard rate of tax in Ireland for the financial year. The differences are explained below.

	2022 €'000	2021 €'000
Profit before tax for the financial year	**63,001**	45,722
Tax charge at standard Irish income tax rate of 12.5%	**7,875**	5,715
Tax effect of:		
Income taxed at the higher rate of corporation tax	**2,424**	2,141
Non-deductible expenses – other	**97**	298
Adjustment in respect of prior year (over)/under accrual	**38**	44
Losses forward previously not recognised as deferred tax	**–**	(178)
Total income tax charge	**10,434**	8,020

Movement in deferred tax balances

	Balance at 1 January 2022 €'000	**Recognised in profit or loss €'000**	**Balance at 31 December 2022 €'000**
Expenses deductible in future periods	**403**	**216**	**619**
	403	**216**	**619**

The expenses deductible in future periods arise in Ireland and have no expiry date. Based on profitability achieved in the period, the continued forecast profitability in the Group's strategic plan and the sensitivities that have been applied therein, management has considered it probable that future profits will be available against which the above losses can be recovered and, therefore, the related deferred tax asset can be realised.

Global minimum tax

To address concerns about uneven profit distribution and tax contributions of large multinational corporations, various agreements have been reached at the global level, including an agreement by over 135 jurisdictions to introduce a global minimum tax rate of 15%. In December 2021, the Organisation for Economic Co-operation and Development ('OCED') released a draft legislative framework, followed by detailed guidance released in March 2022, that is expected to be used by individual jurisdictions that signed the agreement to amend their local tax laws. Once changes to the tax laws in any jurisdiction in which the Group operates are enacted or substantively enacted, the Group may be subject to the top-up tax. At the date when the financial statements were authorised for issue, the jurisdiction in which the Group operates had not enacted or substantively enacted the tax legislation related to the top-up tax. The Group may be potentially subject to the top up tax. Management is closely monitoring the progress of the legislative process in the Republic of Ireland. At 31 December 2022, the Group did not have sufficient information to determine the potential quantitative impact.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

17 Property, plant and equipment

	2022					2021				
	Land & buildings €'000	**Fixtures & fittings €'000**	**Plant & machinery €'000**	**Computer equipment €'000**	**Total €'000**	Land & buildings €'000	Fixtures & fittings €'000	Plant & machinery €'000	Computer equipment €'000	Total €'000
Cost										
At 1 January	**18,239**	**945**	**14,699**	**717**	**34,600**	15,263	1,162	9,045	694	26,164
Acquisitions through business combinations (Note 25)	**3,313**	**56**	**714**	**–**	**4,083**	–	–	–	–	–
Additions	**15,315**	**1,095**	**7,874**	**308**	**24,592**	10,000	62	5,958	32	16,052
Disposals	**(545)**	**–**	**(792)**	**(75)**	**(1,412)**	(7,024)	(279)	(304)	(9)	(7,616)
At 31 December	**36,322**	**2,096**	**22,495**	**950**	**61,863**	18,239	945	14,699	717	34,600
Accumulated depreciation										
At 1 January	**(2,216)**	**(438)**	**(4,121)**	**(595)**	**(7,370)**	(1,693)	(389)	(2,551)	(444)	(5,077)
Charge for the financial year	**(748)**	**(216)**	**(2,447)**	**(98)**	**(3,509)**	(922)	(197)	(1,866)	(159)	(3,144)
Disposals	**–**	**–**	**700**	**66**	**766**	399	148	296	8	851
At 31 December	**(2,964)**	**(654)**	**(5,868)**	**(627)**	**(10,113)**	(2,216)	(438)	(4,121)	(595)	(7,370)
Net book value										
At 31 December	**33,358**	**1,442**	**16,627**	**323**	**51,750**	16,023	507	10,578	122	27,230

The depreciation charge for the year includes €2.1 million (2021: €1.2 million) which was capitalised in inventory at 31 December 2022.

Property plant and equipment includes right of use assets of €4.7 million (2021: €0.5 million) related to leased properties and motor vehicles.

During the year, the Group entered into new lease agreements for the use of land and buildings as its head office facility in Maynooth, Co. Kildare. The land and buildings lease commenced in September 2022 for a duration of seven years. On lease commencement, the Group recognised €4.7 million of right-of-use assets and lease liabilities.

In the prior year, The Group entered new lease arrangements for the use of motor vehicles (€0.3 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

18 Intangible assets

	2022				2021		
	Goodwill €'000	**Licence €'000**	**Computer Software €'000**	**Total €'000**	Licence €'000	Computer Software €'000	Total €'000
Cost							
At 1 January	**–**	**–**	**2,390**	**2,390**	149	1,359	1,508
Additions	**5,697**	**300**	**743**	**6,740**	–	1,038	1,038
Disposals	**–**	**–**	**–**	**–**	(149)	(7)	(156)
At 31 December	**5,697**	**300**	**3,133**	**9,130**	–	2,390	2,390
Accumulated amortisation							
At 1 January	**–**	**–**	**(1,176)**	**(1,176)**	(100)	(696)	(796)
Charge for the year	**–**	**–**	**(487)**	**(487)**	–	(487)	(487)
Disposals	**–**	**–**	**–**	**–**	100	7	107
At 31 December	**–**	**–**	**(1,663)**	**(1,663)**	–	(1,176)	(1,176)
Net book value							
At 31 December	**5,697**	**300**	**1,470**	**7,467**	–	1,214	1,214

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

19 Inventory

	2022 €'000	2021 €'000
Land	**455,280**	548,728
Development expenditure work in progress	**227,240**	204,458
Development rights	**3,231**	14,008
	685,751	767,194

€530.4 million *(2021: €387.5 million)* of inventory was recognised in 'cost of sales' during the year ended 31 December 2022. Sustainable materials such as heat pumps, PV panels, timber frames and building expenditure necessary to deliver A1/A2 Building Energy Rating ('BER') homes are included within development expenditure work in progress.

(i) Impairment of inventories

During the financial year the Group carried out a net realisable value assessment of its inventories at the reporting date. This assessment determined that the net impairment charge or reversal required for the period was €Nil.

In the prior financial year, the Group's net realisable value assessment resulted in an impairment reversal of €4.2 million for the year at our previously impaired non-core active sites. The impairment reversal was reflective of management's reassessment of sales prices on remaining units at higher ASP sites due to better pricing being achieved on unit closings in the year. This was recognised in cost of sales with €1.4 million allocated to land and the remainder (€2.8 million) allocated to work in progress.

