# Making life better.

Glenveagh

Home of the new.

**Annual Report & Accounts 2021**

# Company highlights

## Financials

**€476.8m**
Revenue

| | |
| --- | --- |
| 2021 | €476.8m |
| 2020 | €232.3m |
| 2019 | €284.6m |
| 2018 | €84.2m |

**€46.4m**
Operating profit[1]

| | |
| --- | --- |
| 2021 | €46.4m |
| 2020 | €7.6m |
| 2019 | €30.5m |
| 2018 | -€2.1m |

**€562.7m**
Land utilisation

| | |
| --- | --- |
| 2021 | €562.7m |
| 2020 | €619.2m |
| 2019 | €667.8m |
| 2018 | €617.9m |

## Non-financials

**16,800**
No. of sites in landbank

| | |
| --- | --- |
| 2021 | 16,800 |
| 2020 | 14,100 |
| 2019 | 14,500 |
| 2018 | 12,600 |

**1,150**
No. of units sold

| | |
| --- | --- |
| 2021 | 1,150 |
| 2020 | 700 |
| 2019 | 844 |
| 2018 | 275 |

**1,921**
Units contracted/reserved[2]

| | |
| --- | --- |
| 2021 | 1,921 |
| 2020 | 950 |
| 2019 | 475 |
| 2018 | 451 |

## Operational and sustainability

Customer satisfaction

| | |
| --- | --- |
| 2021 | 89% |
| 2020 | 83% |
| 2019 | 84% |

H&S audits

| | |
| --- | --- |
| 2021 | 89% |
| 2020 | 88% |
| 2019 | 75% |

**A-**
CDP

**AA**
MSCI

**Low risk**
Sustainalytics

**72%**
Employment engagement

[1] Operating profit has been presented before exceptional items and impairment reversals / charges
[2] As at the Annual Report approval date

Barnhall Meadows
Leixlip, Co. Kildare



We are committed to embedding sustainability throughout our business
38

Putting customers at the heart of what we do
40

Ledwill Park
Kilcock, Co. Kildare

Sustainable and energy-efficient homes
50

Designed for the way that people live today
51

Ruxton Oaks
Navan, Co. Meath



## Leadership

**The challenge we set ourselves is to deliver housing with sustainability and relentless innovation at the core. Only by challenging every aspect of our business will we achieve our vision of truly creating thriving communities**

Riversend
Trim, Co. Meath

# Strategic report

# Glenveagh at a glance

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

## Sustainability pillars built around our people and our communities

- Putting customers at the heart of what we do
- Attracting, inspiring and investing in people
- Keeping people safe
- Creating sustainable homes and communities
- Environmentally considerate and efficient operations
- Sustainable and responsible sourcing

**Read more** about our sustainability pillars on page 38


## Strategic priorities

- Disciplined investment across our target segments
- Customer-centric focus
- Sustainably scale delivery capability
- Drive fair returns for shareholders

**Read more** about our strategic priorities on page 30

## Our business segments - key characteristics

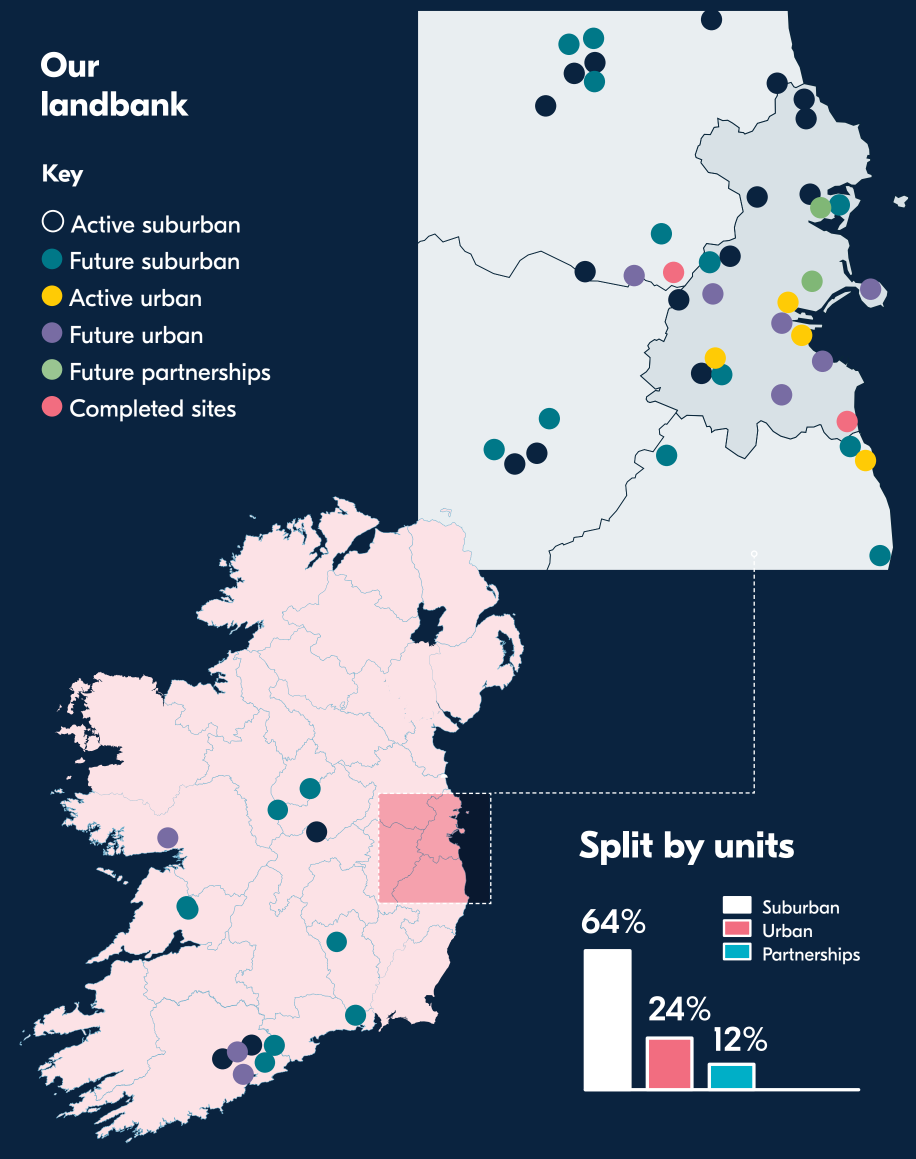
| | Suburban | Urban | Partnerships |
|---|---|---|---|
| **Product** | Houses and low-rise apartments | Apartments | Houses and apartments |
| **End market** | Private/institutions | Institutions | Private/State/institutions |
| **Locations** | Ireland | Dublin/Cork City | Ireland |
| **Exit** | Traditional/forward sale (FS) | FS/forward fund (FF) | State/traditonal/FF/FS |

**Read more** about our business segments on page 31

## Our landbank

**Key**
- Active suburban
- Future suburban
- Active urban
- Future urban
- Future partnerships
- Completed sites

## Split by units




**16,800** Total units

**75%** GDA focused[3]

**64%** Suburban[4]

**96%** Starter homes[5]

[3] By value [4] By units [5] Suburban portfolio

# Vision, mission and culture

## Our vision

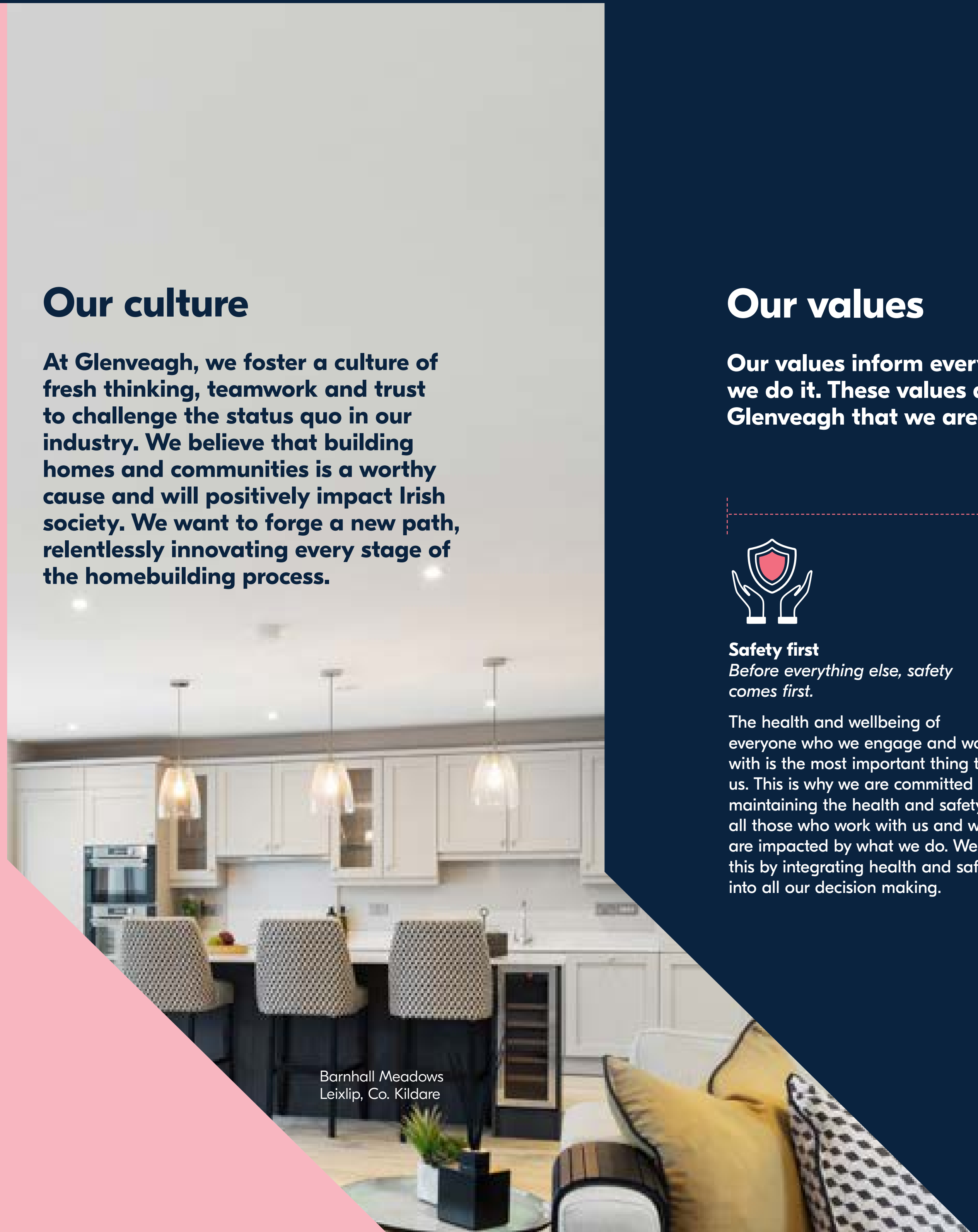
**Our vision is that everyone should have the opportunity to access great-value, high-quality homes in flourishing communities across Ireland.**

## 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.**

## 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.**



Barnhall Meadows
Leixlip, Co. Kildare

## Our values

**Our values inform everything we do and how we do it. These values are integral to building a Glenveagh that we are all proud to be part of.**

**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.

# Chairman's letter

John Mulcahy
Chairman

**I am pleased to present the Glenveagh Annual Report for the year ended 31 December 2021. The Group's successful performance in 2021, despite the intense challenges presented by Covid-19, demonstrates the strength of our business model and strategy, and the dedication of the whole Glenveagh team.**

We began the year in a protracted lockdown due to the second wave of Covid-19. This meant that activity had to cease on most of our sites. When restrictions lifted, the strength of our construction teams and on-site processes meant we were able to maintain our guidance of delivering 1,150 houses in 2021. This was a major achievement requiring enormous effort in the face of a global pandemic and a 13-week shut-down.

**Proven success of business model and strategy**

Our clear strategy to concentrate on three business areas — Suburban, Urban and Partnerships — continues to provide the best platform for targeting the deepest and most resilient segments of the market. The benefit of this approach is demonstrated by Glenveagh's impressive performance during 2021.

Total revenue for the year was €476.8 million (2020: €232.3 million) as we delivered to our customers in a pandemic dominated and demanding operational environment, 1,150 unit sales completed (2020: 700). Glenveagh finished the year with 1,921 units[6] contracted or reserved for 2021 (2020: 950[7]) providing further evidence of the strong demand and maturing sales profile within the business.

Looking ahead, we expect the market environment to remain favourable with significant demand from owner occupiers for own-door homes and institutional demand for apartments. Government policy is supportive of increased output from the industry by enabling a significant amount of first time buyers to access finance through a combination of the extended help to buy scheme and recently announced shared equity scheme. The Government's Housing For All strategy sets out a clear path for housing related policy and should support the continued growth of the industry. Our starter home focused landbank and sector leading delivery platform is uniquely positioned to address the access and affordability challenges outlined in Housing For All.

**Real progress across our core segments**

We were delighted to secure two significant partnerships during the year. In May, Fingal County Council chose our 1,200 home development on the Ballymastone site in Donabate; and in November, Dublin City Council chose our 853 home development on the Oscar Traynor Road site in Coolock. These major partnerships will lay the foundations for our work with housing authorities into the future.

In our Urban segment, we closed a number of significant transactions during the year. In June, we announced that Union Investment Real Estate GmbH had acquired our Castleforbes Hotel site in the Dublin Docklands, as part of a €70.0 million forward fund transaction. Construction on this site is progressing well with handover expected in 2023.

In August, we announced that contracts had been exchanged for the sale of the remaining residential and second hotel sites in Castleforbes for €78.5 million and this transaction has since completed.

Our Suburban segment continued to scale this year, delivering 902 homes across 13 developments. These homes were delivered across the entire range of tenures, including two of the first cost rental schemes in the country.

**Our people**

The board recognises the significant role the people of Glenveagh have played in delivering our success to date. As we build our capacity, we are committed to creating a culture that fosters fresh thinking, teamwork and trust. We want Glenveagh to be a great place to work for every single employee and will do whatever it takes to achieve this ambition.

The health and safety of our people is our number one priority and we work relentlessly to promote a safety first culture to protect our people and our reputation. This year, our hard work was recognised with certifications from the National Standards Authority of Ireland of ISO 14001 for environmental management and ISO 45001 for occupational health and safety.

**Sustainability**

2021 has been another crucial year for sustainability at both a global and local level.

At an international level, COP 26 in Glasgow focused many to make commitments and take action with respect to climate change, while developments in sustainability reporting such as the establishment of the International Sustainability Standards Board paved the way for further transparency and consistency.

In Ireland, the Climate Action and Low Carbon Development (Amendment) Act 2021 was signed into law putting Ireland on a legally binding path to net zero emissions no later than 2050 and to a 51% reduction in emissions by the end of this decade. All sectors will have to play their part in meeting these commitments and the Climate Action Plan 2021 provides a detailed plan, including for the built environment sector, to achieve it. Another important development in Ireland during 2021 was the Gender Pay Gap Information Act 2021 which will require employers to disclose the pay gap between female and male employees, including any bonuses.

In Glenveagh, we have used the opportunity to further embed sustainability across our operations, as we set out to deliver our sustainability ambition: to set a new benchmark in our sector by delivering the maximum possible social benefit at the lowest possible environmental cost. Against the backdrop of the Covid-19 pandemic, we focused ourselves on the path ahead (pages 38 to 67).

**Our values**

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

[6] Includes core and non-core units as at the 2021 Annual Report approval date
[7] Includes core and non-core units as at the 2020 Annual Report approval date

**Capital allocation**
The efficient management of capital set the backdrop for a revised capital allocation policy in May. We continue to prioritise our investments in supply chain, manufacturing, land and work-in-progress. Throughout the year, we invested approximately €72.4 million in land opportunities for approximately 2,700 units, adding 2,050 units to our Partnerships business, additional timber frame manufacturing and soil recovery facilities, and in work-in-progress through the opening of new sites.

Having met our capital allocation investment priorities, we were able to return €107.5 million in 2021 in two separate share buyback programmes, the second of which is ongoing. The board will keep this policy under constant review.

**Governance and board composition**
In April, we were pleased to welcome Camilla Hughes to the board, as an independent non-executive director. This followed a process led by the nomination committee and external consultant Korn Ferry to identify a replacement following the very sad passing of Lady Barbara Judge in 2020. Camilla has added significant value to the board in her short time here and I am looking forward to many years of collaboration ahead.

As we moved into 2022, Richard Cherry, independent non-executive director, announced his intention not to seek re-election to the board. Richard has been a valued and trusted colleague since he joined Glenveagh and he takes with him our very best wishes for the future.

Finally, I announced my own intention to move from executive chairman to a non-executive chairman role, from 31 December 2021. As I hand over the executive responsibilities, I am confident that the business will continue to thrive under Stephen's guidance. It is a pleasure working closely with Stephen in particular as we sought to bring our vision to life since the IPO.

**Conclusion and outlook**
In what was a challenging year for many people and businesses here in Ireland and across the world, I am particularly grateful to my fellow board members and to all our employees across Glenveagh for their hard work, commitment and support this year. Our business continues to grow, and we recognise that our employees are critical to our growth plans while maintaining the high standards expected of Glenveagh.

In the market there continues to be a strong long-term demand for in excess of 34,000 units per annum. We intend to be the volume homebuilder operating in Ireland, supplying homes to the market across our three target verticals. The board remains very confident about the future and we look forward to further progress in 2022 and beyond.

John Mulcahy
Chairman


The Hawthorns
Tullamore, Co. Offaly

**3,000**
we continue to target 3,000 units per annum

**Innovation**
Glenveagh is enhancing its sustainable off-site manufacturing solutions
Page 33


Riversend
Trim, Co. Meath

# CEO's review

**I am pleased to update you on the continued strong performance of Glenveagh during 2021 and how we are positioned for the next phase of growth.**

As the world entered the second year of the pandemic, our business continued to be agile and respond effectively to the challenging and changeable situation. I am delighted that we were able to post such a positive performance in the face of significant headwinds.

To be able to maintain and deliver on our original guidance is down to the work of the entire Glenveagh team and our industry partners. I want to thank each and every one of them for their contribution. As a business we have been moving at pace since 2017, setting up our infrastructure and scaling our business operations. We have been able to do this because of the commitment, enthusiasm and professionalism of the team that we have put together.

**Stephen Garvey**
Chief Executive Officer

## Reflection on the year

Globally, 2021 was a landmark year. The world was learning to live with Covid-19 and was moving through the vaccination phase. Then, as we moved into 2022 and into a mode of living with Covid, attention turned to the conflict in Ukraine and global events once again reminded us of the constant state of flux we all now live within.

At Glenveagh, we say we are 'Home of the new'. We use this to articulate that we are innovative, as a nod to our focus on building new homes in flourishing communities, and as a general rallying call that says we are different from what has come before us in the construction industry in Ireland.

But what does 'Home of the new' mean in the context of the global upheaval that Covid-19 has caused? As we collectively and individually take stock of our lives and the world we live in, do we want to go back to the old ways of doing things — or do we want to chart a new path? A new path that could address the fundamental inequalities of the societies we live in, reimagine how we live and build our communities, and find ways to move away from harmful practices that damage the environment.

In Glenveagh, we feel there is a collective need to be more sustainable, to innovate at every turn to make sure that we are contributing positively to the world and society that we live in. We cannot go back to business as usual.

As we look forward, our vision is more relevant than ever. We want everyone to have the opportunity to access great value, high quality homes in thriving communities across Ireland. How we do that as a collective within the industry is changing and we see ourselves as leading the way.

Within the context of Ireland's housing crisis, we find our business at the vanguard. When fully scaled we will deliver 10% of the country's housing needs every year. The challenge we set for ourselves is to deliver this housing with sustainability and relentless innovation at the core. Only by challenging every aspect of our business will we achieve our vision of truly creating thriving communities.

## Business update

As always, our commitment to 'safety first' was top-of-mind as we sought to keep everyone working on our sites, in head office and from home offices safe. In this regard, the leadership demonstrated across the business was exemplary and showed how seriously we take the health and wellbeing of our people. Operationally, we pressed on with scaling our sites and delivery capabilities. We opened six sites, capable of delivering 1,410 homes over the next few years. We invested in strategically important land purchases which will further strengthen our landbank. We submitted planning applications for 19 new sites and at year end more than half of our landbank was making its way through the planning system.

We continue to move towards controlling more of our supply chain and off-site manufacturing. Controlling elements of the supply chain allows the business to be more innovative, working with manufacturing partners to design and create more sustainable housing. Furthermore, our continued roll-out of standardised house types combined with newly developed high-density housing schemes currently in the planning process will assist in managing cost price inflation (CPI) in future periods, as well as allowing us to further align with our sustainability pillars. It also guarantees high quality supply in an environment, in which, supply has been disrupted, and underpins our ability to produce high quality, sustainable homes into the future.

Over the last number of years, we have invested in our supply chain with investments in the timber frame manufacturing facility in Dundalk and soil recovery facility in north Dublin, both of which became fully operational in 2021. As of 2021, we invested further in our supply chain with a €16.0 million investment in additional timber frame and soil recovery facilities.

The timber frame facility is strategically located in the Suburban South region to better serve our expanding network of construction sites throughout the country. The purchase of this facility was completed in the second half of 2021 and it will be operational from 2023. We expect it will have capacity to self deliver over 2,000 timber frames by 2024.

Our soil recovery capabilities have been augmented with the addition of our new facility in the Suburban South region which will complement our existing facility at Bay Lane in the Suburban North region.

These investments will allow for the sustainable growth of the business to deliver 3,000 units per year and beyond while also controlling the costs in a manner that improves return on capital in the medium-term.

With an eye to the future, we reviewed the working models of the business and accelerated plans to introduce more flexibility across our office teams. We were delighted to unveil a new hybrid working model which will see us integrate a mix of home and office working into our working model beyond Covid-19.

Part of our success has always been the strength of the team and people we surround ourselves with. We invested significant time and resources into reviewing our performance in diversity and inclusion through a series of surveys and management training. We were pleased to see our efforts recognised when we achieved the silver standard from the Investors in Diversity of Ireland in November.

## Sustainability

2021 saw Glenveagh progress significantly on its journey towards its sustainability ambition: to set a new benchmark in our sector by delivering the maximum possible social benefit at the lowest possible environmental cost. Having published our first sustainability report last year, we set up robust governance structures to embed sustainability throughout our business.

We have focused our efforts on our most material issues. We continued to design and build energy-efficient homes that go beyond regulatory compliance. 82% of our homes in 2021 had an A2 building energy rating (BER), while we estimate that up to 50% of our homes will be A1 rated in 2022. This is just one element of our commitment to taking action on climate change and reducing the cost of ownership for our customers. We have started to map out our pathway towards net zero in line with national and EU commitments and will publish this transition plan during 2022.

Our certification during 2021 to ISO 45001 (occupational health and safety) demonstrates our commitment to promoting a safety culture in Glenveagh. Likewise, we have put in place strong systems to manage our environmental impact which has been recognised by certification to ISO 14001.

The social aspects of sustainability increased in focus globally during the pandemic and this was no different in Glenveagh. In addition to introducing more flexibility and a greater understanding of diversity and inclusion, we also placed 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 awarded Great Place to Work certification for 2022.

Our increased focus during 2021 on sustainability and disclosure to our stakeholders has been reflected in our improved ESG ratings from MSCI, Sustainalytics and CDP. As we look forward, we plan to set out a longer-term roadmap during 2022 informed by engagement with our key stakeholders.

**Housing For All**
During the year, the Government announced its new Housing For All strategy. The aim of the plan is to deliver 300,000 housing units by 2030, with the Government committing an investment of €20 billion over the next five years. The plan aims to secure delivery of large scale sustainable mixed tenure communities through a range of schemes, mainly focused on shared equity, help to buy and cost rental schemes.

The shared equity and help to buy schemes are designed to increase affordability for qualifying first-time buyers. The shared equity scheme allows the Government to take an equity stake of up to 30% of the sales value of the home. The help to buy scheme, which can be used in conjunction with the shared equity scheme, can provide funding of up to €30,000 to a first-time buyer.

The cost rental scheme provides rental accommodation to qualifying tenants at a discount of at least 25% to market rates. The Government will acquire these properties at market value. The 10% stamp duty imposed on investment funds has resulted in the demand now coming from approved housing bodies. Glenveagh has provided 65 units to Clúid Housing Agency, the largest landlord in Ireland, in 2021 with further units forecasted in 2022 and beyond.

The Government will focus this spending across the three schemes but will also make State lands available for development predominantly through the Land Development Agency (LDA). The LDA's strategy is to enter into forward purchase transactions with housebuilders and/or landowners in order to unlock and accelerate delivery on planning consented residential land that is currently in their control. Given Glenveagh's scale, focus on affordability and specific Partnership segment, we remain uniquely positioned to participate in these processes. In line with our sustainability pillars, delivery of social housing is a key objective for us.

With this in mind, we have secured two landmark Partnership agreements for the proposed development of over 2,050 homes with Fingal County Council and Dublin City Council.

**Capital allocation**
In May 2021, we outlined our capital allocation policy which prioritises our investments in supply chain, land, and work-in-progress with excess capital thereafter returned to shareholders.

Throughout the year, we invested approximately €72.4 million in land opportunities for approximately 2,700 units, adding 2,050 units to our Partnerships business, additional timber frame and soil recovery facilities, and in work-in-progress through the opening of new sites.

As a result of strong operational delivery and our continued reduction of net investment in land, in line with stated targets, Glenveagh ended the period with net cash of approximately €20.8 million.

Having met our capital allocation investment priorities, we were able to return €107.5 million in 2021 in two separate share buyback programmes, totaling €175.0 million.

**Conclusion**
I am very proud of what we have achieved in the year, and it would be remiss of me, not to address the many challenges we face as a business, not least of all the regulatory and policy environment. We saw many positives emerge this year, with the publication of Housing For All setting out the policy framework for housing for the next nine years. However, immediate issues such as the National Planning Framework and reform of the planning system, particularly of the Strategic Housing Development system, have the potential to negatively impact our business. It is my hope that the Government moves quickly to ensure a planning framework and system that are fit-for-purpose and which support the delivery of the Government's target of scaling the industry to deliver 34,000 homes a year. Issues such as high cost price inflation are also on our radar.

Notwithstanding these challenges, we are looking forward to a successful 2022. As we move into our next phase of growth, we will soon be delivering homes across all three segments of our business as we made major strides developing these in 2021. We will scale Suburban delivery to a level of 1,400 units in the year and will move into the planning phase for our major Partnerships in Ballymastone and Oscar Traynor Road. And our Urban sites will continue moving through construction phase.

To close, I would like to acknowledge the work of our chairman and executive director, John Mulcahy. As he moves into a non-executive role, I know he will continue to offer a steady hand and astute insights into how we will continue to grow Glenveagh into the Irish business success story that it can be. I am sure the board and the Glenveagh team join me in thanking John for his contributions.

Stephen Garvey
Chief Executive Officer

**1,150**
completed homes in 2021


Riversend
Trim, Co. Meath

# CFO's review

**Glenveagh had another strong year in 2021 delivering our highest ever number of completions, as well as record revenue and profits, all the while dealing with the continued impact of Covid-19 on our sites, including a 13-week Government enforced lockdown in the first half of the year.**

2021 has been a transformative year for Glenveagh's capital efficiency strategy with significant progress made in this area. The Group released its first capital allocation policy, set a medium-term return on equity target of 15% by 2024 while also initiating two separate share buyback programmes totalling €175.0 million. In addition, the Group continued to tighten and create a more active land portfolio with over €100.0 million of a net reduction in a 24-month period.

### Group performance

Total group revenue was €476.8 million (2020: €232.3 million) from three main income streams:

- €301.0 million relating to unit sales from our 977 core units. The average selling price was €308k (2020: €311k) reflecting the Group's focus on suburban starter-home schemes.
- €73.7 million relating to the 173 non-core units in Marina Village, Greystones.
- €102.1 million mainly from our urban business, which includes the disposal of our residential and second hotel sites in Castleforbes as well as the revenue generated from the forward fund arrangement with Union Investment for the construction of the Premier Inn hotel in Castleforbes.