(ii) Employment cost capitalised

€15.4 million of employment costs incurred in the financial year have been capitalised in inventory *(2021: €12.3 million)*.

(iii) Development right

Tallaght, Dublin 24/Gateway Retail Park, Co. Galway

In March 2018, the Group entered into an Acquisition and Profit Share Agreement ('APSA') with Targeted Investment Opportunities ICAV ('TIO'), a wholly owned subsidiary of OCM Luxembourg EPF III S.a.r.l. Under the terms of the APSA, the Group acquired certain development rights in respect of the site at Gateway Retail Park, Knocknacarra, Co. Galway for consideration of approximately €13.2 million (including stamp duty and acquisition costs). The development rights will (subject to planning) entitle the Group to develop at least 250 residential units under a joint business plan to be undertaken with Sigma Retail Partners (on behalf of TIO) which will also entitle TIO to control and benefit from any retail development at the site. The Directors have determined that joint control of the site exists and the arrangement has been accounted for as a joint operation in accordance with IFRS 11 Joint Arrangements. For further information regarding the APSA, see Note 29 of these financial statements.

In July 2022, the Group agreed a repayment of consideration (€10.0 million) and release of obligations under the Acquisition and Profit Share Agreement in relation to the site at The Square Shopping Centre, Tallaght, Dublin 24.

20 Trade and other receivables

	2022 €'000	2021 €'000
Trade receivables	**9,224**	6,549
Contract receivables	**32,113**	3,825
Other receivables	**2,283**	2,172
Prepayments	**862**	698
Construction bonds	**12,140**	10,012
Deposits for sites	**2,049**	9,124
	58,671	32,380

The carrying value of all financial assets and trade and other receivables is approximate to their fair value and are short term in nature with the exception of construction bonds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

21 Trade and other payables

	2022 €'000	2021 €'000
Current		
Trade payables	**7,132**	6,202
Payroll and other taxes	**4,897**	3,524
Inventory accruals	**33,600**	20,069
Contingent consideration	**1,500**	–
Other accruals	**16,372**	13,238
VAT payable	**29,733**	14,455
	93,234	57,488

The carrying value of all financial liabilities and trade and other payables is approximate to their fair value and are repayable under the normal credit cycle.

	2022 €'000	2021 €'000
Non-current		
Contingent consideration (Note 25)	**3,500**	–
Non-current	**3,500**	–
Current	**93,234**	57,488
	96,734	57,488

22 Loans and borrowings

(a) Loans and borrowings

The Group is party to a long-term debt facility for a total of €250.0 million with a syndicate of domestic and international banks for a term of 5 years at an interest rate of one-month EURIBOR (subject to a floor of 0 per cent) plus a margin of 2.6%. €82.5 million had been drawn on the new debt facilities (31 December 2021: €122.5 million). Pursuant to the debt facility agreement, there is a fixed and floating charge in place over the net assets of the subsidiary entities of the Group as continuing security for the discharge of any amounts drawn down. The carrying value of these net assets at 31 December 2022 is €685.2 million (31 December 2021: €783.2 million).

	2022 €'000	2021 €'000
Debt facilities	**82,500**	122,500
Unamortised borrowing costs	**(1,877)**	(2,476)
Interest accrued	**17**	223
Total loans and borrowings	**80,640**	120,247

Loans and borrowings are payable as follows:

	2022 €'000	2021 €'000
Less than one year	**9,419**	39,625
Between one and two years	**9,401**	9,401
More than two years	**61,820**	71,221
Total loans and borrowings	**80,640**	120,247

The Group's debt facilities were entered into with AIB, Bank of Ireland, Barclays and Ulster Bank and are subject to primary financial covenants calculated on a quarterly basis:

- A maximum net debt to net assets ratio of 25%;
- Loans to eligible assets value does not exceed 65%;
- The Group is required to maintain a minimum cash balance of €25.0 million throughout the term of the debt facility, from 31 March 2024 this will increase to €50.0 million; and
- EBITDA must exceed net interest costs by a minimum of 3 times and is calculated on a trailing twelve-month basis.

All covenants have been complied with in 2022 and 2021.

Debt facilities are secured by a debenture incorporating fixed and floating charges and assignments over all the assets of the Group. The carrying value of inventories as at 31 December 2022 pledged as security is €685.2 million.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

22 Loans and borrowings (continued)

(b) Reconciliation of movements of liabilities to cash flows arising from financing activities

2022	Opening 2022 €'000	Cash flows: Credit facility drawdown €'000	Credit facility repayment €'000	Transaction costs related to loans and borrowings €'000	Share buyback payments €'000	Proceeds from share option exercise €'000	Payment of lease liability €'000	Interest Paid €'000	Non-cash changes: Amortisation of transaction costs €'000	Interest on debt facilities €'000	Interest on lease liability €'000	New leases €'000	Closing 2022 €'000
Liabilities:													
Loans and borrowings	122,500	110,000	(150,000)	–	–	–	–	–	–	–	–	–	82,500
Unamortised transaction costs	(2,476)	–	–	–	–	–	–	–	599	–	–	–	(1,877)
Lease liability	547	–	–	–	–	–	(470)	–	–	–	45	4,622	4,744
Interest accrual	223	–	–	–	–	–	–	(6,490)	–	6,284	–	–	17
Equity:													
Share Buyback	(107,466)	–	–	–	(146,260)	–	–	–	–	–	–	–	(253,726)
Share option exercise	29	–	–	–	–	108	–	–	–	–	–	–	137
	13,357	110,000	(150,000)	–	(146,260)	108	(470)	(6,490)	599	6,284	45	4,622	(168,205)

2021	Opening 2021 €'000	Cash flows: Credit facility drawdown €'000	Credit facility repayment €'000	Transaction costs related to loans and borrowings €'000	Share buyback payments €'000	Proceeds from share option exercise €'000	Payment of lease liability €'000	Interest Paid €'000	Non-cash changes: Amortisation of transaction costs €'000	Interest on debt facilities €'000	Interest on lease liability €'000	New leases €'000	Closing 2021 €'000
Liabilities:													
Loans and borrowings	100,000	130,000	(107,500)	–	–	–	–	–	–	–	–	–	122,500
Unamortised transaction costs	(104)	–	–	(2,993)	–	–	–	–	621	–	–	–	(2,476)
Lease liability	1,316	–	–	–	–	–	(1,110)	–	–	–	22	319	547
Interest accrual	38	–	–	–	–	–	–	(4,009)	–	4,194	–	–	223
Equity:													
Share Buyback	–	–	–	–	(107,466)	–	–	–	–	–	–	–	(107,466)
Share option exercise	–	–	–	–	–	29	–	–	–	–	–	–	29
	101,250	130,000	(107,500)	(2,993)	(107,466)	29	(1,110)	(4,009)	621	4,194	22	319	13,357

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

22 Loans and borrowings (continued)

(c) Net (debt)/funds reconciliation

	2022 €'000	As restated 2021 €'000
Restricted Cash	**458**	458
Cash and cash equivalents	**71,085**	141,176
Loans and borrowings	**(80,640)**	(120,247)
Lease liabilities	**(4,744)**	(547)
Total net (debt)/funds	**(13,841)**	20,840

(d) Lease Liabilities

Lease liabilities are payable as follows:

	31 December 2022		
	Present value of minimum lease payments €'000	Interest €'000	Future value of minimum lease payments €'000
Less than one year	**84**	**–**	**84**
Between one and two years	**16**	**–**	**16**
More than two years	**4,644**	**313**	**4,957**
	4,744	**313**	**5,057**

23 Restricted cash

	2022 €'000	As restated 2021 €'000
Current	**458**	458
	458	458

The restricted cash balance relates to €0.5 million held in escrow until the completion of certain infrastructural works relating to the Group's residential development at Balbriggan, Co. Dublin.

24 Subsidiaries

The principal subsidiary companies and the percentage shareholdings held by Glenveagh Properties plc, either directly or indirectly, pursuant to Section 314 of the Companies Act 2014 at 31 December 2022 are as follows:

Company	Principal activity	%	Reg. office
Glenveagh Properties (Holdings) Limited	Holding company	100%	1
Glenveagh Treasury DAC	Financing activities	100%	1
Glenveagh Contracting Limited	Property development	100%	1
Glenveagh Homes Limited	Property development	100%	1
Greystones Devco Limited	Property development	100%	1
Marina Quarter Limited	Property development	100%	1
GLV Bay Lane Limited	Property development	100%	1
Glenveagh Living Limited	Property development	100%	1
GL Partnership Opportunities DAC	Property development	100%	1
Castleforbes Development Company DAC	Property development	100%	1
Hollystown Golf & Leisure Limited	Golf Club operations	100%	1
Harmony Timber Solutions Limited	Manufacturing operations	100%	1
GMP Developments Limited	Holding company	100%	1

1 Block B, Maynooth Business Campus, Maynooth, Co. Kildare, W23W5X7.

Pursuant to section 316 of the Companies Act 2014, a full list of subsidiaries will be annexed to the Company's Annual Return to be filed in the Companies Registration Office in Ireland.

25 Acquisition of subsidiary

On 31 August 2022, the Group acquired 100% of the share capital of Harmony Timber Solutions Limited ('Harmony') and GMP Developments Limited ('GMP') for a total consideration of €11.9 million. Taking control of Harmony and GMP enables the Group to enhance its timber frame manufacturing capabilities and de-risks our supply chain with access to high quality timber frames. The business is highly complementary to the Group's housing development platform and existing manufacturing capabilities. The investment increases the Group's market share in the timber frame sector and is expected to have a positive impact from a construction costs perspective.

In the post-acquisition period to 31 December 2022, the business acquired during the current year contributed revenue of €1.1 million and profit of €0.3 million respectively to the Group's results.

The full year revenue and trading profit had the acquisition taken place at the start of the year, would have been €6.9 million and €1.3 million respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

25 Acquisition of subsidiary (continued)

(i) Goodwill

Goodwill arising from the acquisition has been recognised as follows.

	Harmony €'000	GMP €'000	Total €'000
Cash paid	6,875	–	6,875
Contingent consideration	5,000	–	5,000
Total consideration	11,875		11,875
Less: fair value of net (assets)/liabilities acquired	(6,181)	3	(6,178)
Goodwill	5,694	3	5,697

Impairment Test

The goodwill carrying amount is allocated to the suburban segment with the recoverable amount of this cash generating unit (CGU) being based on value in use. The value in use was determined by the cash flows to be generated from the continuing use of the CGU over a three year period.

The Group has established internal controls designed to effectively assess and centrally review future cash flows generated from CGUs. The key assumptions on which management has based its cash flows are revenue and construction costs. Revenue assumptions relate to unit sales prices for sites delivering over the period based on prices achieved to date, current market prices, historic prices, and sales agent reports. Construction cost assumptions are based on contracted/procured package pricing or where packages are not procured, historic pricing achieved, or pricing achieved on similar packages in reference to other sites.

The impact of sustainability and other macroeconomic factors have been considered in the Group's assessment of these cash flows, particularly with regard to the potential implications for future selling prices, development expenditure and construction programming. Management has considered scenarios on each of its active developments and the consequential impact on future profitability based on current facts and circumstances together with any implications for future projects in undertaking its impairment analysis.

As part of the assessment, the Group has re-evaluated its most likely exit strategies on all developments in the context of the current market environment and reflected these in revenue assumptions within the forecast models. The results of this exercise determined that the no impairment was required at the reporting date.

(ii) Contingent consideration

The Group has agreed to pay the selling shareholders additional consideration over a three year between €nil and €5.0 million dependent on the selling shareholders successfully achieving certain agreed metrics. These metrics are fully aligned with the business strategy. At the reporting date, there is a reasonable expectation that these metrics will be met with €5.0 million being recognised as the fair value of contingent consideration at the date of acquisition. The fair value of contingent consideration will be reassessed at each reporting date.

The valuation technique used to measure contingent consideration was the enterprise value of the entity acquired with the enterprise value being determined with reference to EBITDA and Net Asset multiples. Contingent consideration is categorised as a Level 3 fair value instrument.

(iii) Acquisition related costs

The Group incurred acquisition related costs of €0.5 million on legal fees and due diligence costs. These costs have been included in administrative expenses in the Consolidated statement of profit or loss and other comprehensive income.

(iv) The fair value of assets and liabilities arising from the acquisition

The following table summarises the recognised amounts of assets and liabilities assumed at the date of acquisition.