**Michael Rice**
Chief Financial Officer

## 2021 has been a transformative year for Glenveagh's capital efficiency strategy with significant progress made in this area.

**€301m**

relating to unit sales from our 977 core units.

Glenveagh delivered the 977 core units and finished the year with 1,105 core units contracted or reserved for future years (2020: 544) providing further evidence of the strong demand and maturing sales profile within the business.

The Group's gross profit for the year amounted to €83.1 million (2020: €9.5 million) with an overall gross margin of 17.4% (2020: 4.1%).

The underlying core gross margin is 19.6% (2020: 14.1%) and reflects the impact of the Premier Inn forward fund land sale and associated development revenue, in addition to the sale of the residential and second hotels sites at Castleforbes. To allow for greater visibility and clarity on the Suburban business, the gross margin delivered on our active Suburban units was 17.5% with this margin expected to increase to in excess of 18.0% in 2022.

Our operating profit was €50.6 million (2020: loss of €12.7 million). The Group's central costs for the year were €30.1 million (2020: €20.2 million), which along with €2.4 million (2020: €2.0 million) of depreciation and amortisation gives total administrative expenses of €32.5 million (2020: €22.2 million). Net finance costs for the year were €4.8 million (2020: €3.0 million), primarily reflecting interest on the drawn portion of our debt facility, commitment fees on the undrawn element of the facility and arrangement fees, which are being amortised over the life of the facility.

Overall, the Group delivered a profit after tax of €37.7 million (2020: Loss of €13.9 million) and an earnings per share of 4.5 cent (2020: Loss per share of 1.6 cent).

### Balance sheet

In line with our continuing commitment to drive capital efficiency, we have reduced the Group's net assets to €784.1 million at 31 December 2021 (2020: €853.5 million). This has mainly been driven by a reduction in the land portfolio to €562.7 million (2020: €619.3 million). We intend to further reduce our land portfolio over the coming 12 months with our carrying value of land expected to reduce to approximately €500.0 million by 31 December 2022. 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 €204.5 million (2020: €201.9 million).

The business has increased its property, plant and equipment during the year with our continued investment in innovation and our supply chain initiatives. The purchase of our additional timber frame and soil recovery facilities, in Carlow and Kildare respectively, will enhance our off-site manufacturing capabilities considerably. The business will now have the capacity to self-deliver over 2,000 off-site timber frame units by 2024.

The balance sheet reflects the completed €75.0 million share buyback programme and the progress to 31 December of the second programme for €100.0 million. At 31 December, a total of 100 million shares had been repurchased and subsequently cancelled for consideration of €107.5 million.

### Cash flow

As a result of our continued focus on capital efficiency, the business generated significant cash, with €104.3 million generated from operating activities (2020: €11.5 million used in operating activities). The main drivers of this cash generation are €51.7 million from the Group's profitability and €59.4 million from the reduction in our land portfolio.

This cash generation, along with our new and increased debt facilities, allowed the business to invest in line with our capital allocation priorities such as the capital expenditure of €15.7 million, primarily relating to supply chain integration and initiate two separate share buyback programmes totalling €175.0 million, where we invested €107.5 million in the year.

Despite this significant investment, the Group ended the year in a net cash position of €20.8 million demonstrating the strength and resilience of our balance sheet and provides a very strong platform for further capital allocation initiatives in 2022.

### Capital allocation

At the Group's AGM in May 2021, we set out, for the first time, our capital allocation policy which included our capital allocation priorities of investment in supply chain, land, and work-in-progress. We were very clear in our policy that once the business has sufficiently invested in each of these priorities, excess capital will be returned to shareholders.

The Group continues to make strong progress towards greater efficiency, having invested approximately €72.4 million in land opportunities in the year, the addition of our second timber frame and soil recovery facilities and investing in work in progress through the opening of new sites.

Taking these capital allocation priorities into consideration, along with our prudent leverage policy and successful execution of our strategy, we identified €175.0 million as excess capital which we began returning to shareholders in the form of two separate share buyback programmes.

The initial share buyback programme of €75.0 million commenced immediately following our AGM in May and was successfully concluded in October. The successful execution of the first share buyback programme led to our second programme of €100.0 million which was announced in November and which, at the current trajectory, we would expect to conclude by June 2022.

**Group financing**

In February, the Group finalised a new five-year debt facility of €250.0 million, consisting of €100.0 million term component and a committed revolving credit facility of €150.0 million. This was a direct replacement of our previous €125.0 million revolving credit facility, with the maturity and growth trajectory of the business now requiring additional funding, more permanent capital and longer term facilities.

To ensure the optimal balance and structure within the syndicate, the Group increased the number of financial institutions participating from three to four. Even though the facility was finalised during an enforced Covid-19 lockdown for the construction sector, providing a huge amount of uncertainty in the market, we were pleased with the pricing obtained in the market, which was broadly in line with the existing facility while also raising larger committed facilities and an extension in the tenure of those facilities to five years.

The structure and quantum of this facility will support the significant growth of the business over the next five years and will provide the flexibility and funding to allow the business to reach its target of 3,000 units per annum.

The quantum available to the Group and the significant interest from financial institutions during the refinancing process continues to demonstrate that Glenveagh is a very strong counterparty and a partner of choice within the industry.

**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 plans and targets. During the year, the executive management and investor relations team presented at six capital market conferences and conducted 217 institutional one-on-one and group meetings.

The Group has had a very strong share price performance over the last 12 months, aided by the strong profitability and the initiatives introduced to improve capital efficiency of the business. The Group's shares traded between €0.82 and €1.24 during the year (2020: €0.43 to €0.92). The share price at 31 December 2021 was €1.23 (31 December 2020: €0.86) giving a market capitalisation of €950.8 million (2020: €749.0 million).

**Financial risk management**

The Group's financial risk management is governed by policies and procedures which have been approved by the board of directors and are reviewed on an annual basis. These policies primarily cover credit risk, liquidity risk and interest rate risk. The principal objective of these policies is the minimisation of financial risk at reasonable cost.

**Credit risk**

The Group transacts with a variety of high credit rated financial institutions for both placing deposits and managing our day-to-day cash flow requirements. The Group actively monitors its credit exposure to each counterparty to ensure compliance with internal limits approved by the board.

**Liquidity and interest rate risk**

The Group has a strong balance sheet with its cash balance and debt facility allowing the business to finance its current growth strategy. The Group's debt facility is drawn on a floating interest rate, with no related derivatives or financial instruments in place. The Group will continue to review this approach based on the level of drawn funds and the wider interest rate environment.

**Outlook**

The Group has forward sales of 1,105 core units (2020: 544 units) at 31 December 2021 which gives strong visibility for our 1,400 unit completion target for 2022 with all sites required to deliver these units now active.

The Group has signed head of terms on two urban forward fund deals, both of which will deliver site sale and development revenue in 2022.

The Group has maintained a strong balance sheet throughout the year with €20.8 million (2020: €36.7 million) of net cash at year end and funds available of €261.6 million (2020: €162.9 million). This strong balance sheet position is enhanced by the Group's new debt facility which provides the necessary funding for the Group's significant growth trajectory.

The business is looking forward to another exciting year of significant operational and financial growth as we continue to deliver on our commitments of increased financial returns and further capital efficiency.

**Michael Rice**
**CFO**

The Hawthorns
Tullamore, Co. Offaly

# Our KPIs


**We now design all new developments in pre-construction to have A1 rated houses and A2 rated apartments.**

## Financial KPIs

### Revenue

Revenue predominantly includes housing revenue, which reflects the number of units sold by the average selling price of those units, and non-core land disposals. As the business continues to grow, revenue is seen as a key measure of top-line business improvement.

**€476.8m**

| | |
|---|---|
| 2021 | €476.8m |
| 2020 | €232.3m |
| 2019 | €284.6m |

### Adjusted EBITDA

Glenveagh's management consider adjusted EBITDA pre exceptional items and the related margin percentage of revenue, to be an important measure for assessing profitability. It demonstrates profitable and sustainable growth during our initial ramp-up phase and shows improvements in the operating efficiencies of the business.

**€48.8m**

| | |
|---|---|
| 2021 | €48.8m |
| 2020 | €9.6m |
| 2019 | €31.9m |

Adjusted EBITDA margin

**10.2%**

| | |
|---|---|
| 2021 | 10.2% |
| 2020 | 4.1% |
| 2019 | 11.2% |

## Non-financial KPIs

### Health & safety

Health & safety audit scores are an important indicator of performance for Glenveagh. The metric is the average site safety audit score percentage from both internally and externally completed audits.

2021 performance achieved **89%**

| | |
|---|---|
| 2021 | 89% |
| 2020 | 88% |
| 2019 | 75% |

### Customer satisfaction

Exceeding customer expectations is central to Glenveagh's strategy and a key indicator of performance linked to variable remuneration. Glenveagh engages an independent external firm to survey our customers on topics linked to their experience with us.

2021 performance achieved **89%**

| | |
|---|---|
| 2021 | 89% |
| 2020 | 83% |
| 2019 | 84% |

# Market overview

## Irish economy continues to grow

### Strong economy

Ireland's economy has shown remarkable resilience throughout the Covid-19 pandemic, with GDP growth in 2020 and 2021 demonstrating the country's economy as a global outlier.

The Irish economy grew by 13% in 2021, another year of strong growth, further building on the growth seen in 2020.

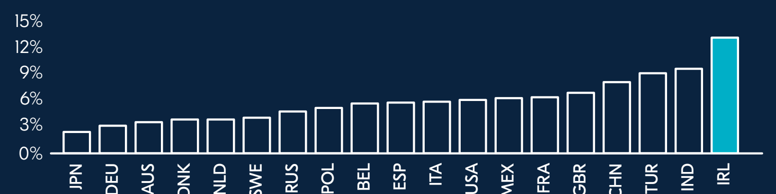
Looking forward, this positive trajectory is expected to continue with positive forecasts for both GDP growth and core domestic demand.

Ireland's GDP per capita has accelerated in recent years to $94k per person[8], far ahead of the EU27 average.

This growth is largely driven by the strong multi-national sector, and supported by a resilient domestic economy. These factors now underpin the increasing buying power in the population and subsequent demand in the economy.

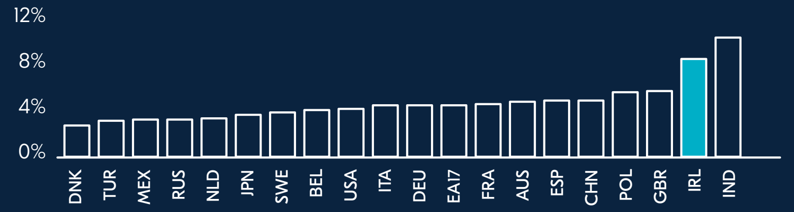
Ireland is expected to be among the fastest growing economies in the euro zone for domestic demand in 2022[9]. Looking forward, forecasts show that growth is set to remain positive signifying confidence in the general health of the economy. This outlook displays a level of confidence in the outlook of domestic demand in the economy of Ireland.

**GDP - strong economic growth again in 2021**




Source: IMF

**Ireland's domestic demand % forecasted growth rate - 2022**




Source: OECD

## New legislation will support balanced housing supply and demand

### Legislation

New legislation enacted will positively impact the delivery of housing.

A commitment to accelerate housing delivery is reflected in the measures introduced.

Housing For All, announced in 2021, is the Government's new housing delivery plan to 2030. The plan is designed to secure delivery of large scale sustainable mixed tenure communities through a range of schemes; 1-shared equity, 2-cost rental and 3-help to buy. The plan represents an investment of €20 billion over the next five years, the largest housing budget in the history of the State.

The Large-scale Residential Development (LRD) system has come into effect and has replaced the Strategic Housing Development (SHD) system.

The Housing For All plan has a number of different schemes that will afford first-time buyers more opportunity to get on the housing ladder. 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 shared equity scheme will allow access to the housing ladder for individuals that are able to make mortgage repayments, but are prohibited from buying a property because of the limits imposed by the macroprudential rules. The Government will take up to a 30% stake in the property to reduce the burden on the buyer from a financing perspective.

Regional limits on purchase prices will apply. The help to buy scheme has also been increased to €30,000 from €20,000 and can be used in conjunction with the shared equity scheme.

The cost rental scheme is designed to relieve the burden on renters, an area in which a shortage of supply has exacerbated the cost of renting. In this scheme 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 planning system is being overhauled with the introduction of the new LRD system. This system was enacted into law in December 2021 and its purpose is to allow planning applications to move more efficiently through the system in order to increase the supply of housing as quickly as possible.

8 Source: OECD
9 Source: Goodbody



# Supply/demand gap

## Demand

**Demand for housing has never been stronger. This demand is being driven by economic growth, population growth and weak supply which has created a pent up demand that has been building for a decade.**

**Demand**

In 2021, the population of Ireland surpassed 5 million people[10]. This is an increase of over 400,000 people in the past ten years. In this period, annual additions to the housing stock have remained low in the aftermath of the financial crisis. This has been putting undue pressure on the demand for housing. Additional pressure is also being attributed to increased demand due to net inward migration driven by economic opportunities. Ireland has seen continual net inward migration and that trend is set to continue. However, in order to underpin this projected economic growth, additional housing stock is an essential requirement.

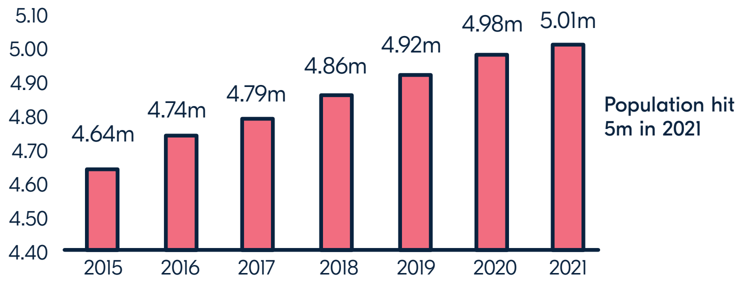
Economic growth, as outlined, is also a main driver of demand for housing in Ireland. Ireland has a high employment rate, high GDP versus the OECD average, above average salaries and wage growth. This has created the capacity and the desire among the population to own their own homes. This can be seen in the growth in mortgage approvals which have been increasing year on year. There has been a continual growth in approvals since 2011 and due to shortfalls in supply there is a large pent up demand that has built up among the population.

The Irish labour market is also forecasted to grow by 3.7% by 2023[11]. This is likely to cause the population to grow even more, which will further fuel demand for housing. In the same period, wage inflation is set to average 4% per annum. In addition to demand, this is likely to create further capacity and increased affordability for people to purchase new homes in Ireland.

While there are many reasons for the elevated and increasing demand for housing in Ireland, the problem can largely be alleviated with adequate supply.

### Population growth

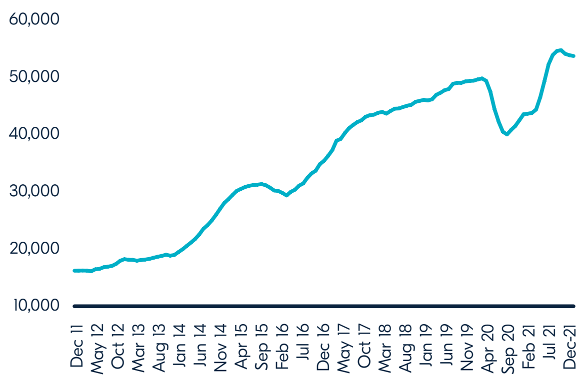
Continued population growth and the age profile of the population are key contributors to growing housing demand in Ireland.




Source: CSO

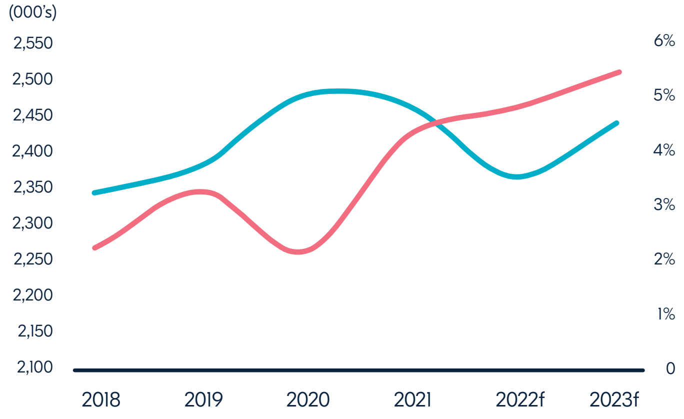
### Mortgage approvals continue to trend upwards

**Mortgage approvals**




Source: BPFI

### Wage inflation continuing




Sources: CSO, Goodbody

10 Source: CSO
11 Source: Goodbody

## Supply

**Housing supply in Ireland has been lower than the corresponding demand for a number of years. This dynamic has created a scenario of unprecedented pressure on the demand for housing. The solution to this is an increase in supply.**

**Supply**
The planning system has been a major factor in the lack of supply of housing in Ireland. The SHD allowed large scale planning applicants to apply directly to the Irish planning board. However, it left the system open to many judicial reviews, which inevitably stalled a large number of applications and in turn, the supply of housing. In 2021, applications with a total of over 11,000 housing units went for judicial review. The new LRD system, which came into law on 17 December 2021, adds an additional stage to the application process, but it should reduce the overall impact of judicial reviews on the system. The LRD is intended to allow large-scale residential applications to flow more efficiently through the planning system in an attempt to alleviate the demand/supply imbalance that currently exists.

Another market dynamic that is impacting supply in the Irish market is the fragmented nature of the homebuilding industry. There are only two scale players, Glenveagh and Cairn, that can each contribute more than 1,000 units annually. All other market participants contribute less than 500 units each, with 266 of them building less than 50 units in 2020[12]. This represents a significant advantage for a scale player, such as Glenveagh, but also means that elevated demand is more likely to persist in the short to medium-term.

**11k**
Housing stock available to buy: December 2021

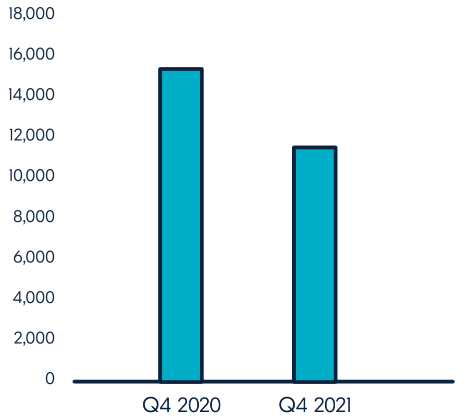
[12] Source: Goodbody
[13] Source: Daft.ie report Q4 2021

Housing stock is now severely depleted and is at record low levels. The total number of properties available to buy at December 2021 was 11,483[13], almost 4,000 lower than the prior year. These low levels are the result of years of undersupply, and market conditions are putting further emphasis on this issue.

According to the GeoDirectory Residential Buildings report in Q4 2021, "The shortfall in supply over the period 2011-2021, including 'latent' demand (housing demand which was not met) in the housing market, has been estimated by EY at over 225,000 homes, due to years of undersupply, inward migration and evolving demographics. Excluding this latent demand, the Housing For All plan targets an average of at least 33,000 new homes to be delivered each year from 2021 to 2030". However, the new dwelling forecasts project that supply will be below the required 33,000 average to 2023. The result of this is likely to be further pressure on the demand for housing and further increasing pent up demand in the short to medium-term.

### Stock of housing has been decreasing largely due to exceptional demand

**Housing stock is now severely depleted**

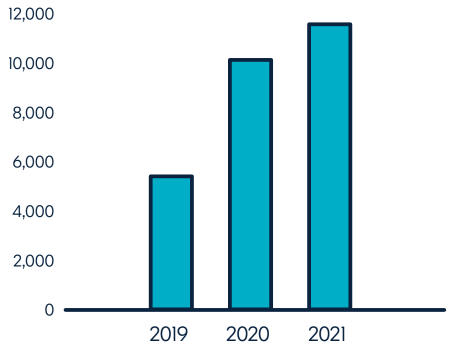



Source: Daft.ie report Q4 2021

### Planning system

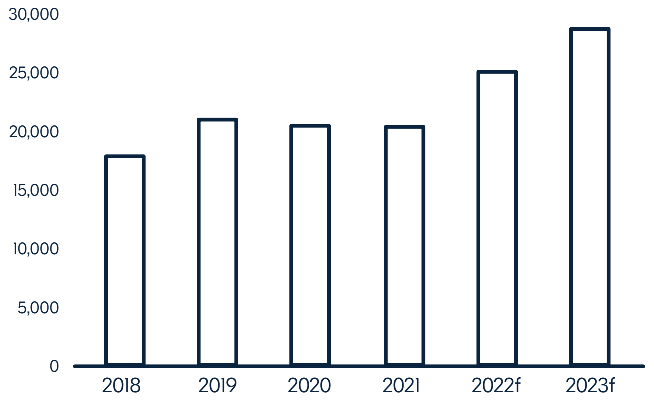
Planning issues have been a systemic problem, but is being addressed in the new LRD planning system which was launched in December 2021.

**Units in judicial review**




Source: FP Logue

### New dwellings not forecasted to hit 33,000 average by 2023




Sources: CSO, BPFI, Department of Housing, Goodbody



# Stakeholder engagement

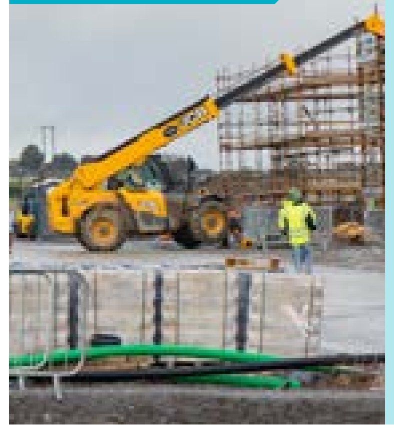
**The board believes that to secure Glenveagh's long-term success, it must take account of the perspectives, insights and opinions of stakeholders when key strategic, financial or operational decisions are being made.**

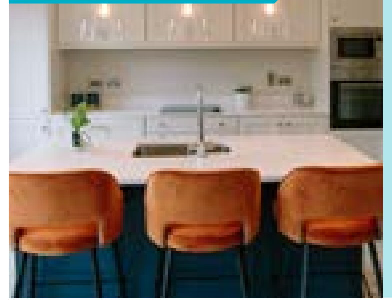
Glenveagh identifies six key stakeholder groups, with each requiring a tailored engagement. By fostering business relationships and maintaining effective engagement with these stakeholder groups, it should help to ensure that Glenveagh is a company in which people want to invest, from which people want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

The board continues to engage 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 82 to 87, and details on how Glenveagh engaged with employees, suppliers, shareholders, customers, communities, government and regulators and outcomes from these engagements are outlined on pages 25 to 27.

The board is kept continuously 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.

| | How do we engage? | What are the key areas of interest? | What are the outcomes? |
|---|---|---|---|
| **Employees**<br> | 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 and site visits. During November 2021, 71% of employees participated in the Great Place to Work culture and engagement survey. Periodic pulse surveys of our employees on working from home were also conducted during the year. As the Covid-19 pandemic continued in 2021, we provided regular internal communication which included an employee newsletter to all our employees on regulatory updates, workplace changes and health, safety and wellbeing.<br><br>Our workforce engagement director, Cara Ryan, engaged directly with employees on two occasions during 2021 and presented her findings to the board. Details of these activities are outlined in the corporate governance report on page 84.<br><br>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 board by the head of HR, several times a year. | Matters of importance to employees included the impact of Covid-19 on Glenveagh's performance, opportunities for training, development and progression, greater focus on employee communication, health and safety of employees on sites and working from home, and diversity and inclusion (D&I). | The board, through the workforce engagement director considered the findings and plans to address the matters raised in the pulse surveys. During the year, the board also provided feedback on training and development plans.<br><br>The board reviewed Glenveagh's progress in respect of diversity and inclusion during the year, noting that the D&I policy was embedded into all company policy, procedures and practices and D&I training was delivered to senior leaders and managers.<br><br>Executive management committed to hosting quarterly town hall meetings from 2021 onwards and invested in employee communication technologies.<br><br>Read more on page 44 |

| | How do we engage? | What are the key areas of interest? | What are the outcomes? |
|---|---|---|---|
| **Suppliers**  | We continuously engage with our supply chain partners on a wide range of matters including health and safety, project performance and spend, pipeline of upcoming work, development plans and feedback via meetings, working groups and collaborative workshops. We will commence monthly environmental health and safety awards to incentivise exemplary behaviour on sites in 2022. As part of our enhanced supplier engagement programme, we conducted two surveys of our supply chain partners on sustainability and reputational matters during the year.<br><br>All our supply chain partners sign up to our standardised processes and procedures covering site set up, health & safety, environmental requirements, procurement and valuation processes, and logistics, planning and coordination. Our most economically advantageous tender (MEAT) process enables us to ensure our supply chain partners are aligned with our health and safety and quality requirements, and our sustainability goals.<br><br>Monthly updates are provided to the board by the CEO on health and safety KPIs, procurement matters and sites progress. The environmental and social responsibility (ESR) committee also updated the board on its activities twice during the year. | Matters of importance to our supply chain partners include the need for visibility of future projects and workloads, delivery of an energy-efficient and low carbon supply chain, prompt payment of invoices, ensuring safety practices and business conduct are not impacted by Covid-19 and the impact of global supply chain challenges on the availability and cost of materials. | The board ensured that as part of Glenveagh's Brexit planning and response to Covid-19, contingency supply arrangements were put in place to limit any potential disruption in output. The board approved the purchase of a manufacturing facility in Carlow, where plans to manufacture will commence in 2023. The information gathered as part of the supply chain sustainability survey will be used to further inform the development of Glenveagh's approach to sustainability. See pages 38 to 67 for more detail.<br><br>Read more on page 56 |
| **Shareholders**  | Glenveagh's management team undertakes a comprehensive programme of investor meetings, particularly following the release of annual and half year results and trading updates. During 2021, the management team held over 217 investor meetings and participated at six investor and industry conferences. Glenveagh also communicates with shareholders via published material including results releases, presentations, press releases and at the annual general meeting and extraordinary general meeting.<br><br>The board and committee chairs and the company secretary also engage directly with shareholders, when necessary, on specific topics, and where relevant, provide feedback to the directors. During 2021, the remuneration committee chair consulted with Glenveagh's large shareholders on the proposed changes to the executive remuneration policy. The company secretary also engaged with shareholders on the migration of the central securities depository.<br><br>Monthly updates are provided to the board by the management team on Glenveagh's investor relations activities. Investor feedback is provided as available, to ensure that all directors are aware of, and have a clear understanding of, the views of major shareholders. | Matters of importance to shareholders included the impact of Covid-19 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, the rationale for the share buyback programme, an increased focus on ESG matters and the board's composition and diversity. | Shareholders were kept fully informed of the Group's performance and the measures being taken to protect employees, visitors to our sites and the wider community as a result of Covid-19. Shareholders' views were considered by the board on the share buyback programme and by the remuneration committee in determining the proposed changes to the executive remuneration policy. Further detail of the remuneration policy review is available in the remuneration report on page 91.<br><br>Read more on page 84 |

| | How do we engage? | What are the key areas of interest? | What are the outcomes? |
|---|---|---|---|
| **Customers**  | We engage with our customers through our redeveloped customer 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 we conduct monthly customer satisfaction surveys and bi-annual brand surveys to obtain customer feedback.<br><br>In 2021, the Maynooth University carried out a comparison of the home buying journey at Glenveagh with other home builders and the second-hand home buying experience, and identified areas of improvements. | Matters of importance to our customers include the need for regular, consistent communication in the home buying process, the ability to conduct a remote home buying journey, clarity on moving dates, greater location and community information, and the quality and affordability of the house. | In October 2021, we launched our national brand campaign which focused on our community values ensuring that Glenveagh is at the top of the minds of all home buyers in the future.<br><br>Following on from the findings and recommendations made by Maynooth University on the customer journey, the executive management approved the establishment of an after sales customer care department which provides a central platform for our buyers to register any queries they have after the sale of their property has closed.<br><br>Read more on page 40 |
| **Communities**  | At Glenveagh, we play a vital role in building sustainable, lasting and thriving communities. 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 local authorities, decide on the best way to meet these needs. Engagements with local authorities is via one-to-one meetings and workshops, while engagements with local community groups is via town hall meetings and consultation events which are facilitated by our community engagement officer. We also keep local communities informed of the progress on sites via published material on the Glenveagh website and social media. | Matters of importance to communities include the need to be responsive to the views of local people, the efficient use of land and sustainable place making, the protection of biodiversity, investment in local infrastructure, restoration of listed and protected features and support for community groups and charities. | A community engagement strategy, including the 'Building Lasting Communities' initiative, was launched in May 2021. Further details of our community activities are outlined in our sustainability pillars on pages 38 to 57.<br><br>Glenveagh completed a behaviours and attitudes survey in 2021 and plans to incorporate the findings into the proposed development at our Hollystown site.<br><br>Read more on page 50 |
| **Government and regulators**  | 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 planning application process.<br><br>We engage with local authorities on housing partnerships via the e-tendering process.<br><br>Monthly updates are provided to the board by the CEO on planning, environmental health and safety matters and engagements with government and regulators. | 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. | The board provides feedback to executive management on government policies and regulations to ensure that their views and insights into all aspects of the industry are fed into policymakers, enabling them to make informed policy decisions on the future of the industry.<br><br>The board approved partnership with Dublin City Council and Fingal County Council on Partnerships in Oscar Traynor Road and Ballymastone. The purpose of these partnerships is that the developments will significantly enhance the place making of Coolock and Donabate.<br><br>Read more on page 32 |

# Our sustainable business model

## Inputs for value creation

**Talented and dedicated people**
Talented and motivated employees with the expertise and dedication to deliver our commitment to expand access to home ownership and create flourishing communities.