	Harmony €'000	GMP €'000	Total €'000
Non-current assets			
Land and buildings	2,932	381	3,313
Plant and machinery	714	–	714
Fixtures and Fittings	56	–	56
Current assets			
Trade and other receivables	2,555	–	2,555
Inventories	1,009	–	1,009
Cash and cash equivalents	847	–	847
Current Liabilities			
Trade and other payables	(1,932)	(384)	(2,316)
Fair value of net assets/(liabilities) acquired	6,181	(3)	6,178

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

25 Acquisition of subsidiary (continued)

(v) Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

(a) Land and buildings and plant and machinery

The valuation model considers market prices for similar items when they are available and depreciated cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.

(b) Inventories

The fair value of raw materials is determined based on the cost based on market rates in the ordinary course of business. The fair value for finished goods is determined based on the estimated cost of inputs to complete units.

(c) Trade receivables and other receivables

The gross contractual value of trade and other receivables as at the date of acquisition amounts to €2.8 million. The fair value of these receivables is €2.5 million, all of which is expected to be collectable at the date of acquisition.

If new information obtained within one year of the date of acquisition about facts and circumstances that existed as the date of acquisition identifies adjustments to the above amounts, then the accounting for the acquisition will be revised.

26 Capital and reserves

(a) Authorised share capital

	2022		2021	
	Number of shares	€'000	Number of shares	€'000
Ordinary Shares of €0.001 each	1,000,000,000	1,000	1,000,000,000	1,000
Founder Shares of €0.001 each	–	–	200,000,000	200
Deferred Shares of €0.001 each	200,000,000	200	200,000,000	200
	1,200,000,000	1,200	1,400,000,000	1,400

(b) Issued and fully paid share capital and share premium

At 31 December 2022	Number of shares	Share capital €'000	Share premium €'000
Ordinary Shares of €0.001 each	638,131,722	638	179,416
Founder shares of €0.001 each	–	–	–
Deferred Shares of €0.001 each	81,453,077	81	–
	719,584,799	719	179,416

At 31 December 2021	Number of shares	Share capital €'000	Share premium €'000
Ordinary Shares of €0.001 each	771,770,694	771	179,310
Founder Shares of €0.001 each	181,006,838	181	–
	952,777,532	952	179,310

(c) Reconciliation of shares in issue

In respect of current year	Ordinary shares '000	Founder shares '000	Deferred shares '000	Un-denominated capital €'000	Share capital €'000	Share premium €'000
In issue at 1 January 2022	771,771	181,007	–	100	952	179,310
Purchase of own shares	(135,680)	–	–	135	(135)	–
Conversion of founder shares to deferred shares	–	(181,007)	181,007	–	–	–
Cancellation of deferred shares	–	–	(99,554)	100	(100)	–
Exercise of options	2,041	–	–	–	2	106
	638,132	–	81,453	335	719	179,416

In respect of prior year	Ordinary shares '000	Founder shares '000	Undenominated capital €'000	Share capital €'000	Share premium €'000
In issue at 1 January 2021	871,333	181,007	–	1,052	179,281
Purchase of own shares	(99,710)	–	100	(100)	–
Exercise of options	148	–	–	–	29
	771,771	181,007	100	952	179,310

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

26 Capital and reserves (continued)

(d) Rights of shares in issue

Ordinary Shares

The holders of Ordinary Shares are entitled to one vote per Ordinary Share at general meetings of the Company and are entitled to receive dividends as declared by the Company.

Founder Shares

Founder Shares do not confer on any holder thereof the right to receive notice of, attend, speak or vote at general meetings of the Company except in relation to resolutions regarding the voluntary winding up of the Company or the granting of further Founder Shares. Founder Shares do not entitle their holder to receive dividends.

Founder Shares entitle the Founders of the Company namely, Justin Bickle (through Durrow Ventures), Stephen Garvey and John Mulcahy to share 20% of the Company's TSR (calculated by reference to the change of control price plus dividends and distributions made) between admission and the change of control (less the value of any ordinary shares (at their original conversion or redemption price)) which have previously been converted or redeemed in the five years following the IPO of the Company.

This entitlement is subject to the achievement of a performance condition related to the Company's share price, specifically that a compound rate of return of 12.5% (adjusted for any dividends or other distributions and returns of capital made but excluding the value of any Founder Shares which have been redeemed) is achieved across five testing periods.

Following completion of the fifth test period (which ran from 1 March 2022 until 30 June 2022), it was confirmed that, the performance hurdle condition was not satisfied and therefore the Founder Shares Value for the test period was zero, and accordingly no Founder Shares were converted to ordinary shares in respect of this test period.

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 one-to-one basis into deferred shares, (the 'Termination Conversion'). On 26 October 2022, the Board approved the Termination Conversion. In respect of deferred shares held by the Founders, John Mulcahy and Stephen Garvey surrendered their respective deferred shares in November 2022.

Following completion of the fifth test period, the scheme is now completed.

(e) Nature and purpose of reserves

Share based payment reserve

The share-based payment reserve comprises amounts equivalent to the cumulative cost of awards by the Group under equity settled share-based payment arrangements being the Group's Long Term Incentive Plan and the SAYE scheme. On vesting, the cost of awards previously recognised in the share-based payments reserve is transferred to retained earnings. Details of the share awards, in addition to awards which lapsed in the year, are disclosed in Note 14.

(f) Share buyback programme

Further to the authority granted at the Annual General Meeting on 27 May 2021. The Group commenced a €75.0 million share buyback programme on 28 May 2021, the programme completed on 13 October 2021. The total number of shares purchased was 71,689,205 at a total cost of €75.0 million. All repurchased shares were cancelled in accordance with the share buyback programme.

On 16 November 2021, the Group announced a second share buyback programme, which completed on 28 April 2022. The total number of shares purchased was 92,950,510 at a total cost of €111.0 million. The total number of shares purchased in the period 1 January to 28 April 2022 was 64,929,549 at a total cost of €77.9 million. All repurchased shares were cancelled in accordance with the share buyback programme in the year ended 31 December 2022.

On 1 June 2022, a third share buyback programme commenced up to a further €75.0 million, which completed on 1 November 2022. As at 31 December 2022 the total number of shares purchased under the third buyback programme was 70,750,810 at a total cost of €67.5 million. All repurchased shares were cancelled in the year ended 31 December 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

27 Financial instruments and financial risk management

The consolidated financial assets and financial liabilities are set out below. While all financial assets and liabilities are measured at amortised cost, the carrying amounts of the consolidated financial assets and financial liabilities approximate to fair value. Trade and other receivables and trade and other payables approximate to their fair value as the transactions which give rise to these balances arise in the normal course of trade and, where relevant, with industry standard payment terms and have a short period to maturity (less than one year).

Financial instruments: financial assets

The consolidated financial assets can be summarised as follows:

	2022 €'000	As restated[1] 2021 €'000
Trade receivables	**9,224**	6,549
Amounts recoverable on construction contracts	**32,113**	3,825
Other receivables	**2,282**	2,172
Construction bonds	**12,140**	10,012
Deposits for sites	**2,049**	9,124
Cash and cash equivalents	**71,085**	141,176
Restricted cash (current)	**458**	458
Total financial assets	**129,351**	173,316

1. See Note 6(i)(a) for more information on the restatement.

Cash and cash equivalents are short-term deposits held at variable rates.

Financial instruments: financial liabilities

	2022 €'000	2021 €'000
Trade payables	**7,132**	6,202
Lease liabilities	**4,744**	547
Inventory accruals	**33,600**	20,069
Other accruals	**16,372**	13,238
Contingent consideration	**5,000**	–
Loans & borrowings	**80,640**	120,247
Total financial liabilities	**147,488**	160,303

Trade payables and other current liabilities are non-interest bearing.

Financial risk management objectives and policies

As all of the operations carried out by the Group are in Euro there is no direct currency risk, and therefore the Group's main financial risks are primarily:

– liquidity risk – the risk that suitable funding for the Group's activities may not be available;
– credit risk – the risk that a counter-party will default on their contractual obligations resulting in a financial loss to the Group; and
– market risk – the risk that changes in market prices, such as interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments.

This note presents information and quantitative disclosures about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Liquidity risk

Liquidity risk is the risk that the Group may not be able to generate sufficient cash reserves to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring, unacceptable losses or risking damage to the Group's reputation. The Group's liquidity forecasts consider all planned development expenditure.

Management monitors the adequacy of the Group's liquidity reserves against rolling cash flow forecasts. In addition, the Group's liquidity risk management policy involves monitoring short-term and long-term cash flow forecasts. Set out below are details of the Group's contractual cash flows arising from its financial liabilities and funds available to meet these liabilities.

	31 December 2022				
	Carrying amount €'000	Contractual cash flows €'000	Less than 1 year €'000	1 year to 2 years €'000	More than 2 years €'000
Lease liabilities	**4,744**	**5,057**	**84**	**16**	**4,957**
Trade payables	**7,132**	**7,132**	**7,132**	**–**	**–**
Inventory accruals	**33,600**	**33,600**	**33,600**	**–**	**–**
Other accruals	**16,372**	**16,372**	**16,372**	**–**	**–**
Contingent consideration	**5,000**	**5,000**	**1,500**	**1,750**	**1,750**
Loans and borrowings	**80,640**	**89,488**	**11,563**	**11,546**	**66,379**
	147,488	**156,649**	**70,251**	**13,312**	**73,086**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

27 Financial instruments and financial risk management (continued)

Liquidity risk (continued)

	31 December 2021				
	Carrying amount €'000	Contractual cash flows €'000	Less than 1 year €'000	1 year to 2 years €'000	More than 2 years €'000
Lease liabilities	547	568	487	80	1
Trade payables	6,202	6,202	6,202	–	–
Inventory accruals	20,069	20,069	20,069	–	–
Other accruals	13,238	13,238	13,238	–	–
Loans and borrowings	120,247	130,596	43,954	11,253	75,389
	160,303	170,673	83,950	11,333	75,390

Funds available

	2022 €'000	2021 €'000
Debt facilities* (undrawn committed)	**150,000**	120,000
Cash and cash equivalents	**71,543**	141,634
	221,543	261,634

** The Group's debt facilities contains a mechanism through which the committed amount can be increased by a further €50.0 million.*

The Group's RCF is subject to primary financial covenants calculated on a quarterly basis:

- A maximum net debt to net assets ratio of 25%;
- Loans to eligible assets value does not exceed 65%;
- The Group is required to maintain a minimum cash balance of €25.0 million throughout the term of the debt facility, from 31 March 2024 this will increase to €50.0 million; and
- EBITDA must exceed net interest costs by a minimum of 3 times and is calculated on a trailing twelve-month basis.

Credit risk

The Group's exposure to credit risk encompasses the financial assets being: trade and receivables and cash and cash equivalents. Credit risk is managed by regularly monitoring the Group's credit exposure to each counter-party to ensure credit quality of customers and financial institutions in line with internal limits approved by the Board.

There has been no impairment of trade receivables in the year presented. The impairment loss allowance allocated against trade receivables, cash and cash equivalents and restricted cash is not material. The credit risk on cash and cash equivalents is limited because counter-parties are leading international banks with minimum long-term BBB+ credit-ratings assigned by international credit agencies. The maximum amount of credit exposure is the financial assets in this note.

Market risk

The Group's exposure to market risk relates to changes to interest rates and stems predominately from its debt obligations. The Group is party to a debt facility agreement for a total of €250.0 million, the agreement has a term component of €100.0 million and a committed Revolving Credit Facility of €150.0 million. The facility is with a syndicate of domestic and international banks for a term of 5 years at an interest rate of EURIBOR (subject to a floor of 0 per cent) plus 2.6%. €82.5 million *(2021: €122.5 million)* had been drawn on the facility at 31 December 2022. The Group has an exposure to cash flow interest rate risk where there are changes in the EURIBOR rates.

Interest rate risk reflects the Group's exposure to fluctuations in interest rates in the market. This risk arises from bank loans that are drawn under the Group's debt facilities with variable interest rates based upon EURIBOR. At the year ended 31 December 2022 it is estimated that an increase of 100 basis points to EURIBOR would have decreased the Group's profit before tax by €2.5 million assuming all other variables remain constant and the rate change is only applied to the loans that are exposed to movements in EURIBOR.

The Group is also exposed to interest rate risk on its cash and cash equivalents. These balances attract low interest rates and therefore a relative increase or decrease in their interest rates would not have a material effect on the Group's profit.

A fundamental review and reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has no exposure to these changes as it only has exposure to EURIBOR interest rates which is outside the scope of the current reform.