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

**Strong relationships**
A recognised and trusted partner, we have built strong relationships with our partners, communities, suppliers and customers.

**A strong financial position**
Financial capital underpinned by a strong balance sheet and forward sales; rigorous investment appraisal process.

**A trusted brand**
An established and trusted brand built on a customer-focused and high quality approach.

## Our strategic priorities

- Disciplined investment across target segments
- Customer-centric focus
- Sustainably scale our delivery capability
- Drive fair returns for shareholders

## Our sustainability pillars

- Putting customers at the heart of what we do
- Attracting, inspiring and investing in people
- Keeping people safe
- Creating sustainable homes and communities
- Environmentally considerate and efficient operations
- Sustainable and responsible sourcing

## Value created

**Customers and communities**
A seamless customer journey, high quality homes and developments designed to promote people's health, happiness, and wellbeing. Our customer satisfaction score in 2021 was 89%.

**Employees**
We create a great place to work, where the health, safety and wellbeing of our people is central. We aim to attract and retain the best talent through growth and development opportunities.

**Society**
High quality housing built in a way that minimises the impact on the environment, including using land in the most efficient way, driving down waste, reducing emissions during construction and delivering A-rated energy-efficient homes across all our developments, while contributing to economic growth at local and national level.

**Shareholders**
The creation of the leading Irish homebuilder focused on growth and capital optimisation to drive a fair return for shareholders. Completions and revenue growth of 36% and 68% versus 2019. Return on equity target of 15% by 2024.

**Suppliers and subcontractors**
Meaningful long-term relationships with suppliers and subcontractors who meet our high standards increasing quality while minimising cost price inflation.

# Our strategic priorities


**Business model and organisational structure**
Glenveagh is focused on strategically located developments across Ireland with a focus on the Greater Dublin Area (GDA) and Cork. We provide homes for our private, institutional and State customers via three business segments — Suburban, Urban and Partnerships. We operate as a single business, capitalising on scale advantages and investing sustainably across each segment to deliver a fair return on capital.

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 single underwriting team is complemented by centralised sustainability, planning and design, manufacturing, procurement, construction management and corporate functions.



## Disciplined investment across target segments

We have assembled a starter home and affordable private rental sector (PRS) focused landbank with affordability and value for money at its core. Our landbank was acquired at attractive rates in the context of both cost per site and site cost as a percentage of net development value (NDV).

Glenveagh is positioned to deliver housing to the deepest segments of the market with 96% of Suburban units on forthcoming developments priced at €450k or less. With an average site size of 238 units coupled with a focus on starter homes, the portfolio is monetisable in the current regulatory and market environment within a short time frame.

Our valuable Urban sites allow us to capitalise on the large quantum of capital currently seeking to access the Urban PRS opportunity in Ireland. Our Urban sites include high density apartments focused on sustainable rental locations primarily in Dublin City and Cork City.

Our Partnerships segment will enable the business to continue to provide much needed housing without tying up significant amounts of capital in land. In 2021, we proved the Partnerships model in Ireland and were successful on two tenders which will deliver over 2,000 units.

Further opportunities continue to exist to make accretive land acquisitions which target the most attractive starter home markets in the strongest locations. Once acquired these acquisitions will contribute to the achievement of delivery targets in the near term and help achieve our target returns in future periods.

**2,000**

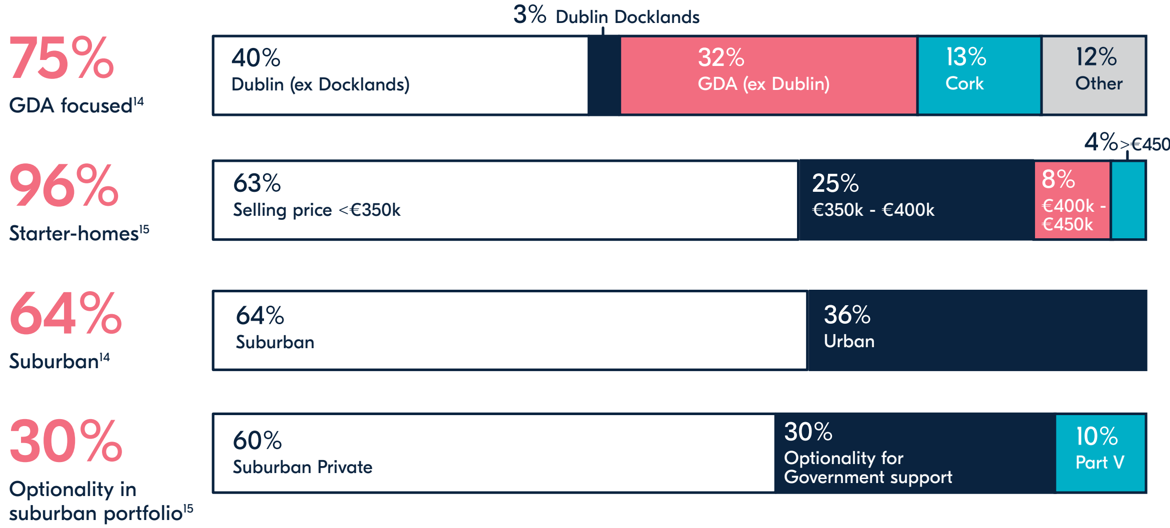
**In 2021, we proved the Partnerships model in Ireland and were successful on two tenders which will deliver over 2,000 units.**

### Our business segments - key characteristics

| | Suburban | Urban | Partnerships |
|---|---|---|---|
| **Product** | Houses and low-rise apartments | Apartments | Houses and apartments |
| **End-Market** | Private/institutions | Institutions | Private/State/institutions |
| **Locations** | Ireland | Dublin/Cork City | Ireland |
| **Exit** | Traditional/forward sale (FS) | FS/forward fund (FF) | State/traditional/FF/FS |

**Investing across three segments to optimise return on capital**

### Attractive development portfolio designed to deliver on our strategy




**Attractive portfolio delivering homes to underserved segments of the market**

[14] By units [15] Suburban portfolio, <€450k

## Customer-centric focus

Our approach to innovation, planning and design is geared towards bringing home ownership within reach of a broader range of people and addressing the undersupply of affordable quality housing in Urban and Suburban areas.

Quality homes in flourishing communities should be within reach of everyone. This is a founding principle of Glenveagh and it governs everything we do. In order to deliver on our promise, we are focused on ensuring that our homes are affordable for first time buyers and families, that the customer journey is as seamless as possible, and that our build quality and customer service are second to none.

**Retail customer focus**
Our retail customer service offering is built around three core customer promises: access, quality and innovation:

- Access – building where our customers want to live at a price that is affordable.
- Quality is a promise we do not compromise on. Energy-efficient homes designed for how people want to live.
- Innovate – to achieve access and quality for our customers we will continue to innovate relentlessly in how we plan, design and build - bringing new ideas home.

This approach is driving our customer service reputation.

**Institutional customer focus**
Institutional customers are a feature of the multi family apartment market that we believe is here to stay. These institutions choose Glenveagh not only because we are one of the few companies delivering product targeted at affordable rents in strong sustainable locations, but because we have a track record of delivering, which offers certainty to organisations who are considering an investment in one of our developments.

These features have established Glenveagh as the partner of choice within the industry.

**Suburban** product is primarily housing with some low rise apartments with demand coming from private buyers and institutions. This means affordable, high quality homes in locations of choice at €450,000 or below. Glenveagh has an overwhelming GDA focus in our portfolio, however the product is required nationally. Suburban sees private and institutional demand for our product via traditional and forward sale structures.

**Urban** product consists of apartments to be delivered to institutions primarily in Dublin and Cork but also on sites adjacent to significant rail transportation hubs. Demand in this segment is being driven by the shift to rental by millennials and lifestyles, and the exodus of private landlords due to fiscal policy and regulation who are being replaced by institutional investors.

Urban offers significant attractions from a risk and return on capital perspective given the opportunities that exist to forward fund these developments. This provides longer term earnings visibility due to early commitment from a forward sale or forward fund transaction.

**Partnerships** are critical to the business over the long-term. A partnership typically involves the Government or Local authority or State agency contributing their land on a reduced cost or phased basis into a development agreement with Glenveagh. It has a reduced risk from a sales perspective where approximately 50% of the product will be delivered back to the government or local authority for social and affordable homes. This will derisk the Glenveagh market exposure and provide:

- strong Return on Capital Employed (ROCE)
- increased business resilience
- reduced risk
- access to both land and deliveries for our Suburban and Urban segments.

The Partnerships segment is going to take the most time to come to fruition but it is the one where we are investing significant time and effort given our skillset and the attractions of the segment from a ROCE perspective.



## Sustainably scaling our delivery capabilities

We are now actively constructing from 16 sites which are expected to deliver our 2022 unit guidance of 1,400 units. In order to achieve Glenveagh's medium-term construction objectives, our key priorities have been to:

- Develop our low rise and high rise capabilities
- Standardise our processes and end-products
- Invest in off-site manufacturing
- Innovate and utilise technology across our business.

**Develop low rise and high rise capabilities**
Our central resources have allowed our construction operations to focus on opening sites and controlling the build programme. This delivery of our developments is now aligned to our target markets and reflects the different skill sets involved in delivering Suburban and Urban product.

For Suburban delivery we now have dedicated teams for site openings – the most challenging part of any development. These delivery teams are organised into clusters by region to maximise efficiencies but also to help train, retain and promote our construction talent in a structured and deliberate manner.

We recognised early that Urban apartment delivery is a specialised segment. Our highly experienced Urban delivery team delivered a large number of apartments in 2021 across multiple schemes and is well positioned to deliver the forthcoming Urban developments in a timely and cost effective manner.

**Standardisation of processes and production**
Our construction methodologies are built around a standardised process to deliver high quality sustainable homes as efficiently as possible. This approach has allowed Glenveagh to build sustainably at volume across our active sites and deliver on our multi site strategy.

Supporting this approach is our centralised procurement team that has established strong relationships with suppliers and subcontractors enabling us to enter into comparatively attractive contracts for key labour and materials thereby allowing us to manage our exposure to construction cost inflation.

**Offsite manufacturing**
Glenveagh continues to invest in more efficient and cost effective construction techniques. Completed initiatives include the optimisation of our processes and finished product, in addition to adopting modern building practices, including utilising panelised and modular manufacturing systems.

Our manufacturing strategy involves a mix of long-term supply agreements and self manufacture aligned to the innovation, expertise and integration required to deliver sustainable, cost effective solutions for our on-site operations. In order to enhance our off-site panelised construction solutions and guarantee long-term supply, we have invested early in supply chain integration. To date, this has included investment in two strategically located manufacturing facilities in Dundalk and Carlow.

The open book supply agreement and the factory investment by Glenveagh in Dundalk has facilitated the delivery of 700 timber frame units onto our sites in 2021. To complement the current volume, we have invested in a second manufacturing facility in Carlow. Combined, these initiatives deliver over 2,000 units per annum across a variety of off-site panelised construction methodologies. In addition to improving construction schedules, facilitating product innovation, and delivering cost benefits, these facilities will give our team greater ability to influence the pace of de-carbonisation required to meet our climate obligations.

Separately, our first quarry for the offsite disposal of inert material continues to be operational further derisking the costs associated with groundworks on site. During 2021, 348,482 tonnes of inert material were recovered at the site[16]. During 2021, we invested in a second soil recovery site which can accommodate 400,000 cubic meters and is expected to be operational from Q2 2022.

**700**
Timber frame units delivered via supply chain partnership

### Partnering with our supply chain

In order to further enhance Glenveagh's off-site manufacturing solutions, we entered into an exclusive multi-year open book supply agreement with Keenan Timber Frame (KTF) in 2020.

In conjunction with the agreement, we purchased a production facility in a strategic location close to our active Suburban North construction sites. This manufacturing facility which is operated by KTF, became operational in H1 2020 and delivered over 700 timber frame kits in 2021.

Attractions for Glenveagh
- Guaranteed long-term supply in line with growth targets
- 700 units produced in 2021 with the potential to grow this further in 2022
- Ability to mitigate against price increases
- Partnering with a highly capable management team with significant manufacturing experience and a demonstrable track record

In 2021, we purchased a second strategically located off-site panelised manufacturing facility, close to our Suburban South sites which will begin production in 2023 across a number of methodologies. Ultimately both facilities will provide over 2,000 kits per annum when operating at full capacity.

[16] Until June 2021, material moved to Bay Lane under Fingal Waste Permit (217,882 tones) and under Article 27 of the European Communities (Waste Directive) Regulations thereafter (130,600 tones)

**Sustainably scaling our delivery capabilities** *continued*

### Technology

Along with a stable and sustainable supply chain, technology is an asset that we are utilising to facilitate our continued growth. The aim is to utilise technology to connect construction across our sites and the rest of the business.

Our ability and motivation to invest in technology early ensures we have a stable platform for growth and helps deliver transparency and control throughout our projects. Examples of this include drone scans, document management and a mobile field app. This helps ensure that collaboration, cost management, quality control and health and safety are all managed effectively.

Our ambition at Glenveagh is to be innovators and leaders. Technology allows us to create a collaborative environment where the whole business is connected. One of the challenges within our business is how best we can connect sites to our head office. To facilitate coordination, we use an online platform that is accessible to everyone in the business. We use multiple modules across the platform such as document control, health and safety, tendering, supplier packages and workflows. Our field app allows us to inspect, observe, identify and report any positive or negative corrective actions.

Drone scans and videos are used to record and communicate on this platform with all parts of the business. This offers the ability to predict constraints and reprogramme construction work, which derisks the entire process and greatly improves coordination. Utilising our drone technology, 3D scans are used in our earthworks modelling software which allows us to value engineer and manage our civil engineering projects at an early stage before we open a site.

Silver Banks
Stamullen, Co. Meath

**Our ambition at Glenveagh is to be innovators and leaders. Technology allows us to create a collaborative environment where the whole business is connected.**

## Optimise capital employed to drive fair returns for shareholders

We remain disciplined in our approach to the allocation of capital with the overriding objective of enhancing shareholder value. Our capital allocation framework prioritises:

- Working capital investment across Suburban, Urban and Partnerships.
- Investment in organisational and supply chain capabilities.
- The replacement of land to ensure we maintain a five year landbank capable of delivering 3,000 units per annum where we are targeting an ROE of 15%.
- Furthermore, we believe that the opportunities beyond 3,000 units per annum are significant and will ensure that we have the resources to deliver on that objective, as well as the ability to invest in the next phase of growth. In doing so, we will maintain a strong balance sheet with prudent leverage not exceeding 15% of net assets.

We continue to make good progress in our drive to optimise capital use within the business including:

- Investing €72.4 million in land opportunities for approximately 2,700 units in 2021.
- Adding 2,050 units to our Partnerships business.
- Adding our second timber frame and soil recovery facilities.
- Investing in work-in-progress through the opening of new sites.

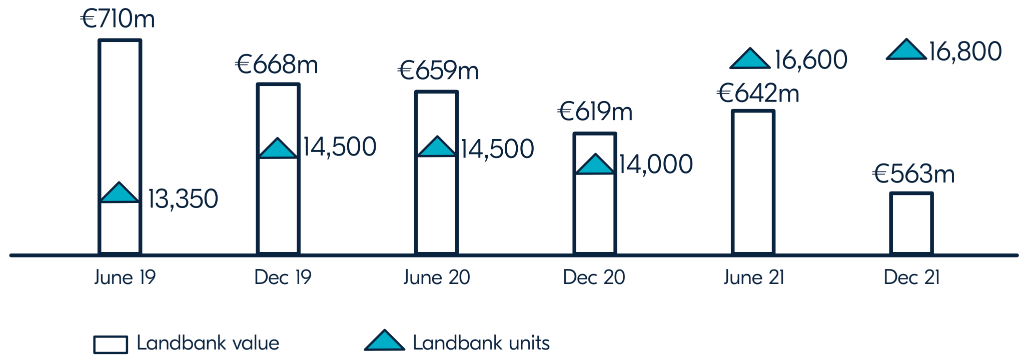
As a result of strong operational delivery and our continued reduction of net investment in land, Glenveagh ended the period with net cash of €20.8 million. Having met all of our capital allocation investment priorities, we returned €107.5 million to shareholders in 2021.

**2,700**

**Investing approximately €72.4 million in land opportunities for approximately 2,700 units in 2021**

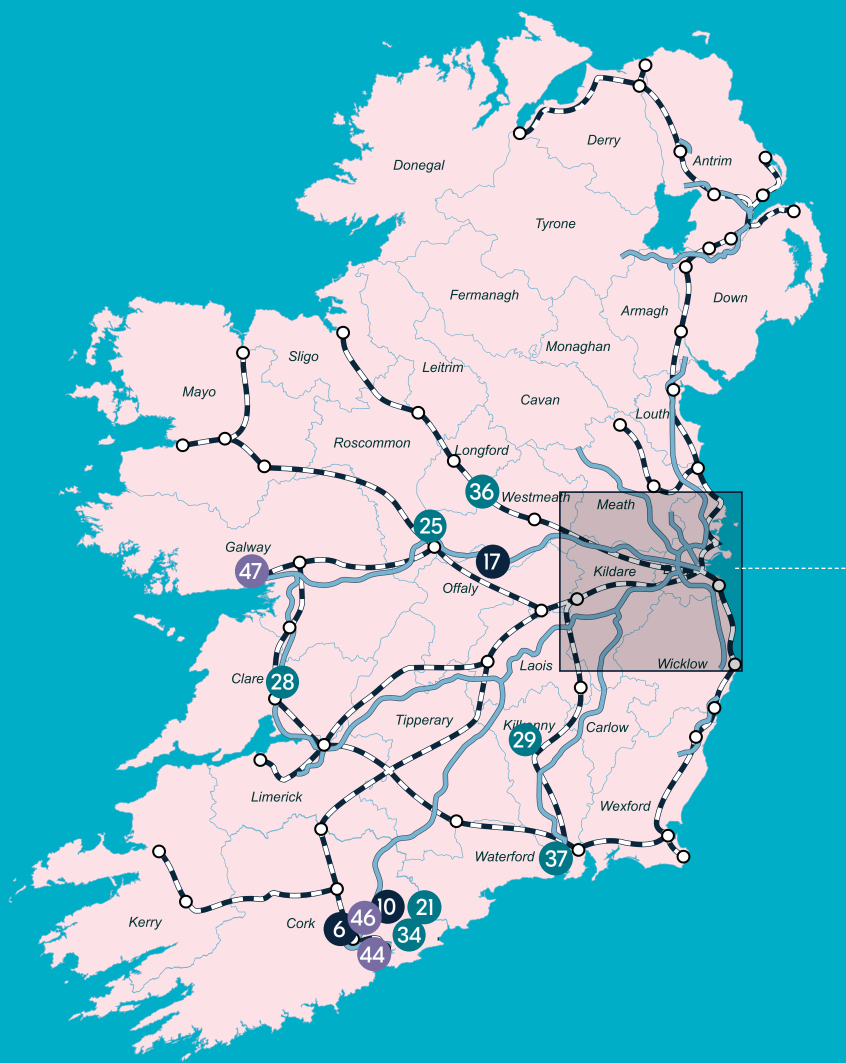
Belin Woods
Newbridge, Co. Kildare

### Capital efficient land utilisation



# Our landbank

## Balanced Greater Dublin Area (GDA) focused portfolio




**Key**

- Active suburban
- Future suburban
- Active urban
- Future urban
- Future partnerships
- Completed sites
- Motorway network
- Rail network



## Site schedule

| | Active suburban | Selling from |
|---|---|---|
| 1 | Baker's Hall | 2022 |
| 2 | Barnhall Meadows | 2020 |
| 3 | Barn Oaks | 2022 |
| 4 | Belin Woods | 2020 |
| 5 | Bellingsmore | 2020 |
| 6 | Blackrock Villas | 2019 |
| 7 | Castleland Park | 2022 |
| 8 | Riversend | 2022 |
| 9 | Ledwill Park | 2019 |
| 10 | Mount Woods | 2019 |
| 11 | Oldbridge Manor | 2020 |
| 12 | Ravens Mill | 2022 |
| 13 | Ruxton Oaks | 2020 |
| 14 | Semple Woods | 2019 |
| 15 | Silver Banks | 2020 |
| 16 | Taylor Hill | 2018 |
| 17 | The Hawthorns | 2021 |
| 18 | Walkers Gate | 2022 |

| | Future suburan |
|---|---|
| 19 | Blessington |
| 20 | Brownsbarn |
| 21 | Castleredmond |
| 22 | Clonmagadden |
| 23 | Cluain Adain |
| 24 | Cois Glaisin |
| 25 | Cornamaddy |
| 26 | Donabate East |
| 27 | Dunboyne |
| 28 | Ennis |
| 29 | Grange Castle |
| 30 | Great Connell Abbey |
| 31 | Hollystown |
| 32 | Keatingstown |
| 33 | Killruddery |
| 34 | Maple Woods |
| 35 | Millennium Park |
| 36 | Mullingar |
| 37 | The Paddocks |

| | Active urban | Selling from |
|---|---|---|
| 38 | Barn Oaks - Apartments | 2022 |
| 39 | Castleforbes | 2021 |
| 40 | Marina Village | 2019 |
| 41 | The Collection | 2021 |

| | Future urban |
|---|---|
| 42 | Carpenterstown |
| 43 | Cluain Mhuire |
| 44 | Cork Docklands |
| 45 | East Road |
| 46 | Eden |
| 47 | Galway |
| 48 | Howth |
| 49 | Parson Street |
| 50 | Tallaght |

| | Future partnerships |
|---|---|
| 51 | Ballymastone |
| 52 | Oscar Traynor Road |

| | Completed sites |
|---|---|
| 53 | Holsteiner Park |
| 54 | Dargan Hall |

## Landbank highlights

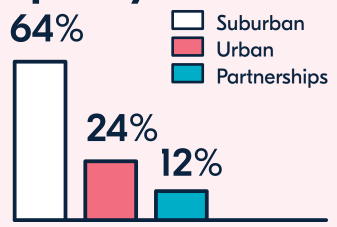
**16,800** Total units

**75%** GDA focused[17]

**64%** Suburban[18]

**96%** Starter homes[19]

### Split by units




[17] By value [18] By units [19] Suburban portfolio

# Our sustainability pillars

**Our approach**
Glenveagh's ambition is to set a new benchmark in our sector by delivering the maximum possible social benefit at the lowest possible environmental cost. We have set up the structures and have commenced our journey towards delivering on this commitment. Last year, we published our first sustainability report and we set out our approach to sustainability which is built around six pillars.

These pillars are informed by our material topics and are sense checked as part of our ongoing stakeholder engagement throughout the year (see pages 25 to 27 for more information on how stakeholder engagement informs our strategy and decisions).

We are committed to embedding sustainability throughout our business, integrating it into everything we do, while supporting our strategic priorities. Management of each topic is integrated into "business as usual" operations through commitments, KPIs, governance, accountability, and risk management processes and structures. The following pages detail the progress we are making against our various commitments.

**We are committed to embedding sustainability throughout our business, integrating it into everything we do, while supporting our strategic priorities.**

## Our sustainability pillars

- Putting customers at the heart of what we do
- Attracting, inspiring and investing in people
- Keeping people safe
- Creating sustainable homes and communities
- Environmentally considerate and efficient operations
- Sustainable and responsible sourcing



**Supporting the UN Sustainable Development Goals**
During 2021, we carried out an assessment of the alignment of Glenveagh's strategy to the UN Sustainable Development Goals (SDGs), including understanding which SDGs are relevant to each aspect of our value chain. We have now mapped the most relevant SDGs to our six sustainability pillars and will examine in more detail how we can contribute towards the specific targets and indicators under each of the relevant goals in 2022.

SUSTAINABLE DEVELOPMENT GOALS

**Developing our sustainability roadmap and path to net zero**
Building on the strong foundation that we have set, we plan to review our overall approach to sustainability in 2022. We will engage with our key stakeholders through a revised materiality assessment, and we will use this to inform a longer-term roadmap including commitments and targets. A key focus in 2022 will be the development of our approach to transitioning to net zero, which we will publish during the year.

**Innovation**
**Read about our new high-density housing solution in Hollystown**
Page 51

## Ratings

CDP Discloser 2021
Rating: A-

MSCI ESG Ratings AA
As at: 2 November 2021 *

Sustainalytics Rated
ESG Risk Rating 19.3 (Low ESG Risk) As at: 21 September 2021 **

For our up to date information on our ESG Ratings, visit https://glenveagh.ie/corporate/sustainability

## Awards and certifications

ISO 14001 acheived in May 2021.

ISO 45001 achieved in May 2021.

Certified to Safe-T Cert Grade A status for third year running.

Certified as a Great Place to Work 2022.

NISO Construction Housebuilding Award second year in a row.

Investors in Diversity Silver mark, awarded by the Irish Centre for Diversity.

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# Putting customers at the heart of what we do

**Objective:**

**Create a seamless customer journey, while always adapting to the changing needs of our customers, and ensure the highest levels of build quality.**

## Our commitments and targets

Key ✓ achieved ● on track ● off-track

| | Access and affordability | Build quality | Customer service and satisfaction |
|---|---|---|---|
| **Commitments** | Continue to deliver housing linked to local affordability | Continue to provide high quality homes that exceed customer expectations | Put customers first, continually striving for excellent service throughout the customer journey |
| **Targets** | • Maintain group core ASP below GDA and Cork new homes market ASP ✓ | • Achieve ISO 9001:2015 certification by 2022 ● (on track)<br>• Implement integrated site QMS on all projects by 2022 ● (on track)<br>• Conduct over 2,000 internal quality inspections by the end of 2021 ✓ | • Achieve customer satisfaction rating in excess of 89% by 2022 ✓ |

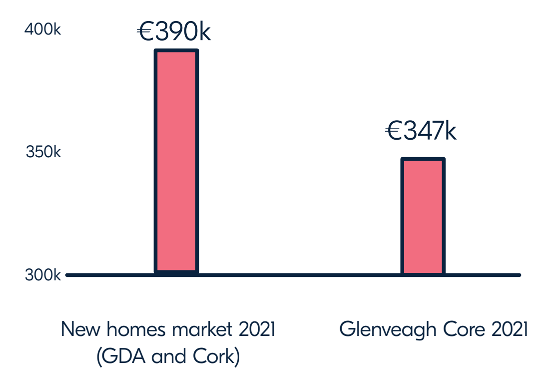
## Progress

**Access and affordability**

Ireland is in a housing crisis and needs upwards of 33,000[20] homes a year to keep pace with the demand. This year, the country has only delivered 20,433 homes, which is 38% below the minimum requirement. Moreover, 2021 has been marked by significant price increases, primarily in the second hand market. Lack of supply and rising construction costs have led to increasing costs for our customer base.