Capital management

The Group finances its operations through a combination of shareholders' funds and working capital. The Group's objective when managing capital is to maintain an appropriate capital structure in the business to allow management to focus on creating sustainable long-term value for its shareholders, with flexibility to take advantage of opportunities as they arise in the short and medium term. The Group's capital allocation policy is to invest in supply chain, land, and work-in-progress. Once the business has invested sufficiently in each of these priorities, excess capital is returned to shareholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

28 Leases

(a) Leases as lessee (IFRS 16)

The Group leases a property and motor vehicles. Motor vehicle leases typically run for a period of 1-3 years, with an option to renew the lease after that date. Lease payments are renegotiated every 1-3 years to reflect market rentals. The property lease is for 15 years with a break clause after 7 years.

The Group leases certain motor vehicles with contract terms of one year. These leases are short term and leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Information about leases for which the Group is a lessee is presented below.

(i) Right-of-use assets

Right-of-use assets related to leased properties (that do not meet the definition of investment property) and motor vehicles are presented as property, plant and equipment (see Note 17).

2022	**Property €'000**	**Motor Vehicles €'000**	**Total €'000**
Balance at 1 January	**286**	**261**	**547**
Additions to right-of-use assets	**4,605**	**–**	**4,605**
Depreciation charge for the year	**(506)**	**(175)**	**(681)**
Balance at 31 December	**4,385**	**86**	**4,471**

2021	Property €'000	Motor Vehicles €'000	Total €'000
Balance at 1 January	1,024	292	1,316
Additions to right-of-use assets	–	319	319
Depreciation charge for the year	(738)	(350)	(1,088)
Balance at 31 December	286	261	547

(ii) Amounts recognised in profit or loss

	2022 €'000	2021 €'000
2022 – Leases under IFRS 16		
Interest on lease liabilities	**45**	25
Expenses relating to short-term leases	**97**	46

(iii) Amounts recognised in statement of cash flows

	2022 €'000	2021 €'000
Total cash outflow on leases	**470**	1,110

(b) Leases as lessor

In certain instances, the Group acts as a lessor in relation to certain property assets. These arrangements are not material to the Group's consolidated financial statements.

29 Related party transactions

(i) Key Management Personnel remuneration

Key management personnel comprise the Non-executive Directors and the Executive Committee. The aggregate compensation paid or payable to key management personnel in respect of the financial year was the following:

	2022 €'000	2021 €'000
Short-term employee benefits	**4,864**	2,461
Post-employment benefits	**294**	115
LTIP and SAYE share-based payment expense	**670**	116
	5,828	2,692

Compensation of the Group's key management personnel includes salaries, non-cash benefits and contributions to a post-employment defined contribution plan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

29 Related party transactions (continued)

(ii) Other related party transactions

Acquisition of development rights

The Group entered into the Acquisition and Profit Share Agreement (APSA) with Targeted Investment Opportunities ICAV (TIO), a wholly owned subsidiary of OCM Luxembourg EPF III S.a.r.l. (OCM) (and an entity in which John Mulcahy is a Director) on 12 March 2018.

Under the terms of the APSA, the Group acquired certain development rights in respect of sites at The Square Shopping Centre, Tallaght, Dublin 24 and Gateway Retail Park, Knocknacarra, Co. Galway for aggregate consideration of approximately €13.9 million (including stamp duty and transaction costs). The development rights will (subject to planning) entitle the Group to develop at least 750 residential units under two joint business plans to be undertaken with Sigma Retail Partners (on behalf of TIO) which will also entitle TIO to control and benefit from any retail development at both sites.

In July 2022, the Group agreed a repayment of consideration (€10.0 million) and release of obligations under the APSA in relation to the site at The Square Shopping Centre, Tallaght, Dublin 24.

The Directors have determined that joint control over the remaining site exists, and the arrangements have been accounted for as joint operations in accordance with IFRS 11 Joint Arrangements. This accounting treatment was re-assessed at the end of the reporting period and the Directors concluded that it remains appropriate.

The APSA also stipulates that TIO would be entitled to share, on a 50/50 basis, any residual profit remaining after the Group's purchase consideration plus interest and residential development cost plus 20% has been deducted from sales revenue in relation to the residential development opportunity at Gateway Retail Park, Knocknacarra, Co. Galway and Bray Retail Park, Bray, Co. Wicklow.

The agreement defines certain default events including TIO not possessing good and marketable title over the development sites and TIO not transferring good and marketable title over the development sites. On the occurrence of a default event, the Group shall be entitled to recover the aggregate purchase consideration in respect of the development rights. OCM has agreed to guarantee this obligation of TIO.

30 Commitments and contingent liabilities

(a) Commitments arising from development land acquisitions

The Group had no contingent liabilities at 31 December 2022. The Group had the following commitments at 31 December 2022 relating to Development Land Acquisitions.

Hollystown Golf and Leisure Limited ('HGL')

During 2018, the Group acquired 100 per cent of the share capital of HGL. Under the terms of an overage covenant signed in connection with the acquisition, the Group has committed to paying the vendor an amount equal to an agreed percentage of the uplift in market value of the property should any lands owned by HGL, that are not currently zoned for residential development be awarded a residential zoning. This commitment has been treated as contingent consideration and the fair value of the contingent consideration at the acquisition date was initially recognised at €nil. At the reporting date, the fair value of this contingent consideration was considered insignificant.

Contracted acquisitions

At 31 December 2022, the Group had contracted to acquire a site; in County Kildare for approximately €14.0 million (excluding stamp duty and legal fees). Deposits totalling €1.4 million were paid pre-year end and are included within trade and other receivables at 31 December 2022.

31 Subsequent events

In February 2023, the Group finalised a new five-year sustainability linked finance facility of €350.0 million, consisting of €100.0 million term component and a revolving credit facility of €250.0 million, which is a direct replacement of our previous €250.0 million debt facility. This new facility is with our existing banking syndicate, at interest rates consistent with those of the previous facility and includes financial and sustainability covenants that better reflect the current strategy and growth ambitions of the business.

On 6 January 2023, the Group announced a fourth share buyback programme to repurchase up to 10% of the Group's issued share capital such that the maximum number of shares which can be repurchased under the buyback is 63,813,172. On 20 February 2023, the number of shares repurchased in respect of this buyback programme had reached 29,678,501 shares for a cost of €28.1 million. All repurchased shares were cancelled.