In Glenveagh, our focus is on getting supply into the system as quickly as possible with a target of building 3,000 homes a year.

**Median new homes prices (including VAT)**




Furthermore, we are relentlessly focusing on affordability of our homes with 69% of all core units delivered in 2021 being priced below the median price of new homes sold in the GDA and Cork.[21]

**Our focus is on getting supply into the system as quickly as possible with a target of building 3,000 homes a year.**

20 Ireland's Housing For All Plan
21 Source: The Residential Property Price Register

**We are confident that the business will continue to play an important part in addressing one of the key social challenges of recent decades.**

**Supporting Government initiatives**

In 2021, the Irish Government introduced multiple measures aimed at supporting much needed housing supply.

Of note is the intention to introduce a shared equity scheme where the State will come onboard and take up to a 20% stake in the homes of first-time buyers subject to regional price caps. Glenveagh has an established suburban land portfolio aimed at the more affordable end of the market with 74% of our overall portfolio qualifying for the scheme.

The cost rental scheme is another important Government initiative, whereby Approved Housing Bodies (AHBs) purchase cost rental units from the private market to be rented out at least 25% below open market rates. To date, Glenveagh has delivered two of the State's first ever cost rental transactions in Taylor Hill and Barnhall Meadows.

In 2021, the Group delivered 302 units (33% of our suburban units) as part of social and affordable Government supported initiatives including Part V and the cost rental scheme.

We are confident that the business will continue to play an important part in addressing one of the key social challenges of recent decades.

**1,150**
Units sold in 2021

### Cost rental homes in Barnhall Meadows

56 properties located in our Barnhall Meadows development in Leixlip, Co Kildare were launched through the cost rental scheme by Clúid Housing in October 2021. These houses will be leased at sub-market rates starting at €900 a month, approximately 45% below market rates[22].

22 Source: Clúid Housing


**Build quality**

Glenveagh is dedicated to delivering high quality homes across all our developments. We believe quality should be at the forefront of everything we do; with the workmanship, materials and products we use assisting in achieving a high level of quality and ensuring customer satisfaction. Our quality first approach sets out the framework we use to drive action in this area. To ensure consistent quality standards across all of our sites, we have developed a robust construction quality management system (QMS). Throughout 2021, we progressed with the roll out of this on all newly commenced construction projects and phases, with 81% of our sites now operating under QMS (2020: 50%). This forms part of our broader commitment to achieve ISO 9001: 2015 certification in 2022.

Dedicated training and role specific responsibilities under the QMS are in place, to enable us to work towards improving our product efficiencies, improve the quality of workmanship, whilst reducing rework. Quality responsibility matrices and inspection plans are now in place for all projects which commenced in 2021.

Furthermore, we have continued to strengthen our quality culture among subcontractors and professional teams. This has been supported by the integration of our major subcontractors into our QMS, monthly quality bulletins, quality site audits and attendance by quality team members at weekly site meetings.

Quality targets are set and reviewed by the business annually. The targets relate: to the high grade finish across all our homes, consistency across sites, improvements in efficiencies and reduced rework. Quality performance is presented at senior management meetings monthly.

**Customer service and satisfaction**

At Glenveagh, we have established the leading home buying platform in Ireland, by providing a best in class journey for our customers. To inform our approach and ensure we continue to meet our customers' expectations, we track our customer satisfaction score through an externally facilitated customer service survey. We capture feedback on design, build quality, the snagging process, and their overall engagement process including our sales teams, sales agents, and customer care department.

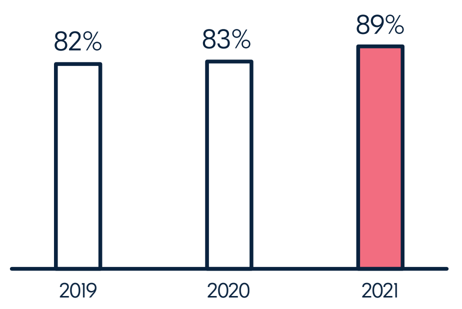
Feedback from the survey is reported at board level. We also incorporate the survey data and feedback into monthly reporting to relevant departments to inform decision making. In response to customer feedback, we made several enhancements to our customer journey during 2021. We launched the first phase of our new customer website allowing customers to view homes long before they are built. We enriched the customer experience by providing an immersive digital viewing experience using the latest CGI technology. We also introduced development specific updates, so customers can be kept up to date when it matters most including construction updates, moving in advice and local community news.

We have developed strategic partnerships with several providers, including electricity, broadband and appliances, to support the smooth transition of our customers into their new homes and reduce the stress points associated with this.

We also established a dedicated customer care department in 2021 to support and assist our customers on any matters that arise following the completion of the home sale.

In recognition of the importance of customer satisfaction, in 2021, 20% of the executive and senior team bonus was linked to customer service survey responses.

**Customer satisfaction**
**'Would you recommend Glenveagh to a friend?'**




**89%**
of customers said they would recommend Glenveagh to a friend in 2021

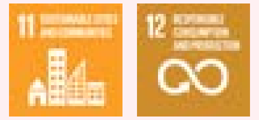
**We established a dedicated customer care department in 2021, to support and assist our customers on any matters that arise following the completion of the home sale.**

**Material issues**
- Affordable housing
- Build quality
- Customer service/satisfaction

**KPIs**

| €308K | 81% | 89% |
|---|---|---|
| Core ASP | of sites with integrated QMS | Customer satisfaction rating |

**Relevant SDGs**



# Attracting, inspiring and investing in people

**Objective:** **Be an employer of choice, attract and retain the best people by investing in their development and success.**

## Our commitments and targets

Key: ✓ achieved · ● on track · ● off-track

| | Employee engagement and wellbeing | Training and development | Diversity and inclusion |
|---|---|---|---|
| **Commitments** | Demonstrate commitment to improving the wellbeing of our workforce<br><br>Improve employee communication and engagement | Aim to be the industry destination of choice for graduate, trainee and apprentice recruitment<br><br>Ensure we have appropriate development programmes to further encourage promotion and career development | Create an inclusive workplace that promotes diversity and ensures equal pay<br><br>Become a more accessible employer for employees with disabilities<br><br>Promote ethnicity in the workplace |
| **Targets** | • Aim to achieve 82% or above in the employee satisfaction survey in 2021 (off-track ●)<br><br>• Aim to reduce employee turnover rate to 10% ✓ | • Invest in at least 13 hours of training per salaried employee in 2021 ✓<br><br>• Continue graduate intake and completion of supporting programme ✓<br><br>• Align career mapping with departmental strategy and development plans for all ✓ | • Maintain female employees percentage above industry average ✓<br><br>• Recruit at least 30% females amongst new college recruits in a given year ✓<br><br>• Continue to drive and ensure equal pay for equal work ✓ |

## Progress

### Employee engagement and wellbeing

**Improving engagement and communication**
Having an engaged workforce is fundamental to the success of our business especially as we continue to grow. Improving our communication with colleagues has been a key aspect of our approach to this. The nature of our business, with colleagues dispersed between site and office presents challenges in this respect. The Covid-19 pandemic has added to these challenges given the large proportion of colleagues who have worked remotely. Throughout 2021, we have sought to address these challenges head on and have focused on creating meaningful engagement opportunities with our colleagues.

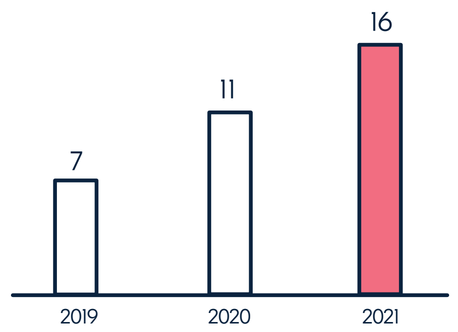
A targeted and structured internal communications strategy was rolled out. As part of this, we implemented a dedicated employee communications platform, quarterly all staff town halls and our Great Place to Work (GPTW) committee also regularly seeks ideas from colleagues around improvements in the workplace. We measure our employee engagement and satisfaction levels annually through our participation in the Trust Index employee survey conducted by GPTW. This year, we have achieved an overall score of 72% and we will use the insight gathered from the survey to evolve our approach in 2022. We are delighted to have been awarded certification from GPTW in 2022.

We also monitor our employee turnover rate, which this year reduced to 10%.



## We are committed to creating a learning and growth culture that creates real engagement and trust with our people.

Average training hours (excluding Health & Safety) per salaried employee




**Enhancing wellbeing**
The wellbeing of our colleagues is vital for an engaged and productive workforce, which in turn contributes significantly to the continued success of our business. We know that the pandemic has placed additional challenges on people's wellbeing, in particular mental wellbeing. We continued to build on our existing physical wellbeing programme throughout 2021 with monthly initiatives including virtual physical exercise events and informative talks. We have also invested in supporting the mental wellbeing of our colleagues with mental health first aiders now trained and the continued promotion of our employee assistance programme (EAP). In 2022, we will continue to evolve our wellbeing programme and will set up a wellbeing working group to coordinate this.

We have also agreed new flexible working arrangements to provide office based employees with greater flexibility regarding their place of work and working hours.

### Training and development

We are committed to creating a learning and growth culture that creates real engagement and trust with our people and is aligned with our business objectives and values.

**Developing our leaders**
In 2021, we launched a senior leadership development programme. This is an ambitious growth programme which focuses on continuing to build a high performing senior leadership team that can continue to deliver results in a demanding, constantly evolving operating environment. This programme is an extensive, multi faceted development journey for the Glenveagh senior leadership team (SLT). It focuses on stretching and strengthening the leadership mindset and capability of each member of the SLT, as well as the collaboration and structure of the leadership team as a whole.

**The development and training of employees**
During 2021, Glenveagh delivered approximately 3,919 training hours to employees. This translates to 16 hours per employee per annum, which is a 44% increase from 11 hours last year.

As part of our talent management approach, we have focused on our performance development programme this year to align career paths with the company strategy and growth plans. Development programmes are now addressed at annual and mid year performance development review meetings between employees and their line managers.

We also successfully held a careers week for colleagues in September where we launched a new Glenveagh traineeship programme and promoted our referral programme, internal mobility opportunities, enhanced education supports and career progression opportunities.

**Our graduate and placement programmes**
With the ongoing challenge that the construction sector is facing regarding skills shortages and the ageing demographic, attracting and retaining graduates and school leavers in our workforce, is now more essential than ever for the sustainable growth of the company. In 2021, 24 people joined our graduate programme across the business including in the areas of planning, construction management and environmental health and safety.


Ledwill Park
Kilcock, Co. Kildare

Our second and third level student placement programmes provide ongoing training to participants to encourage their possible return as graduates in 2022.

We will focus on developing graduates and students through the organisation building their careers and developing growth pathways.

**Diversity and inclusion**
We know that attracting and supporting a diverse workforce and ensuring a culture of inclusion will help us to attract and retain the best talent to grow our business. Our commitment to this is set out in our diversity and inclusion (D&I) policy. In 2021, a D&I steering group was formed to develop a comprehensive strategy which will focus on the following areas:

- Better representation — to ensure our workforce is reflective of the society/communities in which we operate.
- An inclusive environment — where everyone feels safe and included.
- Embedding D&I in our value chain - using our influence and voice to promote and drive D&I among our supply chain, in our community engagement and through our sponsorship and communications.

This approach was informed by insights from an survey of Glenveagh's employees by the Irish Centre for Diversity, our Great Place to Work annual survey, data from the diversity monitoring tool on our recruitment database as well as the evolving regulatory and stakeholder expectations in this area.

**Female representation**
Female representation is a key challenge in the construction sector. While our overall share of female employees has increased to 27% (current industry average: 9%[23]), we recognise that representation at senior level and among site roles is more challenging. Throughout 2021, we worked on a number of initiatives to address this including attracting females to the industry from grassroots level and a strong emphasis on attracting and recruiting females to senior roles. We also achieved our target to recruit at least 30% female graduates in 2021.

**Promoting inclusivity**
During 2021, we made several changes, in particular to our recruitment process, to promote inclusivity. These included new and updated policies, communicating clearly the interview process to support candidates who may need additional resources to prepare for interview and the inclusion of hybrid working on all job relevant advertisements.

**Glenveagh's gender breakdown in 2021**


We also commenced using a diversity monitoring tool on our recruitment database to help us better understand the profile of our applicants. This included getting a better understanding of the proportion of people from different ethnicities and people with disabilities who are applying for roles.

Inclusive leadership training was also delivered to the senior leadership team by the Irish Centre for Diversity and all hiring managers have received training in unconscious bias interviewing skills.

Our efforts to date have been recognised by the achievement of Investors in Diversity Silver mark, awarded by the Irish Centre for Diversity. It is Ireland's only equality, diversity and inclusion (EDI) mark for Irish businesses.

**Attracting and supporting a diverse workforce and ensuring a culture of inclusion will help us to attract and retain the best talent to grow our business.**

[23] Source: CSO - average share of female in construction at Q4 2021


**Material issues**
- Employee engagement and wellbeing
- Diversity and inclusion
- Training and development

**KPIs**

| 72% | 10% | 16 | 27% | 30% |
|---|---|---|---|---|
| Employee satisfaction score | Employee turnover | Hours of training per salaried employee (excluding health & safety) | Females in workforce | Percentage of females recruited on graduate programmes in 2021 |

**Relevant SDGs**

# Keeping people safe

**Objective: Ensure our operations are safe for all those employed and affected by what we do.**

## Our commitments and targets

Key ✓ achieved ● on track ● off-track

| | Culture, policies and processes | H&S training and awareness | General H&S performance |
|---|---|---|---|
| **Commitments** | Strive to ensure the highest standards of health and safety across our workforce and sites | Continue to raise health and safety awareness amongst our directly employed and supply chain workforce | Maintain group health and safety total recordable incident rate (TRIR) |
| **Targets** | • Proportion of sites with independent audits to be 20% ✓<br>• Achieve ISO45001 certification by the end of Q2 2021 ✓<br>• Maintain Grade A in Safe T Cert ✓ | • Increase training hours and participation per employee ✓ | • Maintain low group health and safety total recordable incident rate (TRIR) ✓ |

## Progress

**Culture, policies and processes**

The health and safety of our people is our number one priority and we work relentlessly to promote a safety first culture to protect our people.

Our key aim is that our colleagues, subcontractors, suppliers and visitors come into work and go home safely. We are focused on creating a culture of safety and we believe that this starts by setting the right tone at the top. Health & Safety (H&S) continues to be one of the first items on our board's agenda, with reports included in monthly board packs. To reinforce the importance of H&S, 20% of the bonus for the executive and senior leadership team was linked to overall H&S performance.

**Safety Management System**

During 2021, we achieved our goal of ISO 45001 Occupational Health and Safety accreditation. H&S is managed under this management system which covers all business activities, with specific plans for each site. We also maintained our Safe T Cert – Grade A during the year. Both certifications demonstrate our commitment to the continual improvement of employee safety, reducing workplace risks and creating better, safer working conditions for our employees, subcontractors and all who we interact with.

**Internal and external audits**

In 2021, our audit score increased to 89% (2020: 88%). Auditing our performance is a critical element of our H&S approach to ensure we incorporate continuous improvement. Our H&S audits are carried out monthly on each active site. The audit document covers 138 individual items, which track our compliance with the safety management system, statutory regulations, physical conditions on site, as well as employee and contractor behaviours in relation to safety.

All active sites were independently audited at least once in 2021, ensuring our target to have at least 20% of overall audits carried out via independent inspectors was met. This external assessment is important to continually test that our internal procedures are robust and fit for purpose.



**Award winning health and safety team**

For the second year in a row, Glenveagh was delighted to be awarded the NISO Construction Housebuilding Award for 2021. This was a great result for everybody in the organisation and reflects all the work we put into maintaining and improving our safety standards.

**Investing in technology**

We believe that integrating appropriate technology into our H&S management processes will increase the accuracy of collected data, ensure greater awareness, and minimise incidents of non-compliance.

We are transitioning our monthly audits to an online app that we have developed with our software provider. This will allow for easier identification of trends following the monthly audits and enable the leadership team to put a plan in place to address these challenges, as well as monitor progress.

**H&S training and awareness**

Continuous training and awareness are fundamental to improving the H&S competency of all Glenveagh employees especially those on site. All staff undergo various levels of H&S training, supplemented by regular workshops and briefings. In 2021, we also developed and rolled out awareness videos in relation to lift management and excavation safety. Going forward we will focus on scaffold management, working at heights, and plant and pedestrians.

We continued the roll out of the Institute of Occupational Safety and Health (IOSH) 'Managing Safely in Construction' certification with 16 site based personnel having completed this in 2021.

In support of the industry's collective commitment to this agenda, we participated in the Construction Industry Federation's (CIF) annual safety week, raising awareness through our internal and external communications channels.

Finally, to promote broader wellbeing we invested in training several mental health first aiders. H&S training hours per employee have increased from 6 hours in 2020 to 11 hours in 2021.

**Working with subcontractors**

Our ISO 45001 safety management system also ensures a rigorous approach to H&S for our subcontractors. All subcontractors' staff are required to have Safe Pass and Manual Handling training and be 100% compliant. This is tracked through our TAG System.

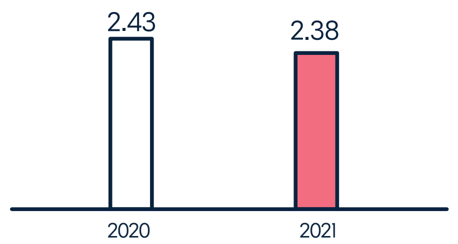
All subcontractors go through our vetting procedure prior to being put on our approved suppliers list and must have a competent supervisor on site, whose responsibilities are set out by our safety team member.

**General H&S performance**

We monitor all major and reportable injuries, as well as lost time involving direct employees, subcontractors, and other member of the public.

Our Total Recordable Incident Rate (TRIR) has reduced from 2.43 in 2020 to 2.38 in 2021.

**Total recordable incident rate (TRIR)[24]**




**Material issues**

EHS culture, policies and processes

EHS training and awareness

General H&S performance

**KPIs**

| 89% | 11 | 2.38 |
|---|---|---|
| H&S audit score (%) | Number H&S training hours per all employees | Total Recordable Incident Rate (TRIR) |

**Relevant SDGs**

[24] Reportable incidents in Ireland are absences for more than 3 days not including the day of injury

# Creating sustainable homes and communities

**Objective:** Deliver high quality homes with low environmental impact where people can live a sustainable life.

## Our commitments and targets

Key ✓ achieved ● on track ● off-track

| | Sustainable communities | Sustainable and energy-efficient homes | Land use and biodiversity | Community engagement |
|---|---|---|---|---|
| **Commitments** | Exceed local authority development standards<br><br>Provide quality private and public open spaces for our customers | Design and build homes with reduced carbon emissions over their lifetime | Maximise efficiency of land use on our developments<br><br>Promote biodiversity of our developments and connect communities with nature | Continually invest in communities adding value to the lives of residents and the wider community |
| **Targets** | • Ensure all our developments are designed based on consumer needs and latent needs ✓<br><br>• Incorporate quality landscaping in public open spaces and quality private open space on all our scheme designs ✓ | • Research options for reducing lifetime carbon emissions of homes ●<br><br>• Continue reducing carbon emissions over time measured by BER Ratings ● | • Bring our new innovative own door high density housing solution to planning lodgement ✓<br><br>• Introduce landscaping techniques that promote biodiversity and support natural habitat ✓<br><br>• Retain existing hedgerows where possible in our developments ✓ | • Create a best practice hub to enrich our community engagement activities ●<br><br>• Launch our building lasting communities initiative ✓<br><br>• Develop a social barometer and sentiment survey to measure success ● |

## Progress

### Sustainable Communities

Community is at the heart of what we do, and we aim to play a vital role in building sustainable, lasting and thriving communities across Ireland. We adopt a multi disciplinary approach, involving our Acquisitions, Sales, Planning and Design Teams, to identify and understand the needs of the local community. In partnership with the local authorities, we decide on the best way to meet these needs ensuring that our schemes promote social, environmental and economic sustainability, as well as the wellbeing of future residents.

Our developments are designed with connection to existing transport and other amenities in mind. We build on this by incorporating new sustainable infrastructure and amenities into our schemes e.g. Electric vehicle (EV) charging points, cycle lanes, playgrounds and natural play areas. We also take care to ensure that our developments reflect the local built environment and that existing structures are restored or protected where possible.

Our research with potential customers has demonstrated a preference for an environment that is conducive to regular interaction with neighbours in a variety of ways, quality outdoor space, a space that can double as a workspace and social space, reliable broadband, energy-efficiency and affordability. We aim to incorporate these into our scheme designs e.g. in our new own door high density scheme in Hollystown, which commenced construction in early 2022.

### Sustainable and energy-efficient homes

Customer interest in sustainability has grown considerably in recent years particularly among first-time buyers. Designing and building energy-efficient homes has always been a key objective for Glenveagh. Our aim is to create homes that enhance the wellbeing of our customers, whilst reducing the operational and embodied carbon of the build.

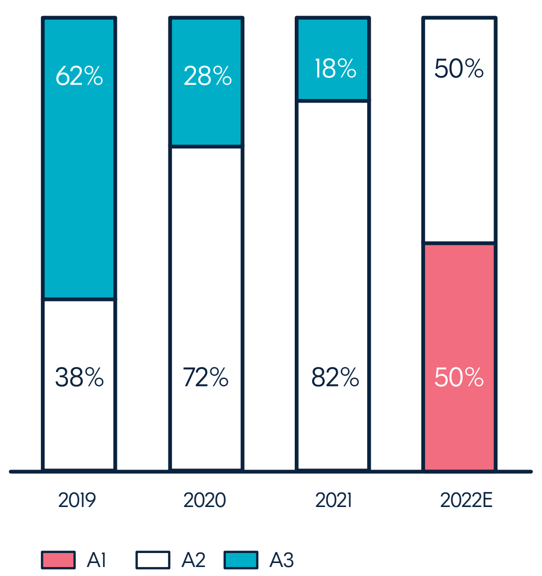
Operational energy-efficiency of our products is measured using mandatory energy performance certificates — Building Energy Rating (BER). A typical home with a BER of A2 is classified as a Nearly Zero Energy Building (NZEB) and requires approx. 25 to 50 kilowatt-hours per square metre of its floor area per year to operate (kWh/m²/year).

From 2018 to 2021, we have decreased the operational energy requirements of our homes by 18% from an average of 55 to 45 kWh/m²/year. This has resulted in an increase in the proportion of our homes which are A2 rated. In 2021, A2 rated homes represented 82% of the total, while we estimate that 50% of our homes will be A1 rated in 2022. Further improvements will be achieved through our continuous focus on design, insulation measures, quality of materials and implementation of renewable technologies.

A growing proportion of our houses are timber frame and manufactured off-site making it easier to meet and exceed energy standards and reduce waste during construction. In 2021, houses constructed using off-site manufacturing methods represented 77% of units sold.

Finally we have continued to investigate other options for reducing lifetime carbon emissions of homes. This year we commenced several trial projects utilising various methodologies such as the Insulated Concrete Formwork and Light Gauge Steel. We continue to evolve the way we deliver our homes. Going forward, this will be significantly influenced by our pathway towards net zero, which we will outline in 2022.

**Glenveagh BER evolution (2019, 2020, 2021, 2022E)**




## High density scheme at Hollystown

Our new high density housing solution in Hollystown satisfies a new future proofed sustainable planning policy maximising density to achieve sustainable land use. The goal is to produce high quality homes that blend to create cohesive neighbourhoods without the need to build apartments which have limited demand from owner occupiers. We have taken a holistic approach with the intention of finding the right balance between higher density, quality living environments and creating a keen sense of place.

All of the housing typologies are 'own door' and will cater for the whole community including starter-homes, family homes as well as homes for older people. A key aspect is the flexibility within the unit design which allows for adaptability throughout its lifetime including the option to consolidate a car parking space into the building or private garden area. Clever design promotes amalgamation of indoor and outdoor living. Higher quality and more useable private open space via a series of spaces such as courtyards and upper external terraces are a key feature. The development facilitates and promotes a community environment with pedestrian priority streetscapes which create a safer environment for all ages. Critical to this innovation is the balance of homes that are of high quality, aesthetically pleasing, affordable to build, whilst still being affordable for the consumer.

Construction has commenced and we expect the first units will be available for occupancy later this year.

## Detailed ecological studies are completed for each development to guide our design process.

### Land use and biodiversity

We understand the huge pressures facing biodiversity globally and locally and yet the significant benefits that it can bring were brought to the fore during the Covid-19 pandemic. We are committed to reducing the impact that our operations have on biodiversity as well as enhancing it as a key aspect of building sustainable communities.

In 2021, we reviewed our approach to biodiversity under the headings of 1. people and biodiversity, 2. biodiversity in the built environment and 3. protection, conservation, and restoration of existing priority habitats. We mapped our current initiatives and explored the opportunities for additional activities in these areas. During 2022, we will publish a comprehensive biodiversity plan setting out our commitments and targets on this important agenda.

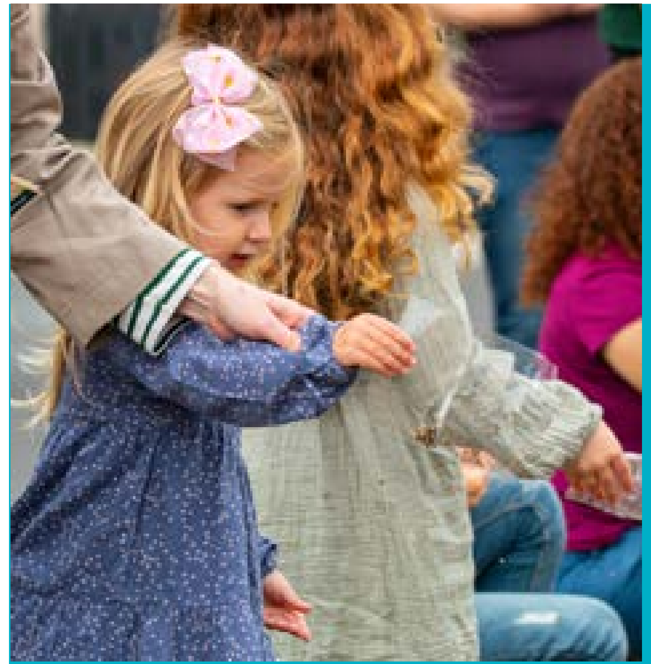
In the meantime, we have continued our detailed ecological studies for each development and have increased the number of recommendations we incorporate into the design and layout of the development proposals to further preserve biodiversity. These include reestablishing and retaining existing wildlife corridors and augmenting with suitable tree and native hedgerow planting, establishing green roofs on apartments, incorporating Sustainable Drainage Systems (SuDS) which can provide shelter, food and foraging and breeding opportunities for a variety of wildlife species and encouraging wildflowers to aid pollinators.

**Community Engagement**
In June 2021, we launched our 'Building Lasting Communities' programme to invest in the local communities where we build and across Ireland. We focus our investment in improving the lives of our residents, and the lives of the wider community. Through this programme we focus on six community pillars: sustainability, education, health & wellbeing, local economy, sports & fitness, and charity.

Community activities have taken place at schools, sports clubs and local businesses across twelve developments since the programme was launched. Each agreed activity is assessed against a matrix to ensure alignment with key aims and objectives for community based activity with tactical plans devised for each development. These have included providing equipment to Tidy Towns groups, sponsorship of jerseys for local GAA teams and the provision of AED units.

To understand the impact that this work is having, we are developing a social barometer and a sentiment survey. Survey work is currently being undertaken based on our activities, which will form the basis of our social value barometer.

In 2021, we contributed just under €129k through our community engagement programme and donations to charitable causes including our national partners ALONE, the Jack & Jill Foundation and the National College of Ireland's Early Learning Initiative educational programme. In addition, our colleagues raised €18.7k for charitable causes through events and initiatives organised by Glenveagh.