32 Profit of the Parent Company

The parent company is Glenveagh Properties plc. In accordance with section 304 of the Companies Act 2014, the Company is availing of the exemption from presenting its individual statement of profit or loss and other comprehensive income to the Annual General Meeting and from filing it at the Companies Registration Office. The Company's profit after tax for the financial year was €7.7 million (for the year ended 31 December 2021: profit of €0.031 million).

33 Approved financial statements

The Board of Directors approved the financial statements on 28 February 2023.

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 €'000	2021 €'000
Assets			
Non-current assets			
Investments in subsidiaries	3	**8,860**	7,143
		8,860	7,143
Current assets			
Trade and other receivables	4	**171**	190
Amounts owed by subsidiaries	5	**599,854**	736,398
Cash and cash equivalents		**191**	1,983
		600,216	738,571
Total assets		**609,076**	745,714
Equity			
Share capital	7	**719**	952
Share premium		**179,416**	179,310
Retained earnings		**379,855**	517,528
Share-based payment reserve		**46,968**	45,251
Undenominated capital		**335**	100
		607,293	743,141
Liabilities			
Current liabilities			
Trade and other payables	6	**1,783**	2,573
Total liabilities		**1,783**	2,573
Total liabilities and equity		**609,076**	745,714

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Share Capital							
	Ordinary shares €'000	Founder Shares €'000	Deferred Shares €'000	Undenominated capital €'000	Share premium €'000	Share-based payment reserve €'000	Retained earnings €'000	Total equity €'000
Balance as at 1 January 2022	771	181	–	100	179,310	45,251	517,528	743,141
Total comprehensive income for the financial year								
Profit for the financial year	–	–	–	–	–	–	7,682	7,682
Other comprehensive income	–	–	–	–	–	–	–	–
	771	181	–	100	179,310	45,251	525,210	750,823
Transactions with owners of the Company								
Equity-settled share-based payments	–	–	–	–	–	1,717	–	1,717
Lapsed share options (Note 14*)	–	–	–	–	–	–	–	–
Conversion of founder shares to deferred shares (Note 26)	–	(181)	181	–	–	–	–	–
Cancellation of deferred shares (Note 26)	–	–	(100)	100	–	–	–	–
Exercise of options	2	–	–	–	106	–	–	108
Purchase of own shares (Note 26*)	(135)	–	–	135	–	–	(145,355)	(145,355)
	(133)	(181)	81	235	106	1,717	(145,355)	(143,530)
Balance as at 31 December 2022	638	–	81	335	179,416	46,968	379,855	607,293

** The note reference is to the Consolidated financial statements as the information is not disclosed in the notes to the Company financial statements.*

COMPANY STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Share Capital						
	Ordinary shares €'000	Founder shares €'000	Undenominated capital €'000	Share premium €'000	Share-based payment reserve €'000	Retained earnings €'000	Total equity €'000
Balance as at 1 January 2021	**871**	**181**	**–**	**179,281**	**44,129**	**625,775**	**850,237**
Total comprehensive income for the financial year							
Profit for the financial year	–	–	–	–	–	31	31
Other comprehensive income	–	–	–	–	–	–	–
	871	181	–	179,281	44,129	625,806	850,268
Transactions with owners of the Company							
Equity-settled share-based payments	–	–	–	–	1,219	–	1,219
Lapsed share options (Note 14*)	–	–	–	–	(97)	97	–
Exercise of options	–	–	–	29	–	–	29
Purchase of own shares (Note 26*)	(100)	–	100	–	–	(108,375)	(108,375)
	(100)	–	100	29	1,122	(108,278)	(107,127)
Balance as at 31 December 2021	**771**	**181**	**100**	**179,310**	**45,251**	**517,528**	**743,141**

** The note reference is to the Consolidated financial statements as the information is not disclosed in the notes to the Company financial statements.*

NOTES TO THE COMPANY FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

1 Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention in accordance with the Companies Act 2014 and Generally Accepted Accounting Practice in the Republic of Ireland (Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101)). Note 2 describes the principal accounting policies under FRS 101, which have been applied. The Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Statement of Cash Flows
- Disclosures in respect of transactions with wholly owned subsidiaries
- Certain requirements of IAS 1 Presentation of Financial Statements
- Disclosures required by IFRS 7 Financial Instrument Disclosures
- Disclosures required by IFRS 13 Fair Value Measurement
- Disclosures required by IFRS 2 Share-based Payments
- Disclosures required by IAS 24 Related Party Disclosures
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect capital management

As noted in Note 32 of the consolidated financial statements, the Company has also availed of the exemption from presenting the individual statement of profit or loss and other comprehensive income. The Company's profit for the financial year was €7.7 million. *(2021: Profit of €0.03 million).*

2 Significant accounting policies

Significant accounting policies specifically applicable to these individual Company financial statements and which are not included within the accounting policies for the consolidated financial statements are detailed below.

(a) Investments in subsidiaries

Investments in subsidiaries are accounted for in these individual Company financial statements on the basis of the direct equity interest, rather than on the basis of the reported results and net assets of investees. Investments in subsidiaries are carried at cost less impairment.

The capital contributions arising from share-based payment charges represents the Company's granting rights over its equity instruments to employees of the Company's subsidiaries. This results in a corresponding increase in investment in subsidiary.

(b) Intra-group guarantees

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of companies within the Group, the Company considers these to be insurance arrangements and accounts for them as such. The Company treats the guarantee contract as a contingent liability until such time as it becomes probable that it will be required to make a payment under the guarantee.

3 Investment in subsidiaries

	2022 €'000	2021 €'000
Investment in subsidiaries	**4,025**	4,025
Accumulated cost of share-based payments in respect of subsidiaries	**4,835**	3,118
	8,860	7,143

Details of subsidiary undertakings are given in Note 24 of the consolidated financial statements. The Company has considered triggers for impairment, including market capitalisation and determined there was no trigger.

4 Trade and other receivables

	2022 €'000	2021 €'000
VAT receivable	**48**	56
Prepayments and other receivables	**123**	134
	171	190

5 Amounts due from subsidiaries

	2022 €'000	2021 €'000
Amounts due from subsidiaries	**599,854**	736,398
	599,854	736,398

Amounts owed by subsidiaries are non-interest bearing and are repayable on demand. The expected credit loss associated with the above balances is considered to be insignificant.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

6 Trade and other payables

	2022 €'000	2021 €'000
Trade payables	**75**	128
Accruals	**1,649**	2,385
Payroll and other taxes	**59**	60
	1,783	2,573

7 Share capital and share premium

For further information on share capital and share premium, refer to Note 26 of the consolidated financial statements.