## Community day at Ledwill Park

In September 2021, we organised a biodiversity themed community day involving local businesses, sports clubs and community partners at our Ledwill Park development in Kilcock, Co. Kildare. Over 130 local residents took part in wildflower seed planting on designated biodiversity zones in the development together with our biodiversity partners. Other community partners were also present on the day. The event served to build community spirit, provided a platform for local businesses and groups, and raised awareness of the importance of biodiversity in the area.

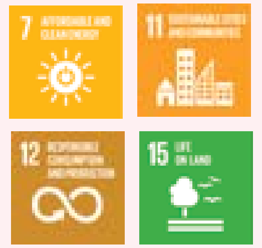
### Material issues

- Energy-efficient buildings
- Sustainable placemaking
- Land use and biodiversity
- Social value and community

### KPIs

| 82% | €128.6k | €18.7k |
|---|---|---|
| homes with A2 rating | Donations to charities/local communities | Employee fundraising |

### Relevant SDGs



Ledwill Park
Community day

# Environmentally considerate and efficient operations

## Objective:

**Focus on excellence and innovation across all aspects of construction to increase build efficiency while minimising environmental impact.**

## Our commitments and targets

Key ✓ achieved ● on track ● off-track

| | Environmental training, awareness and culture management | Emissions from our operations | Waste and resource use | Innovation |
|---|---|---|---|---|
| **Commitments** | Improve environmental awareness and knowledge of the entire workforce | Achieve continuous reduction in carbon footprint from our operations | Achieve continuous reduction in waste intensity and increase waste reuse/recycling rate | Continue to invest in offsite construction techniques |
| **Targets** | • Achieve ISO 14001 by end of Q2 2021 ✓<br>• 100% of employees to receive environmental awareness training in 2022 (on track)<br>• 100% of site managers to complete energy efficiency training in 2022 (on track) | • Reduce the carbon intensity of our construction operations and offices by 25% by 2025 (2020 baseline) ✓ | | |

## Progress

At Glenveagh, we are committed to operating to the highest environmental standards. Climate change, biodiversity loss and resource scarcity all have the potential to be impacted by our activities, and in turn pose risks to our business. We continue to evolve our understanding of these impacts and develop strategies to manage our risks and take advantage of opportunities. Central to this will be setting out our pathway towards net zero which we will develop during 2022.

### Environmental training, awareness and culture management

During 2021, we achieved our goal of ISO 14001 environmental accreditation. We are committed to continually improving our environmental performance at every level of the business. This external certification will help to ensure we measure, monitor and assess our operations continually. It will also support us in meeting our compliance obligations and ensuring that our environmental performance goes beyond legal compliance, while solidifying ownership and reporting structure at a project and site level.

### Emissions from our operations

In 2021, we set a target to achieve a 25% reduction in our direct emissions (scope 1 and 2) intensity by 2025 against a 2020 baseline (tonnes of CO2e per 100 sqm of sold homes). We have already achieved this through our continued focus on changes to the areas we identified for emissions reductions last year. As part of the development of our pathway towards net zero we will set new carbon emissions targets across scopes 1, 2 and 3. Please see page 63 for a full breakdown of our carbon emissions. The following pages provide an overview of the some of the key initiatives we took in this area throughout the year.

### Reduced use of generators

Through our initial emissions reduction roadmap, we identified that a considerable proportion of our scope 1 and 2 emissions could be avoided through transitioning construction sites from generators to the electrical grid as quickly as possible. During 2021, we have transitioned three additional sites to electric power, with 67% of our active sites now having electricity powered facilities. Despite the challenges arranging grid connections to some newer sites, our dedicated services department has made significant progress delivering utility connections earlier to the business. The number of sites with utility connections secured in advance of construction has increased from 3% in 2018 to 92% in 2021.

### Transport

In 2021, we started to implement our strategy to move towards EV usage within the business. In total, 16 diesel vehicles were replaced with EVs and 24% of our fleet is now electric. Additional vehicles will be replaced in line with lease renewals. EV charging infrastructure has been installed at relevant colleagues' homes and EV charging infrastructure across the country is facilitated using charge cards.

Flexible working policies and technologies, which were fast tracked in light of the Covid-19 pandemic, have reduced the requirement for commuting and business travel and the emissions associated with this. In a survey on returning to the office, most staff indicated a wish to retain a level of flexibility in our working model. Following this, a hybrid working model was implemented allowing colleagues to work from home for a number of days per week depending on job type, seniority, seasonality, individual performance and the level of collaboration required for particular roles.

### Offsite manufacturing

We continue to invest in more efficient construction techniques such as utilising off site timber frame and modular manufacturing systems which produce less emissions than more traditional methods and result in less waste. To enhance Glenveagh's timber frame construction solutions and guarantee long-term supply, Glenveagh has entered into an exclusive multi-year open book supply agreement with KTF in our Dundalk facility. The open book supply agreement and the factory investment by Glenveagh has facilitated the manufacture of 700 timber frame units in 2021. To complement the current volume, we have invested in an additional manufacturing facility in Carlow and have also lodged planning for the expansion of the existing facility in Dundalk. Combined, these initiatives will deliver over 2,000 panelised manufactured units per annum.

### Additional initiatives

In addition to the initiatives outlined above, we have also piloted the use of solar lights in our site in Stamullen and we have standardised our set-up for all sites to enable increased efficiency of energy and materials.

### Waste and resource use

We continue to monitor and measure our waste. In 2021, our construction waste intensity per 100sqm of delivered units was 4.9 tonnes (2020: 4.2), and no collected waste went to landfill. We recognise the opportunity to introduce more circularity into our processes and in 2021 participated in a circular economy pilot project. We will explore this further at an organisational level in 2022 and we will work with our supply chain to reduce our construction waste intensity and to ensure we support the principles of a circular economy throughout the lifecycles of the projects we are involved in.

Our soil recovery capabilities have been augmented with the addition of our new facility in the Suburban South region which will complement our existing facility at Bay Lane in the Suburban North region.

### Water and wastewater

We always aim to reduce water use in our operations, and in our homes, through the use of water efficiency features. We continue to protect water quality during construction and remediation, including managing surface water, and reducing flood risk. In 2022, we will commence measurement of water use and will put in place a more detailed plan for its efficient management.

### Circular Economy pilot project

In 2021, we entered a pilot circular economy scheme on three of our sites, in conjunction with a number of our suppliers under 'The CIRCULÉIRE Innovation Fund 2021'. With recycling rates for construction related plastic waste very low in Ireland, the project aims to develop a sustainable solution and increase recycling rates for a number of targeted waste products from 15% to 100%. Central to this is maintaining the value of the materials by reusing them in products similar or the same as what they originated as. It is hoped that the project serves as a catalyst for how a circular supply chain in the plastic building products industry can be created.

### Material issues

- Climate change and energy use
- Waste and resource use
- Water usage
- Innovation

### KPIs

| 154 | 4.9 | 11 |
|---|---|---|
| tCO2e/100sqm (Scope 1, 2 & 3) | tonnes/100sqm construction waste intensity | mWh/100sqm operational energy intensity |

### Relevant SDGs

8, 9, 12, 15

# Sustainable and responsible sourcing

**Objective: Select suppliers who meet high standards on sustainability issues and build meaningful, long-term relationships with them.**

## Our commitments and targets

Key: ✓ achieved ● on track ● off-track

| | Energy-efficient and low carbon supply chain | | Ethical sourcing and human rights | |
|---|---|---|---|---|
| **Commitments** | Engage with our suppliers to drive down emissions in our supply chain (Scope 3)<br><br>Purchase sustainable materials to reduce embodied carbon in purchased materials (Scope 3) | | Promote and improve the efficiency of sustainable procurement across the business | |
| **Targets** | • Hold toolbox talks on every active site before Q3 2021 discussing sustainability issues and its importance to Glenveagh | off-track | • All active suppliers to be signed up to Glenveagh's supplier code of conduct | on track |
| | • Carry out a feasibility study for using Irish FSC certified timber by end of Q4 2021 | on track | • Engage with our labour suppliers to ensure they have a robust process for managing and reducing modern slavery | on track |
| | • Commence an engagement programme with our suppliers on sustainability issues | on track | | |

## Progress

Long-term meaningful partnerships with our supply chain are vital to the success of Glenveagh. Our suppliers are an integral part of our value chain, with the vast majority of the people working across our sites being subcontractors. In addition, a significant element of our carbon emissions come from the materials we use to build our homes as well as the fuel and transport associated within our supply chain. This provides us with both risks and opportunities. We are committed to working in partnership with our suppliers to ensure these risks are mitigated and to co-create the necessary solutions to mutual benefit.

Our centralised and standardised procurement process ensures a disciplined approach to facilitating supplier compliance to our sustainability standards, set through our sustainable procurement policy and the supplier code of conduct.

Our subcontractors undergo a standardised evaluation and onboarding process, which includes site set up, health and safety, environmental requirements, as well as logistics, planning and coordination. As a result, we can ensure consistency across sites which helps to achieve our sustainability targets.

Furthermore, we continue to centrally procure most high value items which allows us to select materials with lower environmental impact, whilst ensuring consistent quality.

### Energy-efficient and low carbon supply chain

As we map out our pathway towards net zero we are cognisant of the need to find ways to collaborate with our suppliers to drive down emissions in our value chain, while mitigating the physical and transitional impacts of climate change.

### Supplier engagement

During 2021, we commenced engagement with our suppliers in relation to sustainability to help us better understand their current approach to sustainability as well as their needs and requirements in this area.

With approximately 800 suppliers in total, around 80 suppliers account for 80% of the spend. For this reason, we concentrated on these suppliers in our initial engagement.

We surveyed both our materials and labour suppliers. We asked for information on their approach to issues such as greenhouse gas emissions, waste, water, biodiversity, as well as social aspects of sustainability related to employer wellbeing and ethical standards for suppliers.



Responses to the survey helped us better understand the current sustainability practices of our suppliers, as well as providing some insight for potential collaboration opportunities on sustainability. On a positive note, many material suppliers provided insightful information on their sustainability initiatives which allowed us to identify opportunities for lowering embodied carbon in our build.

We will use the insights gathered from this initial survey to further develop our engagement approach with suppliers on sustainability issues as well as finding solutions to decrease our scope 3 carbon emissions.

### Optimising logistics

Driven by the desire to increase cost efficiency, reduce the need for storage and ensure materials are delivered at the appropriate time for our contractor to use, we established a new logistics function within our procurement department in 2021. This further optimised the overall number of deliveries onto site.

Before construction begins, a site plan is developed with material suppliers for each unit type. Every day, materials are packaged for each trade so that when they arrive on site, the correct quantities of materials needed for the day ahead are at the right locations. This saves time, drives energy efficiencies, and reduces waste.

### Irish timber

In 2021, we carried out a feasibility study into the use of native Irish timber in timber frame kits. The study has recognised that, despite challenges around its broad use certain components can be manufactured successfully using native Irish timber. In light of this, we hosted a range of Irish sawmills in Dundalk with a view to getting a commitment for supply in the future.

### Ethical sourcing and human rights

We expect all of our suppliers to align with our high standard on safety, quality, ethics, human rights and the environment. These standards are set out in our sustainable procurement policy and our supplier code of conduct. During 2021, we commenced the process of signing up all active suppliers to our sustainable procurement policy and the supplier code of conduct. For labour suppliers, adherence to these policies is now included as part of the pre-qualification, tender, and contract documents. The polices were also provided to all material suppliers and will be included in all contracts from 2022. We will also work to sign up all other suppliers, outside of construction.

**We expect all of our suppliers to align with our high standard on safety, quality, ethics, human rights and the environment.**

### Material issues

- Managing our supply chain
- Energy-efficient and low carbon supply chain
- Ethical sourcing and human rights

### KPIs

**700**
timber framed units manufactured

**100%**
timber framed units with FSC or PEFC certification

### Relevant SDGs

8, 9, 12, 15

# Task Force on Climate-related Financial Disclosures (TCFD)

We know that climate change presents both risks and opportunities to our business and we are committed to continually evolving our understanding of these, putting in place strategies to mitigate the risks while taking advantage of the opportunities to the benefit of the business and our customers. Climate change is considered an emerging risk within the organisation and this will be kept under review as this agenda evolves.

We support the recommendations of the Financial Stability Board's (FSB) Task Force on Climate-related Financial Disclosures (TCFD) and acknowledge its central role in forthcoming reporting regulation and standards.

In 2021, we were proud to support the Irish TCFD campaign led by Sustainable Finance Ireland in the lead up to COP 26 in Glasgow and we look forward to continuing to work together with other Irish businesses on this agenda through this collective approach. We also continue to participate in CDP and were delighted to be recognised with an A-rating in 2021 in recognition of our increased disclosure.

In 2022, we will set out our strategy with respect to climate change and our pathway towards net zero.

The following provides an overview of how we are currently implementing the recommendations of TCFD and we aim to evolve this further over the coming years.

### Governance

In line with our governance of the overall sustainability agenda, Glenveagh's board has ultimate responsibility and oversight of climate change and receives regular updates throughout the year. It is supported in this by two board committees namely the environmental and social responsibility committee (ESR), which is responsible for developing and monitoring our approach to sustainability (including climate change) and the audit and risk committee (ARC) which has responsibility with respect to climate risks and opportunities. Climate change is considered an emerging risk within the organisation.

Since 1 January 2022, the executive committee, led by the CEO, has overall executive responsibility for sustainability and climate change which will be a regular agenda item. For further information on our overall sustainability governance, please see page 60.

**Planned actions for 2022**

- Training for board directors and management on climate change
- Review of terms of reference to further embed climate change and sustainability into governance

### Strategy

Taking action on climate change is a key aspect of our overall approach to sustainability. It is embedded in three of our six sustainability pillars i.e. creating sustainable homes and communities, environmentally considerate and efficient operations and sustainable and responsible sourcing. The commitments, targets and initiatives set out in each of these pillars aim to address our key climate risks and opportunities. These are set out in the table on pages 58 and 59. In 2022, we will publish our longer-term approach to climate change and pathway towards net zero.

**Planned actions for 2022**

- Publication of strategy setting out Glenveagh's pathway towards net zero
- Commence scenario analysis

**Taking action on climate change is a key aspect of our overall approach to sustainability.**

| Key climate risks | Timeline | Response |
|---|---|---|
| **Transition risks**<br>Current and emerging regulation at national and EU level to reduce carbon emissions and increase reporting may place additional requirements on the group both from a buildings standard and disclosure point of view. | Short-term<br>Medium-term | We continually monitor related policy developments.<br><br>We now install EV infrastructure on all of our suburban housing units.<br><br>All houses and apartments delivered by Glenveagh from November 2020 have a BER rating of at least A2. |
| **Physical risks**<br>An increase in extreme weather events and permanent changes in weather patterns including high winds, floods and prolonged days with heavy rain could increase operating costs through construction delays, supply chain disruption, damage to existing materials and products in stock, shorter working days, reduced productivity and higher health and safety risks. | Short-term | As part of our land acquisition process all our sites are screened for their potential exposure to flooding.<br><br>Health and safety systems and procedures are in place to manage risks from extreme weather.<br><br>Increased adoption of offsite manufacturing which provides resilience against extreme weather events. |

| Key climate opportunities | Timeline | Response |
|---|---|---|
| Increased revenues resulting from increased demand for homes that are low carbon | Medium- term | Designing and building energy-efficient homes that go beyond regulatory compliance is a key objective for Glenveagh. This has included heat pumps being installed as a standard in the majority of our new starter homes, increased insulation and the use of renewable technologies. This has resulted in the increase in BER across our developments. |
| Resource efficiency in our operations leading to financial savings | Medium- term | We have set out an emissions reduction roadmap to achieve our current target of 25% reduction in our direct emissions intensity by 2025 against our 2020 baseline. Initiatives include the use of renewable energy, decreased use of generators, off-site construction and the optimisation of logistics. |

Short-term: 0 — 3 years;
Medium-term: 3 — 10 years;
Long-term: 10+ years

### Risk management

Glenveagh's approach to identifying, assessing, and managing climate-related risks and opportunities is integrated into the company's overall risk management framework. Glenveagh's risk management process is a bottom-up integrated approach that aims to ensure that all risks to which the business is exposed are identified, understood and appropriate mitigating controls are implemented to manage the risks effectively and protect Glenveagh. At an asset level, all our sites are screened for their ecological attributes, proximity to sensitive habitats, and areas of significant biodiversity value, and flood risk. At an organisation wide level, active collaboration with external experts and all business units are utilised to ensure accurate identification of climate related risks and opportunities. This includes upstream and downstream activities.

Appropriate risks and opportunities that are considered to have substantive strategic, operational, and financial impacts are recorded in our sustainability risk and opportunities register, which forms a part of the Glenveagh risk register. The sustainability risk and opportunities register is updated by members of the sustainability team who provide inputs that are also based on suggestions from department heads, which ensures more accurate identification of climate-related risks and opportunities. Risks and opportunities are identified for the short-term through to the long-term.

Risks are assessed in terms of their level of impact and likelihood of occurrence, which produces a gross risk rating. Risk ratings are considered when deciding the appropriate allocation of management effort. Thereafter, controls are applied to mitigate corresponding risks and determine a net risk rating. Effectiveness of the corresponding control contributes towards a lower net risk rating. Climate related opportunities follow a similar approach in terms of allocation of management effort, however, other benefits such as customer satisfaction, brand reputation, benefits to local communities and the environment are also taken into account. The audit and risk committee is responsible for reviewing the adequacy and effectiveness of Glenveagh's internal controls and risk management process. The board formally reviews and approves the risk register on at least a bi-annual basis.

Risk and opportunity management is embedded in the day-to-day activities of the business through aligned commitments, benchmarks, and KPIs. The responsibilities for managing risks and implementing opportunities are allocated to appropriate heads of departments.

**Planned actions for 2022**

- Review our sustainability risks and opportunities register to further understand transition and physical risks of climate change
- Evolve our methodology to quantify the risks and opportunities of climate change

### Metrics

In 2021, we set a target to achieve a 25% reduction in our direct emissions (scope 1 and 2) intensity by 2025 against a 2020 baseline (tonnes of $CO_2e$ per 100 sqm of completed homes). This target will be revised as part of our climate strategy in 2022. We use a number of metrics to assess our climate related risks and opportunities and we intend to further evolve these in the coming years. Current metrics include:

- Our scope 1, scope 2 and scope 3 greenhouse gas (GHG) emissions
- Proportion of total homes with Building Energy Rating (BER) of A1 and A2
- Average kilowatt hours per sqm per year (kwh/m2/yr) across all homes delivered
- CDP score

These and other sustainability metrics can be found on pages 61 to 63.

**Planned actions for 2022**

- Set out revised targets as part of our pathway towards net zero
- Improve scope 3 emissions data collection

## Sustainability Governance

We recognise that robust governance in vital to embed sustainability throughout Glenveagh. We have strengthened our governance to ensure appropriate oversight of sustainability risks, opportunities and strategy at both board and management level.

Glenveagh's board has ultimate responsibility and oversight of sustainability. It receives regular reports throughout the year on this agenda including progress against targets.

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 110 for a full report of the ESR committee).

The audit and risk committee has responsibility with respect to sustainability risks and opportunities as part of its wider responsibility for the risk management of the business.

Since 1 January 2022, the executive committee, led by the CEO, has overall executive responsibility for sustainability. This will be a regular agenda item with the committee discussing sustainability issues, reviewing performance and progress against targets. During 2021, this responsibility rested with a sustainability management committee comprising the CEO, CFO, chief strategy officer and Head of Sustainability.

The sustainability team is led by the Head of Sustainability, which was a new appointment in 2021, indicating the importance that we place on this agenda. 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, a member of the executive committee.

Each of the department heads lead the execution of specific sustainability commitments through operations, activities and projects.

**Risk management**
Sustainability risks have been integrated into Glenveagh's risk management framework. Certain sustainability risks in the areas of quality, health and safety, people, and customer services are included in our principal risks. Climate change, other environmental issues and sustainability driven social trends have been identified as emerging risks. These are recorded and monitored through Glenveagh's sustainability risk and opportunity register. Please see pages 58 and 59 for additional information on our climate change risks and opportunities.

### Board of directors
The board has ultimate responsibility for sustainability. The main board receives updates on sustainability four times per year including progress against targets. It is supported by two board committees with specific responsibility.

### ESR committee
This committee is responsible for developing and monitoring Glenveagh's approach to sustainability. The committee meets four times per year.

### Audit and risk committee
The audit and risk committee reviews sustainability risks and opportunities.

### Executive committee
The executive committee has ultimate executive responsibility for sustainability. The committee discusses sustainability issues, reviews performance and progress against targets.

### Sustainability team
The sustainability team, which is led by the head of sustainability, is responsible for the 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, a member of the executive committee.

### Department leads
Lead execution of specific sustainability commitments through operations, activities and projects.



## Sustainability KPIs

| | | 2021 | 2020 | 2019 |
|---|---|---|---|---|
| **General** | Total units delivered (number) | **1,150** | 700 | 844 |
| | Active selling communities (number) | **15** | 16 | 14 |
| **Putting customers at the heart of what we do** | **Affordable homes** | | | |
| | Core ASP (€'k) | **308** | 311 | 321 |
| | Proportion of core homes priced below the new market median (%) | **69** | 72 | 73 |
| | First-time buyers (% of private sales) | **87** | 82 | - |
| | **Customer service** | | | |
| | Proportion of customers who would recommend us to a friend (%) | **89** | 83 | 82 |
| **Attracting, inspiring and investing in people** | Average number of employees | **329** | 318 | 293 |
| | Average number of salaried employees | **247** | 206 | 150 |
| | **Employee engagement and wellbeing** | | | |
| | Great Place to Work survey score (%) | **72** | - | 68 |
| | Annual employee turnover (%) | **10** | 11 | 15 |
| | **Skills, learning and development** | | | |
| | Glenveagh's graduate programme participants (number) | **24** | 12 | - |
| | Total training hours (excluding H&S training) | **3,919** | 2,266 | 1,050 |
| | Training hours per monthly salaried employee (excluding H&S training) | **16** | 11 | 7 |
| | **Diversity** | | | |
| | Females in workforce – all employees (%) | **27** | 24 | 28 |
| | Females among new graduates (%) | **30** | 18 | - |
| **Ratings** | CDP climate change | **A-** | B | F |
| | MSCI | **AA** | BBB | BBB |
| | Sustainalytics | **19.3 Low risk** | 23.9 Medium risk | - |

| | | 2021 | 2020 | 2019 |
|---|---|---|---|---|
| **Keeping people safe** | Total recordable incident rate (TRIR) | **2.38** | 2.43 | n.a. |
| | H&S total training hours | **3,644** | 1,932 | 3,225 |
| | H&S training hours per all employees | **11** | 6 | 11 |
| | Average monthly H&S audit compliance score across all sites (%) | **89** | 88 | 84 |
| | Proportion of independent audits (%)[25] | **30** | 20 | |
| **Creating sustainable homes and communities** | Efficient, low carbon homes | | | |
| | Proportion of total homes with Building Energy Rating (BER) of A2 (%)[26] | **82** | 72 | 38 |
| | Proportion of total homes with Building Energy Rating (BER) of A3 (%) | **18** | 28 | 62 |
| | Average kilowatt hours per sq m per year (kwh/m2/yr) across all homes delivered | **45** | 46 | 52 |
| | Homes incorporating renewable energy (%) | **94** | 71 | |
| | **Biodiversity and land use** | | | |
| | Biodiversity risks assessed at % of sites | **100** | 100 | 100 |
| | **Community engagement and contribution** | | | |
| | Donations to charities/local communities (€'k) | **128.6** | N/A | N/A |
| | Employee fundraising (€'k) | **18.7** | N/A | N/A |
| **Sustainable and responsible sourcing** | **Energy-efficient and low carbon supply chain** | | | |
| | Proportion of off-site manufactured houses as a share of all houses sold (%) | **77** | 85 | 76 |

[25] Due to the site closures in 2021, the independent auditor rate increased, it will return to 20% in 2022

[26] 2020 BER ratios were incorrectly stated in 2020 Annual Report & 2020 Sustainability Report. Restated figures for 2020 are included here

[27] 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 (CO2), methane (CH4), nitrous oxide (N2O), sulphur hexafluoride (SF6), perfluorocarbons (PFCs) and hydrofluorocarbons (HFCs). The total footprint is expressed as carbon dioxide equivalent (CO2e) 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 is available at ttps://glenveagh.ie/corporate/Sustainability.