8 Financial instruments

The carrying value of the Company's financial assets and liabilities are a reasonable approximation of their fair value.

Relevant disclosures on consolidated financial instruments and risk management are given in Note 27 of the consolidated financial statements.

9 Share-based payments

For information in relation to share-based payment arrangements impacting the Company, refer to Note 14 of the consolidated financial statements.

10 Related party disclosures

See Note 29 of the consolidated financial statements for information in relation to related party transactions.

Remuneration of key management

Key management of the Company is defined as the Directors of the Company. The compensation of key management personnel is set out in Note 29 of the consolidated financial statements.

SUPPLEMENTARY INFORMATION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Alternative Performance Measures (APMs)

The Group reports certain alternative performance measures ('APMs') that are not required under IFRS, which is the framework under which the consolidated financial statements are prepared. The Group believes that these metrics assist investors in evaluating the performance of the underlying business and provides a more meaningful understanding of how senior management review and monitor the business on an ongoing basis.

These performance measures are referred to throughout our strategy and business update and the discussion of our reported financial position. These performance measures may not be uniformly defined by all companies and accordingly they may not be directly comparable with similarly titled measures and disclosures by other companies.

The principal APMs used by the Group are defined as follows:

1 Gross margin percentage

	Financial statements reference	**2022 €'000**	2021 €'000
Gross profit	Statement of profit or loss	**108,051**	83,057
Revenue	Note 10	**644,706**	476,807
Gross margin percentage		**16.8%**	17.4%

Prior year gross margin percentage is calculated after an impairment reversal of €4.2 million.

2 Core gross margin percentage

		2022 €'000	2021 €'000
Suburban			
Core revenue		**451,930**	276,848
Non-core revenue		**2,610**	–
Total revenue	Note 10	**454,540**	276,848

2 Core gross margin percentage (continued)

		2022 €'000	2021 €'000
Urban			
Core revenue		**176,570**	126,217
Non-core revenue		**13,596**	73,742
Total revenue	Note 10	**190,166**	199,959

		2022 €'000	2021 €'000
Core cost of sales		**(521,292)**	(324,254)
Non-core cost of sales		**(15,363)**	(73,715)
Total cost of sales	Statement of profit or loss	**(536,655)**	(397,969)

	2022 €'000	2021 €'000
Core gross profit	**107,208**	78,811
Core revenue	**628,500**	403,065
Core gross margin percentage	**17.1%**	19.6%

Core gross margin represents gross margin before impairment and non-core revenue and cost of sales is applied. Core gross margin is calculated from Suburban and Urban core revenue unit sales and rental income less the equivalent cost of sales. Non-core revenue is mostly attributable to the Urban segment. Non-core cost of sales is mostly attributable to land and development expenditure costs for high end, private developments and sites.

3 Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) pre-exceptional items, pre-impairment and related margin

An APM representing earnings before interest, tax, depreciation, amortisation, impairment and exceptional items that Group management considers to be the most appropriate measure for assessing the profitability of the Group in a given financial period. It is calculated by adding back non-cash depreciation and amortisation charges to the Group's operating profit or loss for a period, and also adding back exceptional items and impairment. Adjusted EBITDA margin pre-exceptional items, pre-impairment and related margin represents this metric as a percentage of the Group's revenue.

SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Alternative Performance Measures (APMs) (continued)

3 Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) pre-exceptional items, pre-impairment and related margin (continued)

	Financial statements reference	2022 €'000	2021 €'000
Depreciation – capitalised		**1,978**	1,224
Depreciation – expensed		**1,616**	1,920
Total depreciation	Note 17	**3,594**	3,144

		2022 €'000	2021 €'000
Adjusted operating profit	Statement of profit or loss	**70,095**	50,567
Impairment	Note 19	**–**	(4,219)
Depreciation – expensed	As above	**1,616**	1,920
Amortisation	Note 18	**487**	487
Adjusted EBITDA pre-exceptional items		**72,198**	48,755
Adjusted EBITDA margin pre-exceptional items		**11.2%**	10.2%

4 Return on capital employed (ROCE)

An APM representing return on capital employed that Group management believes is the best measure of the Group's ability to generate profits from its asset base in a capital efficient manner and to create sustainable shareholder value. ROCE is calculated as operating profit divided by average capital employed, where operating profit is earnings before interest and tax and where capital employed is calculated as (i) net assets plus (ii) financial indebtedness, less (iii) cash and intangible assets.

5 Return on equity (ROE)

An APM representing return on equity that Group management apply to measure of the Group's efficiency of returns generated from shareholder equity after taxation and is calculated as profit after tax attributable to shareholders divided by the average of opening and closing shareholders' funds.

	Financial statements reference	2022 €'000	2021 €'000
Profit after tax	Statement of profit or loss	**52,567**	37,702
Total equity	Balance sheet	**693,118**	784,081
Average total equity		**738,600**	818,793
ROE		**7.1%**	4.6%

6 Net Development Value (NDV)

An APM representing a metric the Group uses to estimate the development value of land held in inventory. NDV is calculated by multiplying the number of units the Group expects to sell on a given site by the estimated sales price of each unit.

7 Adjusted EPS

This metric will be used as a performance condition for grants under the Group's LTIP from 2020 onwards. It is defined as Basic Earnings Per Share as calculated in accordance with IAS 33 *Earnings Per Share* subject to adjustment by the Remuneration Committee at its discretion, for items deemed not reflective of the Group's underlying performance for the period.

8 Adjusted operating profit

An APM representing a metric the Group uses to measure financial performance in a given financial period. It is defined as operating profit before exceptional items and impairment reversals/charges.

	Financial statements reference	2022 €'000	2021 €'000
Operating profit	Statement of profit or loss	**70,095**	50,567
Impairment reversal	Statement of profit or loss	**–**	(4,219)
Adjusted operating profit		**70,095**	46,348
Revenue	Statement of profit or loss	**644,706**	476,807
Adjusted operating margin		**10.9%**	9.7%

COMPANY INFORMATION

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Michael Rice

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Pat McCann
Cara Ryan
Camilla Hughes

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Chloe McCarthy

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