[28] 2020 emissions data has been restated to improve the accuracy of reporting and to reflect improved methodology in calculation of all categories of emissions reported. This data was not subject to verification.



| | | 2021[27] | 2020[28] | 2019 |
|---|---|---|---|---|
| **Environmentally considerate and efficient operations** | 100sqm of units completed | **1,255** | 875 | 961 |
| | **Greenhouse gas emissions** | | | |
| | Scope 1 — combustion of fuel (tCO2e) | **2,821** | 2,700 | 2,295 |
| | Scope 2 — location based (tCO2e) | **484** | 519 | 192 |
| | Scope 2 — market based (tCO2e) | **119** | 247 | 79 |
| | Total scope 1 and 2 (tCO2e) | | | |
| | Location based | **3,305** | 3,219 | 2,487 |
| | Market based | **2,940** | 2,947 | 2,374 |
| | Scope 1 and 2 per 100sqm of completed units (tCO2e/100sqm) | | | |
| | Location based | **2.6** | 3.7 | 2.6 |
| | Market based | **2.3** | 3.4 | 2.5 |
| | Total scope 3 GHG emissions (tCO2e) | **190,329** | 127,392 | - |
| | Total scope 1, 2 and 3 (tonnes CO2e) | | | |
| | Location based | **193,634** | 130,611 | - |
| | Market based | **193,270** | 130,339 | - |
| | Scope 1, 2 and 3 per 100sqm of completed units (tCO2e/100sqm) | | | |
| | Location based | **154.3** | 149.3 | - |
| | Market based | **154.0** | 149.0 | - |
| | **Scope 3 emissions categories** | | | |
| | Waste (tCO2e) | **120** | 78 | - |
| | Business travel (tCO2e) | **18** | 17 | - |
| | Well-to-tank and T&D losses (tCO2e) | **874** | 1,077 | - |
| | Upstream transportation and distribution (tCO2e) | **4,445** | 2,361 | - |
| | Employee commute (tCO2e) | **908** | 879 | - |
| | Capital goods - construction materials (tCO2e) | **66,624** | 42,834 | - |
| | Purchased goods and services (tCO2e) | **62,874** | 35,470 | - |
| | Occupant energy use (over 60 yrs) — regulated (tCO2e) | **23,428** | 22,539 | - |
| | Occupant energy use (over 60 yrs) — unregulated (tCO2e) | **24,923** | 17,639 | - |
| | End of life of sold product (tCO2e) | **6,116** | 4,498 | - |
| | **Energy efficiency** | | | |
| | Fuel and electricity consumption from sites and offices (mWh) | **13,655** | 13,580 | 9,439 |
| | Operation energy intensity (mWh/100sqm) | **11** | 16 | 10 |
| | **Waste management** | | | |
| | Construction waste — total (tonnes) | **6,191** | 3,661 | - |
| | Construction waste per 100sqm build — total (tonnes/100sqm) | **4.9** | 4.2 | - |
| | Construction waste recycled (%) | **10.2** | 6.1 | - |
| | Construction waste recovered (%) | **89.8** | 93.9 | - |

# 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<br>- Waste and resources policy<br>- Climate change policy<br>- Environmental policy<br>- Sustainable procurement policy | - Environmentally considerate and efficient operations (page 54 and 55)<br>- Sustainable and responsible sourcing (pages 56 and 57)<br>- Creating sustainable homes and communities (pages 50 to 52)<br>- TCFD report (pages 58 and 59) |
| **Social and employee matters** | - Community engagement policy<br>- Health and safety policy<br>- Diversity and inclusion policy<br>- Charitable giving policy<br>- Customer service policy | - Creating sustainable homes and communities (pages 50 to 52)<br>- Attracting, inspiring and investing in people (pages 44 to 47)<br>- Keeping people safe (page 48 and 49) |
| **Respect for human rights** | - Human rights, anti-slavery, and human trafficking policy<br>- Whistleblowing policy<br>- Diversity and inclusion policy<br><br><br>- Vendor code of conduct | - Sustainable and responsible sourcing (pages 56 and 57)<br>- Attracting, inspiring and investing in people (pages 44 to 47)<br>- Attracting, inspiring and investing in people (page 46)<br>- Corporate governance (page 86)<br>- Stakeholder engagement (pages 25 to 27) |
| **Anti-corruption and bribery matters** | - Whistleblowing policy<br>- Anti-bribery policy | - Audit and risk committee report (page 90) |
| **Business model** | Information on our business model can be found on pages 28 and 29 | |
| **Non-financial KPIs** | Our non-financial KPIs can be found on page 21<br>Glenveagh also monitors and reports performance through additional data which can be found on pages 61 to 63 | |
| **Principal risks** | Our principal risks and uncertainties can be found on pages 70 to 79 | |



# 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 | Unit of measure | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|---|
| Number of controlled lots | IF-HB-000.A | Quantitative | Number | 17,014 | 14,147 | 14,500 |
| Number of homes delivered | IF-HB-000.B | Quantitative | Number | 1,150 | 700 | 844 |
| Number of active selling communities | IF-HB-000.C | Quantitative | Number | 15 | 16 | 14 |

| Topic | Code | Accounting metric | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| **Land use and ecological impacts** | IF-HB-160a.1 | Number of (1) lots and (2) homes delivered on redevelopment sites | (1) 3,611<br>(2) 248 | (1) 4,005<br>(2) 25 | (1) 3,881<br>(2) 132 |
| | IF-HB-160a.2 | Number of (1) lots and (2) homes delivered in regions with high or extremely high baseline water stress | (1) 0<br>(2) 0 | (1) 0<br>(2) 0 | (1) 0<br>(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 EU regulations.<br><br>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.<br><br>In order to manage our environmental performance and minimize 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. | | |

| Topic | Code | Accounting metric | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| **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<br><br>Accident data includes Glenveagh employees, contractors, suppliers, and public. Our data collection process does not segregate employees from contactors<br><br>*Reportable incidents in Ireland are absent for more than three days not including the day of injury | (1) 2.38<br><br>(2) 0 | (1) 2.43<br><br>(2) 0 | (1) No data<br><br>(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<br><br>Note that the HERS certification standard is not applicable within the Republic of Ireland<br><br>Information on mandatory energy performance certificates is provided as an alternative<br><br>Note that ratings range from BER A1 to BER G | (1) 1,150<br>(2)<br><br>82% of homes were A2 rated<br><br>18% of homes were A3 rated | (1) 700<br>(2)<br><br>72% of homes were A2 rated<br><br>28% of homes were A3 rated | (1) 844<br>(2) DC<br><br>38% of homes were A2 rated<br><br>62% 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.<br><br>All units in our developments include fixtures that have flow restrictors and aerators or are sized to reduce the water usage of our homes. | | |
| | 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.<br><br>There are climate-related risks associated with unexpected market outcomes that are included into the sustainability risk and opportunity register, as they are could have an impact on Glenveagh's financial and operational performance. One such risk is related to shifting 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 from November 2020 all our homes are 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, greater quality of materials used, and the use of renewable technologies in our homes, such as a heat pump.<br><br>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. | | |



| Topic | Code | Accounting metric | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| **Community impacts of new developments** | IF-HB-410b.1 | Description of how proximity and access to infrastructure, services, and economic centers affect site selection and development decisions | At Glenveagh, we consider where the house lives 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 amenity. Access to sustainable transport infrastructure — including public transport, cycle lanes and walking routes — is central to the development process for every scheme.<br><br>As part of this process, we engage with public bodies, local communities and local authority policy 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[29] | (1) 4,196<br>(2) 248 | (1) 3,662<br>(2) 25 | (1) 3,848<br>(2) 132 |
| | IF-HB-410b.3 | (1) Number of homes delivered in compact developments and (2) average density[30] | (1) 672<br>(2) 15.8 | (1) 313<br>(2) 16.1 | (1) 309<br>(2) 19.8 |
| **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.<br><br>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.<br><br>This is aligned with our approach adapted through the CDP reporting benchmarks. Please see pages 58 and 59 for our TCFD report. | | |

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

# 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 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 a bottom-up, integrated approach that aims to ensure that all risks to which Glenveagh is exposed are identified, 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 59). 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:


The board has identified environmental concerns and sustainability driven social trends as emerging risks. We have undertaken an analysis of how we manage sustainability impacts, in particular those from climate change, the potential risks and the key mitigating considerations. The board will identify any such risk as principal risks if significant in the future. As a supporter of the Task-force of Climate-Related Financial Disclosures and its recommendations, we have disclosed our approach to climate risk in the areas of governance, strategy, risk management and metrics and targets on page 58 to 67.

**Covid-19**

The Covid-19 pandemic has been a focus for the board. The extensive experience and skill set of the board, senior management and operational teams, along with that of our subcontractor base and the resilience of our business model, has enabled us to weather the impact since its onset. In line with Government guidelines the majority of our sites remained operational despite the severity of the lockdown during the year.

The business continues to operate under Covid-19 working practices and protocols. The wellbeing of our people remains of paramount importance and we continue to implement all the necessary steps to maintain the health and welfare of our employees, our subcontractors and our customers.

Our risk exposure increased in early 2020 following the commencement of the pandemic with significant uncertainties across all sectors of the business. The progression of the vaccination programme and steady removal of restrictions on the economy in 2021 has enabled our risk exposure to moderate in the year as the risks associated with the pandemic continue to reduce. However certain risks will continue to evolve over time and we will continue to monitor and respond to these risks in line with public health advice.

The board continues to proactively monitor and address the impact of transition from the pandemic as it evolves. The board has reassessed its impact on the principal risks of the business. An updated risk scoring has been reflected on completion of this review.

Any changes arising from transitioning to a post pandemic environment on each risk and the key mitigating considerations are detailed on pages 71 to 79.

Glenveagh has implemented a three line of defence model.

| Line of defence | Function | Responsibilities |
|---|---|---|
| First line | Department heads | 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. |
| Second line | Executive committee | Risk monitoring within the business with responsibility for ensuring policies are implemented throughout the business. |
| Third line | Internal audit | 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. |

**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.

The board has established an environmental and social responsibility committee with 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.

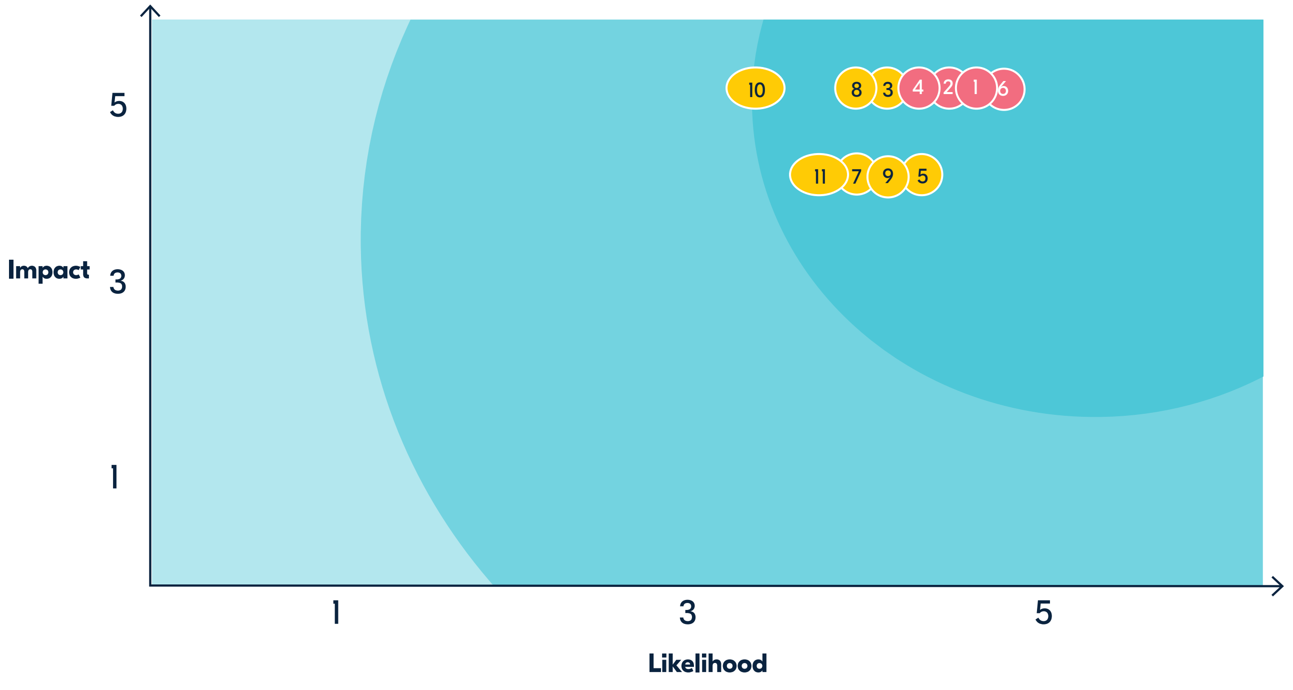
There are a number of corporate office departments whose activities support EHS and also assist in maintaining a focus on risk management including information technology, human resources and internal audit. In addition, third parties are engaged where necessary to assist and provide additional assurance 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 second manufacturing facility in Co. Carlow. This, coupled with the standardisation of house typologies and construction methodologies further derisks our medium and long-term housing delivery targets.

**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 2021.

1. Adverse changes to government policy & regulations (operational risk)
2. Availability and increased cost of materials and labour (operational risk)
3. Adverse macroeconomic conditions (external risk)
4. Mortgage availability and affordability (external risk)
5. Impact of Covid-19 (external risk)
6. Inadequate project management (operational risk)
7. Failure to obtain expected planning permission (operational risk)
8. Employee development and retention (operational risk)
9. Data protection and cyber security (operational risk)
10. Insufficient health and safety procedures (operational risk)
11. Decline in product quality (reputational risk)




Key: Very high risk High 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.

**Table legend:** No change to risk rating ←···→ Increased risk rating ↑ Decreased risk rating ↓ New risk

| Our 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**<br><br>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:<br><br>• Help to buy (due to expire at the end of 2022)<br>• New rental tenure scheme (cost rental) and State equity scheme (shared equity) in the Affordable Housing Act 2021<br>• Introduction of a €500 million subvention fund to assist in the delivery of urban apartments and five year increase in social housing stock greater than 50,000<br>• Introduction of the Land Development Agency Act 2021 and LRD<br><br>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 as seen from the stamp duty rate increase on bulk housing purchases. Further potential changes to legislation in this area could adversely impact Glenveagh. | Glenveagh's management and board monitor government policy and political developments on an ongoing basis.<br><br>Our site forecasts are conservative by nature and allow for expected negative changes in government policy and regulation.<br><br>We have the capability to redesign developments as appropriate should it be required.<br><br>Glenveagh will consider alternative sales strategies where required to align to any changes in the domestic political environment.<br><br>Our landbank assembly is focused on affordability, first-time buyers, attractive locations and within the parameters of Government support schemes.<br><br>We will continue to develop partnerships with local authorities.<br><br>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 the delivery matrix 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:<br><br>• Dezoned: the site is no longer zoned residential,<br>• Rezoned: the sites zoning is changed to a category other than residential, or<br>• Phased: the site retains its zoned residential status however the lands would not be available for release in the short-term. | Glenveagh's management is prioritising planning lodgements for sites within our landbank that are in jurisdictions at risk of zoning reductions.<br><br>Glenveagh's planning department engages in the statutory plan making process to seek to protect the assets of the business.<br><br>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. | |

**Table legend:** No change to risk rating ←→ Increased risk rating ↑ Decreased risk rating ↓ New risk

| Our risk category | Risk or uncertainty and potential impact | Management's view | Key mitigating considerations | Risk rating change |
|---|---|---|---|---|
| **Operational risk** | **2. Availability and increased cost of materials and labour**<br><br>Shortages or increased costs of materials and labour could lead to an increase in construction costs and delays in home completions.<br><br>There is a risk of shortages in skilled subcontractors which are critical to construction operations and the delivery of units in line with our delivery matrix.<br><br>If Glenveagh is unable to control its costs or source the requisite labour, and/or renegotiate improved terms with suppliers and contractors, our margins may reduce which could have an adverse impact on our business operations and financial condition. | Following the full re-opening of residential construction in early 2021, the industry has faced supply chain shortages and significant cost increases in materials and labour.<br><br>The business continues to leverage its purchasing power and scale to mitigate these price increases. In addition, the supply chain investment in our timber frame factories and soil recovery facilities allow the business to shield itself from the full effect of the cost increases that the wider market is experiencing, generating a significant competitive advantage.<br><br>Our continued investment in supply chain initiatives will be a significant contributor to managing cost increases. Over the medium to long-term, modular build and off-site manufacturing are further mitigants that the business is exploring.<br><br>Our size and reputation in the industry ensures strong relationships with our subcontractor network, mitigating the risk from labour shortages.<br><br>A reduction in typologies through increased standardisation of the Glenveagh product and construction methodology further derisks the business from shortages or increased costs of materials and labour. Increased standardisation brings reduced variation in packages procured and construction programmes which 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.<br><br>We have the potential to expand our purchasing network should it be required and are not over reliant on any one customer.<br><br>Glenveagh engages in financial planning and continuously monitors and reviews budgeted versus actual costings.<br><br>We continuously evaluate partnerships at a site level with outsourced labour providers to ensure agreements are in line with the market rates.<br><br>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 restrictions and to ensure a smooth return to normal operations.<br><br>We have strong relationships across the construction industry in Ireland and with our existing and wider subcontractor network.<br><br>Our size and reputation in the market remains highly attractive to subcontractors and suppliers. | ↑ |



**Table legend:** No change to risk rating ←→ Increased risk rating ↑ Decreased risk rating ↓ New risk

| Our risk category | Risk or uncertainty and potential impact | Management's view | Key mitigating considerations | Risk rating change |
|---|---|---|---|---|
| **External risk** | **3. Adverse macroeconomic conditions**<br><br>Glenveagh operates in a property market that is cyclical by nature, which can lead to volatility of property values and market conditions.<br><br>Geopolitical uncertainty,including Brexit, can lead to a potential adverse impact on Glenveagh's asset valuations and financial performance due to factors such as slowdown in economic growth, increased interest rates and 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.<br><br>To date, customer confidence remains strong however the medium to long-term economic impact of the pandemic remains unknown. | We aim to maintain a reasonable but limited stock of land (c. 4-5 years)<br><br>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.<br><br>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.<br><br>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.<br><br>Management and the board actively monitor geopolitical risks and seek expert industry advice where required. | ←→ |
| **External risk** | **4. Mortgage availability and affordability**<br><br>Glenveagh understands that affordable mortgage finance is a crucial funding source for buyers in the residential market in Ireland.<br><br>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 due to a potential decline in customer demand and ultimately our profitability.<br><br>Two mortgage providers have announced their intention to withdraw from the Irish market creating the potential for reduced competition and delays in the application process. | Mortgage demand remains strong. In 2021, the level of mortgage approvals in the Republic of Ireland increased by 23.6% from 2020 to 53,335 approvals. 2021 mortgage volumes increased by 22.1% from 2020 to 43,494 drawdowns[31]. The growth was primarily driven by first-time buyers which remain the single largest segment by volume at 54.4%.<br><br>However, mortgage affordability remains a significant issue, with house prices continuing to rise nationwide. In addition, the potential for interest rate increases creates additional challenges for first-time buyers. Competition has increased with the introduction of new providers into the Irish market in 2021; however the affordability hurdle remains the biggest challenge for prospective buyers. | Management and the board continuously monitor government policy around mortgage availability.<br><br>We regularly engage with mortgage advisors to gain valuable insights into the market and the impact of regulatory changes impacting mortgage lending.<br><br>We have increased the frequency of cashflow and sales reporting to facilitate accurate business continuity planning.<br><br>We have increased the frequency of executive committee meetings and board updates to respond to the pandemic, with Covid-19 being a standing agenda point at all meetings.<br><br>Our strategy can facilitate the adjustment of delivery velocity if required. | ←→ |

[31] Source: Banking and Payments Federation Ireland (BPFI)

**Table legend:** No change to risk rating ↔ Increased risk rating ↑ Decreased risk rating ↓ New risk ✣

| Our risk category | Risk or uncertainty and potential impact | Management's view | Key mitigating considerations | Risk rating change |
|---|---|---|---|---|
| **External risk** | **5. Impact of Covid-19**<br><br>The outbreak of Covid-19 has exposed us to the impact of a macro risk related to an economic slowdown and specific risks as a result of government measures taken to contain the virus, impacting availability and supply of materials and labour, a reluctance of buyers to transact in the current environment and interruption to business operations due to the absence of staff and subcontractors. | Despite the thirteen week Government enforced lockdown at the commencement of the financial year, Glenveagh demonstrated its ability to continue trading.<br><br>On 21 January 2022, the Government announced the lifting of almost all Covid-19 restrictions, however the risk of the emergence of disruptive new variants still remains, which could again disrupt operations and potentially have an adverse impact on the results of the business. | We have increased the frequency of executive committee and board meetings to respond to the pandemic, with Covid-19 being a standing agenda point at all meetings.<br><br>We have increased the frequency of cashflow and sales reporting to facilitate accurate business continuity planning.<br><br>We have updated and will continue to review on an ongoing basis forecasts, cashflows and estimates about future business performance.<br><br>We have kept in constant contact with government and local authority representatives in addition to reviewing government responses to Covid-19.<br><br>We have put in place a transparent and timely communications strategy to update the market and all stakeholders (employees, subcontractors, suppliers, shareholders and customers) of the business in relation to the plans put in place in response to Covid-19.<br><br>We have put in place a number of specific actions related to on site health and safety and construction, project management, sales activity and office operations which are outlined in the response to risks specific to each area. | ↓ |
| **Operational risk** | **6. Inadequate project management**<br><br>Inadequate oversight of the cost and delivery of development projects adversely affects expected return on investment.<br><br>The delivery matrix of development projects could be impacted by the spread of Covid-19. | As the business scales, project management will play a key role in managing timelines to meet unit delivery targets and controlling costs to deliver gross margin and return on equity targets. Timely and accurate reporting against financial metrics and construction programme facilitates decision making on a site by site or overall portfolio basis. Our commercial department has oversight of all project costs and timelines. The commercial director works with experienced quantity surveying and estimating teams that are responsible for:<br><br>• pre-acquisition, planning and pre-construction stage budget preparation<br>• preparing build of quantities (BoQ) to secure subcontractors based on a detailed scope<br>• robust financial planning and forecasting for each site<br>• continuously monitoring and reviewing budget versus actual costings. | We have fixed cost contracts in place with subcontractors and suppliers where possible.<br><br>Our commercial director is responsible for:<br><br>• reviewing pre acquisitions budgets prior to engaging in the site acquisition process<br>• engaging in continuous monitoring and reforecasting of costs at the pre-construction stage as sites move through planning<br>• completing a cost plan/bill of quantities at the pre-construction start/post planning stage which acts as the budget for the site build.<br><br>The commercial department organisational structure ensures oversight of all costs as the business matures in line with the business plan. | ↓ |



**Table legend:** No change to risk rating ↔ Increased risk rating ↑ Decreased risk rating ↓ New risk ✣

| Our risk category | Risk or uncertainty and potential impact | Management's view | Key mitigating considerations | Risk rating change |
|---|---|---|---|---|
| **Operational risk** | **6. Inadequate project management** *(continued)*<br><br>Inadequate oversight of the cost and delivery of development projects adversely affects expected return on investment.<br><br>The delivery matrix of development projects could be impacted by the spread of Covid-19. | We also have 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 grid to deliver units in line with site openings and practical completion dates.<br><br>The procurement department forecast materials packages twelve months in advance to lock in price and guarantee supply in advance of commencing construction on site. In addition, the procurement department work with suppliers to derisk the supply of scarce or at risk materials through consignment stock agreements.<br><br>Management is now at the final stages of implementing a new project management office to centralise processes, reporting and communication across departments. This has been facilitated by an external company that been engaged to review and improve our end-to-end processes and advise of 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.<br><br>Our suite of IT systems provides realtime reporting/information for more accurate decision making relevant to projects at a financial, programme and management level. | 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.<br><br>We have increased the frequency of executive committee and board meetings to respond to the pandemic, with Covid-19 being a standing agenda point at all meetings.<br><br>Glenveagh has updated and will continuously review all site delivery matrix and update these as necessary to reflect the impact of Covid-19.<br><br>We have engaged 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 restrictions and to ensure a smooth return to normal operations.<br><br>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.<br><br>We have a formal budget sign off procedure in place for each site.<br><br>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.<br><br>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.<br><br>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 fluently. | ↓ |

**Table legend:** No change to risk rating ←→ Increased risk rating ↑ Decreased risk rating ↓ New risk ✥

| Our risk category | Risk or uncertainty and potential impact | Management's view | Key mitigating considerations | Risk rating change |
|---|---|---|---|---|
| **Operational risk** | **7. Failure to obtain expected planning permission**<br><br>Failure to obtain expected planning permission on sites delivering our 1-3 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 derisk our unit delivery targets and building flexibility into our landbank is a key strategic objective as the business scales towards our 2024 delivery targets and beyond. Management's progress in obtain planning permission has been affected by the legal challenges and lengthy delays that can arise through the SHD planning process. The Government's announcement that the SHD planning process will be replaced by the LRD is welcomed by management albeit we understand this process will take a number of months before it is fully operational.<br><br>The delays experienced in the existing SHD planning process have limited the rate at which units have progressed through planning. Management does not have any immediate concerns as all planning required to deliver the 1,400 unit target for 2022 is now in place. To derisk 2023 and 2024 delivery targets, management has focused the land acquisition strategy to ensure, at a minimum, 50% of the sites purchased are acquired with or subject to planning permission. Currently, approximately 40% of our land portfolio is planned and it is expected that this will increase to approximately 50% by year end. Nearly 3,000 planning lodgements have being completed in 2021 which will further increase the planned units in our landbank throughout 2022.<br><br>It is worth noting that from an urban site perspective, the segment most susceptible to judicial reviews, the business has limited exposure as most of our urban sites are through the planning process. Furthermore, management has been prudent and realistic with unit delivery dates within the group delivery matrix which forms the starting point of forecasting, financial and strategy planning.<br><br>Glenveagh 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.<br><br>We have ongoing monitoring, liaising, engaging and networking process with both local and national government agencies<br><br>We have a set strategy for Suburban planning applications which is reported monthly and reviewed periodically for any required changes.<br><br>We have put in place the appropriate organisational structure within the planning department to achieve our strategic goals. | ✥ |

**Table legend:** No change to risk rating ←→ Increased risk rating ↑ Decreased risk rating ↓ New risk ✥

| Our risk category | Risk or uncertainty and potential impact | Management's view | Key mitigating considerations | Risk rating change |
|---|---|---|---|---|
| **Operational risk** | **8. Employee development and retention**<br><br>Glenveagh's success is dependent on recruiting, retaining and developing highly skilled, competent people. We are aware that loss of key personnel and/or the inability to attract/retain adequately skilled and qualified people could lead to:<br><br>• Poor operational and financial performance<br>• Inadequate staff knowledge and understanding of policies and procedures<br>• Reduced control environment<br>• Insufficient transfer of knowledge amongst staff to allow for succession planning<br>• Demotivated staff<br>• Failure to achieve/deliver on our strategic objectives. | As the business continues to grow in line with our targets, management is aware there will be a greater need to recruit quality skilled staff to ensure the site and head office employee 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. | Glenveagh offers competitive and attractive remuneration packages and where appropriate long-term interest alignment.<br><br>We offer the opportunity for advancement through creating a positive working environment.<br><br>We have introduced a graduate programme across all departments to develop and ensure progression within the business.<br><br>We have in place a performance management and appraisal process which includes open channels of communication and feedback and development plans for employees.<br><br>We are developing a succession plan to ensure continuity of quality service and knowledge retention.<br><br>We have a dedicated learning and development manager with a focus on developing and deploying continuous professional development and upskilling of staff.<br><br>We have implemented flexible working arrangements for staff following the Covid-19 pandemic as well as offering support to ensure employees have suitable working from home arrangements.<br><br>We ensure that all staff have access to relevant internal and external training.<br><br>We have implemented a flexible working policy in line with Government guidelines.<br><br>We are committed to the Great Place to Work credentials to further improve our internal and external culture and reputation.<br><br>We have hired a head of corporate affairs who is responsible for enhancing internal communications.<br><br>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. | ↓ |

**Table legend:** No change to risk rating ←→ Increased risk rating ↑ Decreased risk rating ↓ New risk

| Our risk category | Risk or uncertainty and potential impact | Management's view | Key mitigating considerations | Risk rating change |
|---|---|---|---|---|
| **Operational & reputational risk** | **9. Data protection and cyber security**<br><br>Glenveagh uses information technology to perform operational and marketing activities and to maintain its business records.<br><br>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.<br><br>Any security or privacy breach of the information technology systems may also expose Glenveagh to liability and regulatory scrutiny. | The threat from cyber attacks remains high, and the pandemic has created additional opportunities for attacks, particularly with many businesses now operating in a hybrid environment. Enhanced controls and quarterly 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.<br><br>We have a personal data retention policy in place to appropriately manage the information held.<br><br>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.<br><br>We have in place sensitive data password protection and all such information is stored in secure locations and fully encrypted systems.<br><br>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.<br><br>We have put in place a schedule of specific cyber security training related training programmes.<br><br>We have enabled multi factor authentication for all users.<br><br>A new VPN connection has been established increasing the resilience and security of the connection to facilitate remote working.<br><br>Glenveagh's IT director completes security assessments and implements suggested changes on a periodic basis. | ←→ |



**Table legend:** No change to risk rating ←→ Increased risk rating ↑ Decreased risk rating ↓ New risk

| Our 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**<br><br>Glenveagh is focused on the wellbeing of its employees, contractors, subcontractors and the general public.<br><br>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.<br><br>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.<br><br>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 with independent audits to be 20% and we have continued to maintain our health and safety audit scoring at 89% (2020: 88%). In 2021, Glenveagh has achieved ISO 45001 health and safety management systems certification, maintained our grade A in Safe T cert, increased training hours per employee and maintained a low number of total recordable health and safety incidents. | Glenveagh has an experienced health and safety team in place with a specific health and safety plan in place at each site.<br><br>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.<br><br>Glenveagh has developed an accredited health and safety management system and is certified to ISO 45001 by the National Standards Authority of Ireland.<br><br>Glenveagh ensures all staff are appropriately and adequately trained.<br><br>We hold a Grade A Safe-T certificate which is the industry health and safety auditing standard.<br><br>We undertake monthly health and safety audits through both internal and external parties.<br><br>We circulate a weekly incident monitoring report to construction management.<br><br>We have undertaken significant investment to implement best practice and public health advice for the return to working on site and in the office in response to Covid-19.<br><br>There is adequate insurance cover in place to deal with any claims that may arise due to injury. | ↓ |
| **Reputational risk** | **11. Decline in product quality**<br><br>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.<br><br>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 high quality homes are delivered. | 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.<br><br>We have a dedicated quality manager to manage and report on site quality.<br><br>We have a dedicated environmental officer to advise on the business challenges from an environmental perspective on a daily basis.<br><br>Glenveagh has an experienced and professional support team in place.<br><br>We have a dedicated customer service after-sales team. | ←→ |

Walker's Gate
Kildare Town, Co. Kildare

## Corporate governance statement

**Throughout 2021, the board played a central role in ensuring that Glenveagh observed and remained committed to the highest standards of corporate governance and sustainable corporate behaviour**

# Governance

# Introduction from the chairman

**Leadership**
**The board recognises the importance of its effective leadership in promoting the long-term success of Glenveagh**

John Mulcahy, chairman

**Dear shareholders**

**On behalf of the board, I am pleased to present the corporate governance report for the year ended 31 December 2021.**

**Throughout 2021, the Covid-19 pandemic continued to pose challenges for our people and the way we operate as a business. The board played a central role in ensuring that Glenveagh observed and remained committed to the highest standards of corporate governance and sustainable corporate behaviour.**

Belin Woods
Newbridge, Co. Kildare

The board recognises the importance of its effective leadership in promoting the long-term success of Glenveagh and continues to enhance and develop its engagement with key stakeholders in the business. In 2021, the board increased its stewardship of sustainability and ESG issues through the establishment of the environmental and social responsibility committee. Details in relation to the composition, duties and activities of this committee are provided at page 110. The significant progress made by the business during the year is also reflected in the sustainability report set out at page 38.

During the year, the remuneration committee undertook a fundamental review of our remuneration policy, consulting with major shareholders on proposals which will support Glenveagh through the next phase of growth and continue to align the executive directors to our stakeholders, promoting long-term sustainable growth and value creation for shareholders. Details of the proposals are provided in the report of the remuneration committee on page 91.

There were important changes to the board and executive leadership of Glenveagh in 2021. Following a comprehensive and considered appointment process, we were delighted to welcome a new independent non-executive director, Camilla Hughes, to the board in July. As announced at the 2021 AGM, I transitioned to non-executive chairman of Glenveagh with effect from 1 January 2022 and I am pleased to confirm the smooth transition of my executive functions to the newly expanded executive committee. Details of the board appointment process and the approach to succession planning for senior management are set out in the report of the nomination committee on pages 108 and 109.

Following two years of Covid-19 restrictions, I look forward to engaging with shareholders in person again at our annual general meeting on 28 April 2022, full details of which can be found in the notice of AGM.

**John Mulcahy**
**Chairman**



# Corporate governance report

The corporate governance report, in conjunction with the audit and risk committee report, the remuneration committee report and the nomination 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 and details any departures from their specific provisions.

As in previous years, the board acknowledges the Company's departure from provision 9 of the Code in relation to the appointment of an executive chairman at IPO. The board also acknowledges that the Company did not comply fully with provision 41 of the Code in relation to the level of engagement with the workforce on executive remuneration during the year. Further details in relation to these matters are provided at pages 85 and 100, respectively, and the board will keep them under review during 2022.

## Board leadership and purpose

### Purpose and culture

Glenveagh's purpose is the provision of access to high quality, energy-efficient homes in flourishing communities across Ireland.

Glenveagh has positioned itself as 'Home of the New' in Irish residential development, not only in how it builds energy-efficient, high quality homes but in how it selects land and partners, how it plans on land, how it fosters and embeds relationships with communities and how it utilises technology to innovate in delivering on land.

Glenveagh's vision is that everyone should have the opportunity to access great-value, high-quality homes in flourishing communities across Ireland. To do this, 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 at every stage of the homebuilding process.

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 supports and encourages two-way communication with the workforce and has established formal channels for the workforce to raise any matters of concern directly.

### Role of the board

The board is responsible for setting and guiding the strategic direction of the Group, understanding the key risks faced by the Group, determining the risk appetite of the Group and ensuring that a robust internal control environment and risk management framework is in place. The board has overall responsibility for the management of the Group's activities and is accountable to shareholders for creating and sustaining shareholder value and for the long-term success of the Group.

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 executive committee, with the board reserving to itself a formal schedule of matters over which it retains control. 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 committee.

The board's decision to establish an environmental and social responsibility committee was announced in July 2021, to lead the Company's ambitious plans across its six sustainability pillars, ensuring the delivery of quality homes for customers alongside the highest standards of environmental stewardship and responsible business.

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 at pages 88 to 111.

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.

**Glenveagh Properties plc board**

# The board is committed to building and maintaining successful shareholder relationships through regular and transparent communication.

## Engagement

**The board recognises the importance of ongoing communication and 'reporting back' to the workforce**

### Engagement with shareholders

The board recognises the importance of effective engagement with, and active participation from, its shareholders and is committed to building and maintaining successful shareholder relationships through regular and transparent communication.

This commitment is formalised through the Group's comprehensive investor relations program. In addition to the detailed presentations and roadshows conducted after the announcement of interim and full-year results, the chief executive officer, chief financial officer and investor relations manager regularly meet with institutional investors and analysts throughout the year and participate in a number of industry conferences.

Further details in relation to investor engagement during 2021 is provided in the stakeholder engagement section on page 25 and 84.

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.

### AGM

The annual general meeting (AGM) gives shareholders an opportunity to hear 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 Glenveagh encourages all shareholders to attend the meeting each year and to put forward any questions that they may have to the directors at the conclusion of the formal business of the meeting.

In order to protect the health and safety of the Company's shareholders and directors, certain limitations were placed on attendance in person by shareholders at the 2021 AGM. These limitations were in line with government guidelines in force at the time of the AGM and had regard to the best interests of the Company and the shareholders as a whole.

The Company recognises the importance of engagement with shareholders at the AGM, and while it was not possible for shareholders to attend the 2021 AGM in person, shareholders were encouraged to use proxy voting services to ensure their votes counted. A teleconference facility for shareholders to follow proceedings of the AGM, and a mechanism for lodging questions in advance, was provided by the Company.

The 2022 AGM will be held on 28 April at the Conrad Hotel in Dublin and the Company is optimistic that attendance in person will be possible this year.

### 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.

In her position as workforce engagement director, Cara Ryan has continued to work with the company secretary and the head of HR to develop meaningful two-way dialogue between employees across the Company and the wider board.

During 2021, the Company established a workforce engagement forum, with representatives from each department across the business, both site-based and office-based. Cara met with the workforce engagement forum at key intervals in the Company's calendar with particular focus placed on the continued impact of Covid-19 on the workforce. The workforce engagement forum considered the results of an externally facilitated employee pulse survey, taking feedback from all employees in relation to the return to work in the office and the learnings to be taken from remote working that could positively impact the Company's future way of working post-pandemic.

Cara's engagement with the workforce engagement forum throughout 2021 served as an additional tool for the board's continued assessment of the Company's management of the ongoing Covid-19 pandemic and the feedback received from the workforce informed her recommendations to the board for 2022.

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 into 2022.

### 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.



## Division of responsibilities

### Chairman and chief executive

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 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.

The chief executive officer, 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 chief executive officer 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.

### Senior independent director

The senior independent director, Robert Dix, is available to shareholders who have concerns that cannot be addressed through the chairman or chief executive 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 eight board members, five 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 requirements.

### Independence

Provision 9 of the Code prescribes that the chairman should be independent on appointment. The board is of the collective belief that John Mulcahy's role as executive chairman during the period from IPO to 31 December 2021 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 chief executive officer. 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 Robert also serves as a non-executive director of Dalata Hotel Group plc where Pat was chief executive until his retirement in October 2021, and 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 concluded that his experience, knowledge and skills in leading and growing a company post-IPO would be of immeasurable value to the board and in the best interests of the Company and its shareholders.

The board 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.

### Board meeting attendance

The board convenes with sufficient frequency to ensure the effective discharge of its duties during the year. Throughout 2021, the Company held ten formal board meetings. There was full attendance by all directors

In adherence to the travel restrictions and social distancing guidelines introduced by the Irish Government in response to Covid-19 and remaining in place for much of 2021, the board met virtually, using audio-video conferencing, for nine out of the ten meetings held during the year.

In addition to formal meetings, the directors attended two full days of training, management presentations and site tours in 2021.

### 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.

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.

### Composition, succession and evaluation

Supplementary to its formal meetings, the board encourages its non-executive directors to communicate directly with both the executive directors and the senior management team.

## Composition, succession and evaluation

### Board composition
The board is currently comprised of eight directors: the non-executive chairman, two executive directors and five 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.

Biographies of the directors are set out on pages 112 to 114.

### 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 was one new appointment to the board during 2021, Camilla Hughes.

### Re-election
All directors will submit themselves for re-election at the 2022 AGM.

### Board diversity
The board has adopted a board diversity policy, intended to assist the board, through the nomination committee, in achieving optimum board and committee composition.

The board recognises the clear benefits of a diverse board including with regard to diversity of experience, skills, background and gender and agrees that these differences should be considered in determining the optimum composition of the board.

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.

Following the nomination process undertaken during the year to identify a suitable independent non-executive director, and the subsequent appointment of Camilla Hughes, female representation on the board as at 31 December 2021 was 25%.

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.

Below board-level, female employees accounted for 25% of the senior management as at 31 December 2021, as defined by the Code. There were no female senior management direct reports. Further details on diversity within the Group can be found on page 46 and 86.

### 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 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.

As a result of ongoing Covid-19 restrictions during 2021, the board continued to meet virtually throughout most of the year. In addition to attending meetings virtually, the board also convened for a number of strategy and training sessions over the course of Q1 and Q2, with presentations from each key functional area across the business. As Covid-19 restrictions eased in the second half of the year, the board made it a priority to convene in person for a two-day session, including an extensive tour of active and future sites and a training and development session at the Group's off-site manufacturing facility.

### Annual board evaluation
The performance and effectiveness of the board and its committees is reviewed on an ongoing basis and is subject to a formal and rigorous annual evaluation according to the principles of the Code.

Having completed the first externally facilitated performance evaluation in 2020, the board actioned a number of recommendations during 2021 to enhance performance, including increasing focus on succession planning, expanding the integration of ESG into strategy, formalising quarterly meetings between the chairman and the independent non-executive directors and utilising IT capabilities to increase engagement outside of meetings in the face of continued Covid-19 restrictions.

Toward the end of 2021, the board initiated an internally facilitated review to assess its performance and effectiveness during the year, including that of the committees, the chairman and individual directors. The evaluation process also considered the progress made by the board in 2021 to implement the recommendations from the 2020 external evaluation.

Led by the chairman and company secretary, the 2021 annual review was conducted by way of a comprehensive questionnaire developed for the board. The structure and design of the questionnaire encouraged the directors to evaluate and comment on the operations of the board and its committees, and to identify any areas for potential improvement.

### Diversity
**The board recognises the clear benefits of a diverse board including with regard to diversity of experience, skills, background and gender**

Some areas highlighted by the 2021 evaluation for potential improvement, and the agreed action items for 2022, are summarised below:

- The board will continue to enhance its engagement with key stakeholders in the business, building on the work of the newly established ESR committee.
- The board will prioritise in person engagement between the directors, both formally and informally, as Covid-19 restrictions are lifted.
- 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 board will continue its work in relation to medium and long-term succession planning for the board and executive committee.

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 2021 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.

## Audit, risk and internal control

### Audit and risk committee
The board has established an audit and risk committee with responsibility for monitoring the integrity of the Group's financial reporting and the effective application of the Group's internal controls and risk management procedures.

The board is satisfied that the combined qualification and experience of the individual members provides the committee with the financial and risk management expertise necessary to discharge its responsibilities.

A detailed overview of the audit and risk committee and its work in discharging its responsibilities during 2021 is set out in the committee report on pages 88 to 90.

### Internal control and risk management
The board recognises its ultimate responsibility for establishing and maintaining Group procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal and emerging risks that the Group is willing to take in order to achieve its long-term objectives.

The board confirms that a robust process for identifying, evaluating and managing significant risks has been in place for the financial year and up to the date of approval of the annual report and financial statements. Details of the annual assessment of the principal risks facing the Group are set out at pages 70 to 79.

The key elements of the Group's system of internal controls are as follows:

- A clearly defined organisation structure and lines of authority.
- Group policies for financial reporting, treasury management, tax, risk management, information technology and security and site acquisition and investment.
- Approval of annual budgets and strategic business plans by the board, with performance against budgets and forecasts monitored and reported back to the board on a regular basis.
- An audit and risk committee comprised of independent non-executive directors.
- An independent internal audit function reporting directly to the audit and risk committee.

The preparation and issue of financial reports is managed by the Group finance department in accordance with Group accounting policies and reporting systems, and under the direction of the chief financial officer. The interim and preliminary results and the annual report and financial statements of the Group are reviewed by the audit and risk committee and recommended for approval to the board.

## Remuneration

### Remuneration committee
The board has established a remuneration committee with responsibility for determining Group policy on executive remuneration and for setting remuneration for the chairman, executive directors and senior management.

A detailed description of the work undertaken by the remuneration committee in its assessment, development and application of the directors' remuneration policy is set out in the committee report on page 94.

# Audit and risk committee report

**Cara Ryan**, chair, audit and risk committee

**Terms of reference**
The ARC's terms of reference are available on the Group's website. The terms of reference are reviewed annually and amended in line with any future organisational changes to ensure they continue to be fit for purpose. These responsibilities are intended to be performed in conjunction with the management team, executive committee and internal/external auditors.

**Committee meetings and attendance**
The ARC met on five occasions during the financial year. The attendance of committee members is detailed in the table below. On occasion, special attendees were invited to attend all or part of committee meetings as deemed appropriate and necessary by the committee chair.

| Committee member | In attendance | Committee member as of |
|---|---|---|
| Cara Ryan | 5/5 | 2020 |
| Robert Dix | 5/5 | 2017 |
| Richard Cherry | 5/5 | 2017 |

**On behalf of the board of directors and the committee I am pleased to present the audit and risk committee (ARC) report for financial year ended 31 December 2021. During 2021, the ARC comprised three independent non-executive directors; Cara Ryan (chair), Robert Dix and Richard Cherry. The biographies of these directors can be found on pages 112 to 114.**

The committee meets with the internal and external auditors without other executive management being present, on an annual basis in order to discuss any issues which may have arisen during the financial year.

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 has been outlined in detail on page 89 and is summarised in the table on the right.

## Financial reporting and compliance

The committee reviewed, prior to their publication, the Group's annual report and financial statements, 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.

| Meeting | Item discussed |
|---|---|
| February | • Internal audit update from Deloitte, in particular the 2021 schedule and the report and findings from the recent capital expenditure processes review.<br>• Directors' interests<br>• 2020 financial results including key judgement areas in the financial statements<br>• KPMG audit findings report for the 2020 financial year<br>• Risk register updates<br>• Net realisable value of inventories<br>• Directors' compliance statement review in advance of recommending approval to the board<br>• Going concern and viability statements review in advance of recommending approval to the board<br>• Overview and approval of 2020 annual report overview and letter of representation |
| June | • Directors' interests<br>• Internal audit update from Deloitte, in particular the report and findings from the review of polices and processes for business continuity and disaster recovery including remote working<br>• Risk register updates |
| August | • Directors' interests<br>• Internal audit update from Deloitte, in particular the updated 2021 schedule and confirmation Deloitte validated management's assertion regarding the closure of open recommendations.<br>• 2021 interim financial results<br>• KPMG interim review findings report<br>• Going concern review in advance of recommending approval to the Board<br>• Approval of 2021 interim financial statements and letter of representation<br>• Net realisable value of inventories<br>• Risk register updates |
| October | • Directors' interests<br>• Strategic risks annual review |
| December | • Directors' interests<br>• Internal audit update from Deloitte, in particular the reports and findings from the review of site management and security and the review of land acquisitions<br>• KPMG audit plan for the 2021 year end audit<br>• Risk register updates<br>• Group insurance renewal process<br>• Annual review of board level policies and terms of reference |

The primary issue considered by the committee in relation to the financial statements for the financial year ended 31 December 2021 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 in a post Covid-19 pandemic 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 2020 Annual Report and the condensed financial statements for the half year ended 30 June 2021 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 it provides 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 2021 Annual Report and financial statements and is set out on pages 68 to 79 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.
- Determining scoring thresholds and risk ratings.

The risk register and the principal risks and uncertainties faced by the Group are outlined on pages 70 to 79 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 cybersecurity, emerging environmental and sustainability considerations an ensuring recommendations from Group internal audit reviews are

| Significant issue considered | Committee activity |
|---|---|
| **Carrying value of inventory**<br>The carrying value of the Group's inventory was €767.2 million at 31 December 2021 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.<br><br>At 30 June 2021, 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 this exercise required a net impairment reversal attributable to our higher average selling price (ASP) non-core active sites and assets.<br><br>A similar exercise was undertaken at financial year end by management. The exercise indicated no evidence of impairment or impairment reversal and therefore no adjustment to the carrying value was required at 31 December 2021. | 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.<br><br>The committee robustly challenged management on the additional work completed in respect of the carrying value of inventory both at 30 June 2021 and 31 December 2021 to seek to assess the impact of the Covid-19 pandemic and sustainability and environmental issues on the profitability of the Group's development sites and to understand the different scenario analysis completed.<br><br>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 a net impairment reversal was required at 30 June 2021 and no further impairment charge or reversal was required at 31 December 2021.<br><br>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 2021. |

implemented on time and giving effect to the actions from the reviews of the Group internal audit function.

**Covid-19**
The committee has monitored both the financial and control impact of Covid-19. The Group has implemented and adapted new ways of working resulting from the pandemic including robust changes made to the control environment to accommodate a flexible and hybrid working model. The key priorities for the year ahead will include a continued focus on assisting the Group transitioning to a post Covid-19 pandemic environment. The committee also challenged the assumptions underpinning the carrying of inventory and profit recognition for the financial year, the appropriateness of the going concern assumption and the conclusions reach on the viability of the Company as we move into a post pandemic environment. This mainly involved challenging managements forecasts to ensure they have been appropriately challenged, stress tested and relevant downside scenarios applied.

### 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 considering 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 by management.

The committee met representatives from the outsourced internal audit function (Deloitte) on five occasions during the financial year and considered the findings from their reviews of business continuity and disaster recovery, site management and security, land acquisitions, data protection and financial controls.

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 determined to increase the frequency of the internal audit cycle to allow for six internal audit reviews in each financial year. Following this decision, the committee reviewed and approved the updated internal audit programme of work for 2021-2023.

**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 2020 audit and interim review for the six months ended 30 June 2021. It also reviewed and approved KPMG's audit plan in respect of the audit for the year ended 31 December 2021.

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 each of the committee meetings in 2021.

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 | 235 |
| **Non-audit fees** | |
| Interim review fees | 15 |
| Tax services fees | 56 |
| Other non-audit services | 6 |
| **Total** | **312** |

At the end of the financial year, non-audit fees paid to KPMG represented 33% 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 audit and risk committee has met its obligations for 2021 and is looking forward to further adapting the Group's risk management framework to respond to the opportunities and challenges that 2022 will bring as the Group continues to deliver on its strategic objectives.

**Cara Ryan**
**Chair**
**Audit and risk committee**



# Remuneration committee report

**Policy review**
**The committee undertook a fundamental review of the remuneration policy during 2021.**
Read more on page 95

**Richard Cherry,** chair, remuneration committee

**Terms of reference**
The full terms of reference for the remuneration committee are available on the Group's website.

**Committee meetings and attendance**
The committee met on seven occasions during the financial year ended 31 December 2021. On occasion, additional attendees including the board chairman, the CEO, the CFO, the company secretary and specialist external advisers were invited to attend all or part of committee meetings as deemed appropriate and necessary by the committee chair.

| Committee member | In attendance | Committee member as of |
|---|---|---|
| Richard Cherry | 7/7 | 2017 |
| Cara Ryan | 7/7 | 2020 |
| Pat McCann | 7/7 | 2020 |
| Camilla Hughes | 3/3 | 2021 |

**On behalf of the remuneration committee, I am pleased to present our remuneration report for the financial year ended 31 December 2021.**

During the year I was delighted to welcome Camilla Hughes to the committee who has provided important input to committee discussions and decisions since joining in July 2021.

During 2021, along with its normal work plan, the committee continued to monitor the impact of the Covid-19 pandemic across Glenveagh and carefully considered the implications for the remuneration of executive directors and others in the business. Additionally, having made administrative changes to the directors' remuneration policy at the 2021 AGM to align the policy with regulatory requirements, the committee undertook a more fundamental review of the policy during the year, consulting with major shareholders on a set of proposals designed to support Glenveagh through the next phase of growth.

The changes we have agreed to make are set out later in this report. The committee is confident that the proposed changes will support the continued alignment of executive directors to all our stakeholders as well as promoting long-term growth and value creation for shareholders.

The committee has also carefully considered the impact of John Mulcahy moving to non-executive chairman, on the remuneration of the remaining executive directors given the consequent increase in their responsibilities.

**Performance during 2021**
As explained throughout this annual report, Glenveagh performed strongly in 2021 and successfully overcame significant challenges, including Covid-19 related and government-enforced site closures, which impacted the business in 2020 and at the start of the year under review. Glenveagh reported an exceptional level of revenue and profitability growth with a significant increase in the number of home completions.

**Remuneration in respect of 2021**
Given the level of business performance during the year, the executive directors were successful in achieving close to the maximum annual bonus targets for 2021. These targets were set towards the start of the year on the basis of the committee's best estimates at that time of likely performance for 2021, recognising the ongoing uncertainties in the marketplace. The committee was pleased with the way in which management seized the opportunities presented and ensured that Glenveagh finished the year with a strong set of results.

Bonuses were payable to the executive directors at 99% of maximum as a result, which the committee believes was wholly appropriate in light of the exceptional achievements. Full details of the specific bonus targets, the outcomes achieved and the resulting level of bonus payments are included later in this report.

To date, the only executive director to participate in the long-term incentive plan (LTIP) is Michael Rice, the CFO. None of Michael's outstanding LTIP awards had a performance period ending in 2021. Performance for the award granted in April 2019 will be tested in April 2022, with full details of the resulting level of vesting included in next year's remuneration report.

Under the legacy founder share scheme — in which the chairman and the CEO participate — the performance condition was tested at the normal time during 2021 but was not met. As a result, there was no conversion of founder shares into ordinary shares during the year.

The committee did not exercise any discretion in terms of incentive outcomes for the year.

**Remuneration policy review**

**Background and context**
As set out above, during 2021 the committee undertook a detailed review of the remuneration policy to ensure that it remains fit for purpose. When reviewing the policy, the committee considered the following objectives/principles and agreed that the policy should:

- Continue to ensure that it supports Glenveagh's long-term strategy and the significant growth opportunities for the business.
- Align to the culture and values of Glenveagh.
- Reflect the roles, experience, skill, and responsibilities of the executive directors, taking into account John Mulcahy moving from an executive to a non-executive role with effect from 1 January 2022.
- Retain and incentivise the executive directors.
- Align to the UK Corporate Governance Code and other regulatory/legislative requirements.
- Help promote high levels of stakeholder engagement and support.

In particular, the committee has been keen to ensure that Glenveagh has a policy in place which provides an appropriate remuneration structure for the executive directors as they grow the business in line with the focus on scaling the operations and working towards the target of delivering over 3,000 homes each year, as a result playing a major role in tackling the housing crisis in Ireland. At the same time as investing in growth, Glenveagh will maintain a strong balance sheet with prudent leverage and will continue to consider options for returning excess capital to shareholders. The remuneration policy has been reviewed against this backdrop of Glenveagh having a compelling equity story and exciting prospects for the future, all of which has been recognised in conversations with the Company's leading shareholders. In addition, the committee has been keen to "right-size" the packages of the executive directors in the context of their roles and responsibilities and their importance to the business, and considering also the chairman's move to a non-executive role.

**Summary of proposals**
Based on our review, it was determined that a number of changes should be made to the remuneration policy and that shareholder approval for a new policy should be sought at the AGM in 2022. The committee consulted with Glenveagh's leading shareholders and the major proxy advisers during 2021 and early 2022 to seek their feedback on a set of proposals. As chair of the committee, I held a number of useful conversations with investors as part of this process and was very grateful for the thoughtful and considered responses received. The committee reflected on the feedback and made a number of changes to the proposals before finalising the new remuneration policy as set out in this report. The key changes to the policy from that approved by shareholders in 2021 are as follows:

- The annual bonus opportunity has been increased from 100% of base salary to 150%. For 2022, the bonus limit will be 150% of base salary for the CEO and 125% of base salary for the CFO.
- Bonus deferral has been introduced, whereby one-third of any annual bonus earned will be deferred into shares for a period of two years.
- The LTIP opportunity is increased from 150% of base salary to 200%, with no higher "exceptional circumstances" limit. For 2022, the intention is to grant LTIP awards at a level of 200% of base salary for the CEO and 175% of base salary for the CFO.
- Pension contributions for the executive directors, currently set at 15% of base salary, will reduce to the average across the wider workforce, currently 5%, with effect from the end of 2022.
- Malus and clawback provisions in the incentive schemes have been extended to include reputational damage and corporate failure as trigger events.
- The in-service shareholding requirement for the CEO has been increased from 200% to 300% of base salary. The shareholding requirement for the CFO of 200% of base salary remains the same.
- Post-employment shareholding requirements have been introduced. These apply for a period of two years following departure.
- The notice periods for the executive directors have been increased from six months to nine months.

The committee recognises that the changes above include some significant increases to variable remuneration opportunities. This has been done to provide the executives with competitive incentives to drive and reward the achievement of the significant growth opportunities which have been identified for the business. The payment of any annual bonus and the vesting of any LTIP award will be subject to the achievement of stretching performance targets which take into account the higher reward multiples.

These increases are accompanied by changes to the policy (for example on pensions and post-employment shareholding requirements) which bring Glenveagh's approach into line with the UK Corporate Governance Code and general best market practice. This builds on good practice features in the existing policy such as the two-year post-vesting holding period in the LTIP. The increased notice period in the executive directors' service contracts aligns the contracts more closely with the market and provides greater protection in the event of a voluntary departure.

Taken as a whole, the committee believes that the policy changes provide a suitable reward framework for the coming period which will help incentivise and retain the executive directors to drive performance while acting in the interests of shareholders and other stakeholders in the business.

**Remuneration for 2022**
Set out below is information on how the committee intends to apply the new remuneration policy for the 2022 financial year.

**Executive director fixed remuneration**
The base salary of the CEO will increase by 33%, from €450,000 to €600,000, and, for the CFO, by 27% from €315,000 to €400,000. Although these are substantial increases, we are comfortable that they are appropriate given the performance, development and growth of the executives since 2019, when the CEO was appointed to his current role and the CFO was appointed to the board. In addition, the new salaries take into account increased responsibilities as the executive chairman has now moved to a non-executive role and is no longer involved with the business on a day-to-day basis. The salaries also reflect the committee's desire to ensure that the remuneration for our key leaders is appropriately retentive in the context of the next critical stage of the growth plans for the business.

In reaching its decision, the committee also noted pay levels for similar roles at comparable companies in the Irish and UK markets. The new salary levels are considered to be around the market median level for companies of a similar size to Glenveagh.

**Executive director annual bonus**
The CEO and CFO will continue to participate in the annual bonus scheme. The performance measures and weightings were considered as part of the remuneration policy review and have been adjusted for 2022. A greater weighting will be placed on financial measures, increasing from 60% to 70% of the total award. For 2022 the financial measures will consist of profit before tax (PBT) (50%) and operating margin (20%). As the business has evolved the committee believes that PBT is the best profit measure to use for the bonus scheme as it takes into account depreciation, amortisation and interest on debt and overall financing. This is particularly important given the desire to reflect in the bonus metrics the income statement impact of Glenveagh's timber frame and soil recovery assets and the debt facility which was negotiated in 2021. Non-financial performance will continue to be assessed based on 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 of 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 2022 remuneration report. For 2022 the annual bonus opportunity will be 150% and 125% of base salary for the CEO and CFO respectively, in line with the new policy.

In addition, and also in line with the proposed policy, any 2022 annual bonus will be subject to one-third deferral into shares. The shares must be held for a minimum of two years.

**Executive director LTIP**
The CFO will continue to participate in the LTIP, while the CEO will join the plan for the first time. In previous years the CEO has not received an LTIP award on account of his participation in the founder share scheme, which expires in 2022. The committee believes that it is now the time for the CEO to participate in the LTIP to ensure that he is incentivised and aligned to longer term performance and the interests of shareholders following the expiry of the founder share scheme. This recognises that any vesting of the first LTIP awards will not occur until 2025, almost three years later than the final possible vesting opportunity under the founder share scheme (with the final performance test for the founder share scheme taking place during 2022).

In terms of the performance conditions which will apply to the LTIP awards to be granted in 2022, the earnings per share (EPS) measure used in previous years is to be retained, while absolute total shareholder return (TSR) will be replaced by return on equity (ROE). EPS and ROE (which will be equally weighted) are both key financial metrics for Glenveagh, and are measures which are closely monitored internally by the board and by management and externally by investors and analysts. Although TSR has been removed, the committee is comfortable that executives remain appropriately aligned to investor returns through their own shareholdings, bonus deferral, LTIP awards, LTIP holding periods and shareholding requirements.

Full details on the specific performance targets are set out on page 104.

For 2022, LTIP awards will be granted at levels of 200% and 175% of salary for the CEO and CFO respectively. It is our intention to grant the LTIP awards shortly after the AGM.

**Non-executive director remuneration**
As part of the directors' remuneration policy review, consideration has been given to the structure and fee levels for the non-executive directors. The fee for the chairman, who is now in a non-executive role, has been set at €200,000. He will not receive any variable remuneration.

For the other non-executive directors, base fee levels will increase by €5,000 in 2022.

**UK Corporate Governance Code**
Glenveagh continues to support the principles and provisions of the UK Corporate Governance Code. As noted above, the new directors' remuneration policy has been drafted with the Code very much in mind. While the corporate governance report notes Glenveagh's departure from provision 41 of the Code in relation to the level of engagement with the workforce on executive remuneration matters, two issues of non-compliance with the Code (relating to pensions alignment and post-employment shareholding requirements) noted in last year's remuneration committee report have been addressed as part of the policy review.

As recommended by the Code, the 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.

**AGM**
As noted above, the committee consulted with major shareholders on the terms of the new remuneration policy. I am grateful for the time taken by investors and proxy advisers to consider our proposals and to provide feedback. I trust that you will agree the revised policy is an appropriate framework for the remuneration of Glenveagh's senior leaders for the coming years, and I look forward to your support for the policy at the AGM, which as in previous years is presented as an advisory vote. Shareholder approval will also be sought at the AGM for the usual separate advisory vote on this remuneration committee report. In addition, we will be presenting a resolution to amend the rules of the LTIP to align the plan with the new remuneration policy.

I hope you will support all three resolutions, and ahead of the AGM, I welcome any comments or feedback you may have on our activities in 2021, our plans for 2022, or any other relevant matters.

As announced on 5 January 2022, I will be stepping down from the board at the AGM and I wish my successor as remuneration committee chair, Pat McCann, every success for the years ahead.

**Richard Cherry**
**Chair,**
**Remuneration committee**

**Roles and responsibilities**
The principal responsibilities and duties of the remuneration committee include:

- Having responsibility for setting the remuneration policy for all 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.
- Overseeing any major changes in employee benefits structures throughout the Group.

**Other activities**
Set out below is a summary of the committee's key activities during the financial year.

**Activity in 2021**

| Topic | Description of activity |
|---|---|
| Review of directors' remuneration policy | The committee undertook a detailed review of the directors' remuneration policy and approved a number of changes following a consultation process with major shareholders and proxy advisers. The review process involved consideration of all aspects of the policy, including the levels and structures of remuneration and the way in which the policy operates (e.g. variable remuneration performance measures). |
| Transition of executive chairman to non-executive chairman | The committee considered the appropriate approach to remuneration/fees in light of the executive chairman transitioning to non-executive chairman in 2022. |
| Annual bonus | The committee formally set the targets for the 2021 annual bonus scheme and, later in the year, considered the interim position with regards to performance against the targets. Formal testing of the targets took place in early 2022. |
| Long-term incentive plan (LTIP) | The committee approved the granting of LTIP awards to certain members of the senior management team (including the CFO) during 2021, having considered the appropriate employee population and performance conditions for these awards. As part of the remuneration policy review, it was agreed to include the CEO in the LTIP with effect from 2022 and make changes to the performance metrics used in the plan. |
| Review of AGM voting | The committee considered the outcome of the 2021 AGM votes on the directors' remuneration policy and the remuneration committee report. |
| Corporate governance | Reviewed and approved the directors' remuneration report and considered independent market updates on corporate governance and market practice presented to the committee by its external advisers. |
| Executive committee | The committee met representatives from the executive committee throughout the financial year to receive updates on the business and specific areas of interest to the committee. |
| Committee evaluation | The committee reviewed its terms of reference to ensure they were fit for purpose. |



**Reporting**
The chair of the committee reports to the board on the activities of the committee. The chair of the committee will attend the AGM to answer questions on the report on the committee's activities and matters within the scope of the committee's responsibilities.

**External advisers**
During the financial year, the committee continued to obtain independent advice from Korn Ferry in relation to market trends, comparator benchmarking, developments in remuneration policies and practice and governance best practice. Korn Ferry are members of the Remuneration Consultants Group and signatories to its code of conduct, and all advice is provided in accordance with this code. As detailed in the report of the nomination committee set out at page 108, a separate practice within Korn Ferry provided support to the nomination committee during the year in identifying potential candidates for appointment to the board as a new non-executive director. The committee is entirely comfortable that the advice it received from Korn Ferry on executive remuneration matters was independent and robust.

## Remuneration policy

**Background**
The remuneration policy was approved by shareholders at the AGM held on 27 May 2021, with a vote in favour of 100%. This approval was sought to ensure the policy was in full compliance with the European Union (Shareholders' Rights) Regulations 2020. There were no substantive changes to the remuneration policy approved at the 2020 AGM.

As signalled in the 2020 Annual Report, during 2021 the committee has undertaken a detailed review of the policy to ensure that it is fit for purpose in light of Glenveagh's long-term strategy, the significant growth opportunities for the business and the need to incentivise our management team in the competitive housing market.

After reviewing a number of alternative options for the evolution of the policy, the committee has decided to maintain the current remuneration structure with some refinements to provide for enhanced levels of incentivisation, and to ensure compliance with the UK Corporate Governance Code.

**Remuneration principles**
In designing the remuneration policy, the objective of the committee is to continue to attract, retain and motivate executive management of the quality required to run the Group successfully, having regard to the views of shareholders and other stakeholders, as well as pay and conditions across the Group as a whole. The committee is satisfied that the remuneration framework is in alignment with the Group's risk appetite, purpose and culture, while also being supportive of its long-term strategic goals.

The policy contributes to Glenveagh's business strategy by setting the framework by which the executive directors and other senior employees are incentivised and rewarded. The performance and reward of these individuals is critical in ensuring the Group's ongoing success. The policy incorporates a mix of fixed and variable remuneration which provides both a meaningful level of guaranteed pay appropriate for senior leaders of a major listed company and incentives which are structured to drive performance over the short and long-term. Glenveagh's long-term incentive plan assesses performance over a three-year period using performance conditions which are relevant indicators of long-term growth and value creation. Achievement of these performance conditions will demonstrate success in ensuring the long-term viability and sustainability of the business.

**Determination of the remuneration policy**
When developing the remuneration policy the remuneration committee considered a number of factors, including, but not limited to:

- Glenveagh's evolving business strategy and objectives, and expectations of future performance as the Company emerged from the pandemic.
- Market practice at similar companies in the sector and more generally.
- The views of institutional shareholders and advisory bodies.

The committee received input from its independent external advisers in the form of a number of presentations and direct discussions. The committee also took on board the views of Glenveagh management. Shareholder feedback on the policy and its implementation was sought through a consultation exercise in late 2021 and early 2022.

Implementation of the policy is reviewed every year, for example in terms of the performance measures and targets which apply to variable remuneration and the quantum of fixed remuneration. Proposals are presented to the remuneration committee and are subject to rigorous debate.

Conflicts of interest are avoided. Committee members are required to disclose any conflicts or potential conflicts ahead of committee meetings. No executive director or other member of management is present when his or her own remuneration is under discussion. The committee's external advisers are responsible for providing advice to the committee and not to management.

Remuneration of the non-executive directors (NEDs) is a matter for the board (excluding the NEDs) rather than the remuneration committee. From time to time the board (excluding the NEDs) reviews the fees payable to NEDs, taking into account any changes in board responsibilities and levels of fees paid to NEDs of similar companies to Glenveagh. No NED is involved in discussions regarding his or her own remuneration.

**Changes to the remuneration policy**
The key changes that are proposed to be made to the policy that was previously approved by shareholders at the 2021 AGM are set out below:

- Increase in the maximum annual bonus opportunity from 100% of base salary to 150% of base salary. For 2022, the bonus limit will be 150% of salary for the CEO and 125% of salary for the CFO.
- Introduction of bonus deferral, whereby one-third of any annual bonus earned will be deferred into shares for a period of two years.
- The LTIP opportunity is increased from 150% of base salary to 200%, with no separate limit applying in exceptional circumstances. For 2022, the intended LTIP award size for the CEO and CFO is 200% and 175% of base salary respectively.
- Pension contributions for the executive directors, currently set at 15% of base salary, will reduce to the average across the wider workforce (currently 5%) with effect from the end of 2022.
- The in-service shareholding requirement for the CEO has been increased from 200% to 300% of base salary.

- Post-employment shareholding requirements have been introduced. For a minimum period of two years after the cessation of their employment, the executive directors will be required to hold shares at a level of the lower of (1) the in-employment shareholding requirement in place at the time and (2) their actual shareholding at the time of departure. These requirements will 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.
- Enhanced malus and clawback provisions have been introduced to both the annual bonus scheme and the LTIP to ensure they are fully up to date with current best practice. Scenarios of serious reputational damage and corporate failure have been added as circumstances which will trigger the potential exercise of these provisions.
- The notice periods for the executive directors have been increased from six months to nine months.

**Components of remuneration for executive directors**
The following table outlines the key elements of the executive directors' remuneration policy.

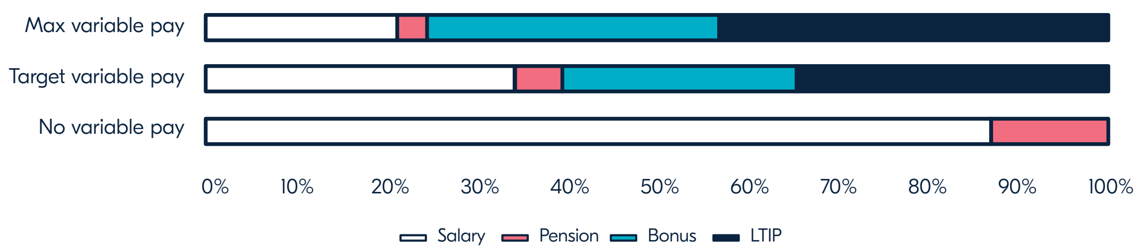
| Element/purpose | Operation | Maximum opportunity |
|---|---|---|
| **Fixed remuneration** | | |
| **Base salary** | | |
| To attract and retain high calibre individuals | Base salaries are normally reviewed by the committee annually in the last quarter of the year with any adjustments to take effect from 1 January of the following year.<br><br>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.<br><br>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 will normally reflect increases across the Group and in the market generally.<br><br>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 will be related 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. | For current executive directors, 15% of base salary, reducing to the rate attributable to the majority of the wider workforce (currently 5%) with effect from 1 January 2023.<br><br>Any new executive director appointed after the 2020 AGM will have their contribution rate set in line with the rate attributable to the majority of wider workforce. |



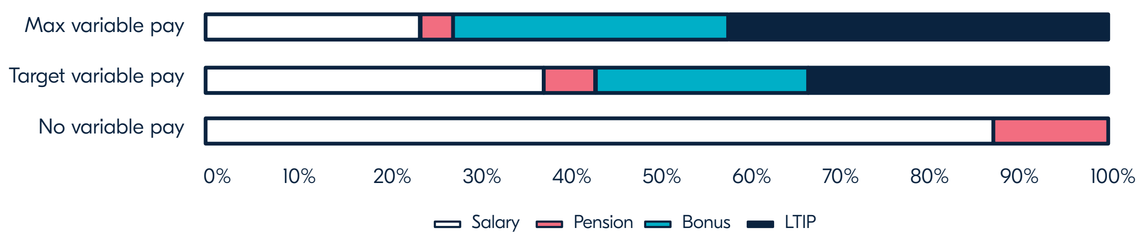
| Element/purpose | Operation | Maximum opportunity |
|---|---|---|
| **Variable remuneration** | | |
| **Annual bonus** | | |
| To reward the achievement of annual performance targets | Individuals will receive annual bonus awards based on the achievement of financial and/or non-financial targets. Threshold, target and maximum performance levels will be set, with pro-rata payments between the points based on relative achievement levels against the agreed targets.<br><br>The financial KPIs will 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.<br><br>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%.<br><br>For 2022, the committee intends to apply the following maximum opportunities as a percentage of base salary:<br><br>**CEO** 150%<br>**CFO** 125%<br><br>The amount payable for target performance is limited to 50% of the relevant maximum award opportunity.<br><br>Two-thirds of the annual bonus will be paid in cash, while one-third will be deferred into shares which vest after two years. No further performance targets apply to the deferred share but malus and clawback will apply to the shares during the deferral period. |
| **Long-term Incentive Plan (LTIP)** | | |
| 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.<br><br>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.<br><br>The LTIP involves the grant of nil-cost options over ordinary shares to participants based on a percentage of their gross base salary.<br><br>LTIP awards vest subject to the satisfaction of performance conditions over a three-year period. The committee selects the performance condition ahead of each grant taking into account Glenveagh's strategic priorities and business circumstances. A majority of the metrics chosen will be financial metrics.<br><br>Full details of the chosen metrics and specific targets for recent awards and for awards to be granted in 2022 are set out on page 104.<br><br>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.<br><br>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. | Subject to approval by shareholders at the 2021 AGM, the LTIP rules permit awards to be granted up to 200% of base salary.<br><br>The committee intends to make grants at the following levels in 2022 (as a percentage of base salary):<br><br>**CEO** 200%<br>**CFO** 175% |

**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 of being the leading sustainable homebuilding platform in Ireland.

The performance conditions which apply to the annual bonus scheme to operate in 2022 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. It is considered particularly important to use a measure which reflects the income statement impact of Glenveagh's timber frame and soil recovery assets and the debt facility which was negotiated in 2021.
- **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.
- **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.

For the LTIP award to be granted in 2022, the following performance conditions have been chosen:

- **Earnings per share:** This is a key measure of profitability. Growth in EPS over time reflects our ability to grow earnings responsibly while having due regards to the interests of shareholders.
- **Return on equity:** This 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.

The remuneration 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).
- 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 their 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).

As explained on page 96, the committee has decided to introduce a requirement for shares to be held 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 will be required to hold shares at a level of the lower of (1) the in-employment shareholding requirement in place at the time and (2) their actual shareholding at the time of departure. These requirements will 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.

**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 all 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 remuneration 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.

### 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.

### 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.

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 environmental and social responsibility committees.

The non-executive chairman will receive a fee of €200,000, inclusive of all additional fees, which for John Mulcahy is a €100,000 reduction on the €300,000 base salary he received in his role as executive chairman.

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

| | Role | € |
|---|---|---|
| John Mulcahy | Company chairman | 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 |
| Richard Cherry | Chair of the remuneration committee | 80,000 |
| Pat McCann | Chair of the nomination committee | 80,000 |
| Camilla Hughes | Chair of the environmental and social responsibility 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.

### Annual remuneration report for 2021
The following table illustrates remuneration awarded to directors for the financial year ended 31 December 2021:

| Name | Salary/fees (€) (1) | | Benefits (€) (2) | | Employer pension contribution (€) (3) | | Total fixed (€) | | Annual bonuses (€) (4) | | LTIP (€) | | Total variable (€) | | Total (€) | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| **Executive directors** | | | | | | | | | | | | | | | | |
| John Mulcahy | **300,000** | 300,000 | **18,500** | 18,500 | **-** | - | **318,500** | 318,500 | **222,750** | - | **-** | - | **222,750** | - | **541,250** | 318,500 |
| Stephen Garvey | **450,000** | 450,000 | **25,213** | 24,321 | **67,500** | 67,500 | **542,713** | 541,821 | **445,500** | - | **-** | - | **445,500** | - | **988,213** | 541,821 |
| Michael Rice | **315,000** | 315,000 | **16,270** | 15,926 | **47,250** | 47,250 | **378,520** | 378,176 | **311,850** | - | **-** | - | **311,850** | - | **690,370** | 378,176 |
| **Non-executive directors** | | | | | | | | | | | | | | | | |
| Robert Dix | **90,000** | 79,875 | **-** | - | **-** | - | **90,000** | 79,875 | **-** | - | **-** | - | **-** | - | **90,000** | 79,875 |
| Richard Cherry | **75,000** | 75,000 | **-** | - | **-** | - | **75,000** | 75,000 | **-** | - | **-** | - | **-** | - | **75,000** | 75,000 |
| Lady Barbara Judge CBE (5) | **-** | 52,500 | **-** | - | **-** | - | **-** | 52,500 | **-** | - | **-** | - | **-** | - | **-** | 52,500 |
| Pat McCann | **75,000** | 63,427 | **-** | - | **-** | - | **75,000** | 63,427 | **-** | - | **-** | - | **-** | - | **75,000** | 63,427 |
| Cara Ryan | **78,750** | 64,875 | **-** | - | **-** | - | **78,750** | 64,875 | **-** | - | **-** | - | **-** | - | **78,750** | 64,875 |
| Camilla Hughes (6) | **37,500** | - | **-** | - | **-** | - | **37,500** | - | **-** | - | **-** | - | **-** | - | **37,500** | - |
| **Total** | **1,421,250** | 1,400,677 | **59,983** | 58,747 | **114,750** | 114,750 | **1,595,983** | 1,574,174 | **980,100** | - | **-** | - | **980,100** | - | **2,576,083** | 1,574,174 |

(1) Amounts reflect salaries in respect of executive directors and directors' fees in respect of 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) The executive directors waived their entitlement to an annual bonus in 2020.
(5) Lady Barbara Judge OBE passed away on 31 August 2020.
(6) Camilla Hughes was appointed to the board on 1 July 2021.

### Total remuneration received for 2021
All elements of the remuneration received by the directors for 2021 were consistent with the directors' remuneration policy as approved by shareholders at the AGM in 2021. The salaries received by the executive directors and the fees received by the non-executive directors were as disclosed in the 2020 remuneration committee report. The bonus payments received by the executive directors in respect of 2021 reflected the achievement of the performance targets, as explained further below.

During the financial year ended 31 December 2021:

- There were no deviations from the procedure for implementing the remuneration policy.
- There were no derogations from the remuneration policy.
- 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 2020 and the directors' remuneration policy were the subject of advisory shareholder votes at the AGM in 2021. The resolutions were passed with the support of 99% and 100% 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 2021. 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 2021 are set out in the table on page 101.

The base salaries for the CEO and CFO from 1 January 2022 will be €600,000 and €400,000 respectively, as explained on page 92.

**Annual bonus**

**2021 outcome**
The executive directors participated in an annual bonus scheme for 2021 with performance measured against a mix of financial (60%) and non-financial (40%) performance conditions.

The specific targets that were set for the bonus scheme in 2021 are set out in the table below:

| Metric | Weight | % Payable | Targets | Performance achieved |
|---|---|---|---|---|
| **Revenue** | 20% | Threshold 25% | €331.7m | €476.8m |
| | | Target 50% | €368.5m | |
| | | Max 100% | €442.2m | |
| **Adjusted EBITDA** | 20% | Threshold 25% | €20.0m | €48.8m |
| | | Target 50% | €22.3m | |
| | | Max 100% | €26.7m | |
| **Adjusted EBITDA margin** | 20% | Threshold 25% | 5.5% | 10.2% |
| | | Target 50% | 6.0% | |
| | | Max 100% | 7.0% | |
| **Health and safety** | 20% | Threshold 25% | 65% audit score | 89% |
| | | Target 50% | 70% audit score | |
| | | Max 100% | 82.5%+ audit score | |
| **Customer satisfaction** | 20% | Threshold 25% | 75% survey score | 89% |
| | | 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 €980,100, being 99% of base salary for the CEO and the CFO and 74% of base salary for the executive chairman.



**2022 bonus arrangements**
As set out in the chair's statement, as part of the review of the remuneration policy the committee has made a number of changes to the measures against which annual bonus performance will be assessed for 2022. The measures and associated weightings will be as follows:

| Financial metrics | Weighting |
|---|---|
| PBT | 50% |
| Operating margin | 20% |

| Non-financial metrics | Weighting |
|---|---|
| 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 2022 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 new directors' remuneration policy, one-third of any bonus payable will be deferred into shares for two years.

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

**Awards granted in 2021**
To date, Michael Rice has been the only executive director to participate in the LTIP. During 2021 he received an LTIP award as set out in the table below.

| Award date | % of salary award | Grant date share price | Face value of award | Number of shares | Performance period | Date of vesting |
|---|---|---|---|---|---|---|
| **1 Apr 2021** | 100% | €0.91 | €315,000 | 399,493 | 1 Jan 2021 to 31 Dec 2023 | 1 Apr 2024 |


Barnhall Meadows
Leixlip, Co. Co Kildare

The performance conditions for this award are set out below:

| TSR performance (applies to 50% of the award) – compound growth per annum | Level of vesting |
|---|---|
| 12.5% | 100% |
| 6.25% | 25% |
| Less than 6.25% | Nil |
| Awards vest on a straight-line basis for performance between 6.25% and 12.5% | |

| EPS performance (applies to 50% of the award) – Adjusted EPS to be achieved in FY2023 | Level of vesting |
|---|---|
| 12.5c | 100% |
| 9.5c | 25% |
| Less than 9.5c | Nil |
| Awards vest on a straight-line basis for performance between 12.5c and 9.5c | |

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.

The TSR performance conditions for the award are the same as those applying to earlier LTIP awards and are considered appropriately challenging. As announced to the market on 1 April 2021, the committee delayed setting the EPS targets given the ongoing volatility and lack of visibility around longer-term performance due to the pandemic. The targets were agreed later in the year and announced to the market on 23 September 2021. The targets are the same as those which apply to the LTIP award granted in February 2020 (for which performance is measured as at the end of 2022). This approach was taken to reflect the reality that the restrictions put in place due to the pandemic effectively delayed by twelve months the expected progress of the business. The targets were in line with internal and external forecasts of performance at the time they were set, and are considered appropriately challenging.

**Awards to be granted in 2022**

In line with the new directors' remuneration policy, for 2022 the remuneration committee intends to grant an LTIP award at a level of 200% of base salary for the CEO and 175% of base salary for the CFO.

The performance conditions to apply to this award will be as follows:

| 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% | |

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.

**LTIP awards held by directors**

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

| Award date* | Share price used | Share awards held at 1 Jan 2021 | Awarded during the year | Vested during the year | Lapsed during the year | Share awards held at 31 Dec 2021 | Vesting date |
|---|---|---|---|---|---|---|---|
| 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 | 1 Apr 2024 |

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



The vesting of the award granted in April 2019 is subject to a performance condition based on the satisfaction of absolute total shareholder return (TSR) targets. The targets are the same as those which apply to the award granted in 2021, as set out in the relevant table above. Performance is measured over the three-year vesting period ending in April 2022. The performance outcome and the subsequent level of vesting will be disclosed in next year's remuneration committee report.

The vesting of the award granted in February 2020 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 2022. The specific targets were disclosed in the 2019 and 2020 remuneration committee reports and are the same as those which apply to the LTIP award granted in 2021, as set out in the relevant table above. The performance outcome and the 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 97), 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.

**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.

| | 2021 | 2020 | 2019 | 2018 | 2017(2) | % Change 2021 v 2020 |
|---|---|---|---|---|---|---|
| **Executive directors** | | | | | | |
| John Mulcahy | **€541,250** | €318,500 | €480,596 | €419,000 | €72,387 | **69.9%** |
| Stephen Garvey | **€988,213** | €541,821 | €750,439 | €564,401 | €93,309 | **82.4%** |
| Michael Rice | **€690,370** | €378,176 | €99,918 | - | - | **82.6%** |
| **Non-executive directors** | | | | | | |
| Robert Dix | **€90,000** | €79,875 | €75,000 | €75,000 | €16,438 | **12.7%** |
| Richard Cherry | **€75,000** | €75,000 | €75,000 | €75,000 | €16,438 | **-** |
| Pat McCann | **€75,000** | €63,427 | €20,000 | - | - | **18.3%** |
| Cara Ryan | **€78.750** | €64,875 | €20,000 | - | - | **21.4%** |
| Camilla Hughes (1) | **€37,500** | - | - | - | - | **N/A** |
| **Company performance** | | | | | | |
| Adjusted EBITDA | **€48.8m** | €9.6m | €31.9m | €(2.0)m | €(3.6)m | **408.3%** |
| Health and safety | **89%** | 88.0% | 75.0% | N/A | N/A | **1.1%** |
| Customer satisfaction | **89%** | 83.0% | 82.0% | N/A | N/A | **7.2%** |

(1) Camilla Hughes was appointed to the board on 1 July 2021.
(2) From period of incorporation 9 August 2017 to 31 December 2017.

**Alignment with shareholders**

**LTIP awards granted to executive directors from 2020 onwards are subject to a two-year, post-exercise holding period.**

Read more on page 97

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 | 2021 | 2020 | 2019 | 2018 | 2017[(1)] | % Change 2021 vs 2020 |
|---|---|---|---|---|---|---|
| Average remuneration employees of the Group | **€98,350** | €73,610 | €84,286 | €90,110 | €25,990 | **33.6%** |

(1) From period of incorporation 9 August 2017 to 31 December 2017.

**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 112 to 114 of the director's report. The table below sets out the interests of the directors and company secretary in ordinary shares of the Company as at 31 December 2021. As stated in the new directors' 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 | | Lapsed shares | | Ordinary shares under option** | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Name** | **2021** | 2020 | **2021** | 2020 | **2021** | 2020 | **2021** | 2020 | **2021** | 2020 |
| **John Mulcahy** | **2,682,766** | 2,682,766 | **18,100,684** | 18,100,684 | - | - | - | - | - | - |
| **Stephen Garvey** | **9,411,329** | 13,411,329 | **81,453,077** | 81,453,077 | - | - | - | - | - | - |
| **Michael Rice** | **23,333** | 23,333 | - | - | - | - | - | (225,000) | **1,050,386** | 650,893* |
| **Richard Cherry** | **1,371,069** | 1,371,069 | - | - | - | - | - | - | - | - |
| **Robert Dix** | **350,000** | 350,000 | - | - | - | - | - | - | - | - |
| **Cara Ryan** | **28,000** | 28,000 | - | - | - | - | - | - | - | - |
| **Pat McCann** | **70.000** | 70,000 | - | - | - | - | - | - | - | - |
| **Camilla Hughes** | - | - | - | - | - | - | - | - | - | - |
| **Chloe McCarthy** | - | - | - | - | - | - | - | (65,000) | **368,677** | 264,048* |

* The exercise price of the ordinary shares under options detailed above is €nil. The expiry date for the options granted during 2020 and 2021 are 7 years from 27 February 2023 and 31 March 2024 respectively.
** Shares under options include options from both LTIP and SAYE schemes.



**Founder share scheme**

This scheme was established in 2017 in advance of the Company's IPO to incentivise the three founders of Glenveagh (John Mulcahy, Stephen Garvey and Justin Bickle) to grow the business over the initial five-year period following listing.

Each of the founders holds a number of founder shares, which are a specific class of shares in the share capital of the Company, with their terms set out in the memorandum and articles of association. The founder shares are converted into ordinary shares (or a cash equivalent) subject to the achievement of a performance condition linked to Glenveagh's share price.

The scheme runs over the five years from 2018 to 2022. Performance is assessed separately over five separate test periods, with founder shares converting into ordinary shares based on performance in each test period. The test period is from 1 March to 30 June each year.

Under the performance condition, the closing Glenveagh share price must, for a period of 15 or more consecutive business days during the test period, exceed the adjusted issue price[32] by 12.5%. This percentage increase is measured on a compound basis.

If the performance condition is satisfied, the founders are entitled to convert founder shares into such number of ordinary shares which, at the highest average closing price of an ordinary share during the test period, have an aggregate value equal to the "founder share value." This is calculated as 20% of the TSR in the relevant period, being (i) the first time the performance condition is satisfied, the period from admission to the test period in which the performance condition is first satisfied and (ii) for subsequent test periods, the period from the end of the previous test period in respect of which founder shares were last converted or redeemed to the test period in which the performance condition is next satisfied.

The performance condition was satisfied during the first test period from 1 March 2018 to 30 June 2018, resulting in the conversion of founder shares into 18,993,162 ordinary shares in 2018. The performance condition was not satisfied during the test periods from 1 March 2019 to 30 June 2019, 1 March 2020 to 30 June 2020, and 1 March 2021 to 30 June 2021. As a result, there has been no conversion of founder shares into ordinary shares since 2018. The final test period for the scheme will be from 1 March 2022 to 30 June 2022.

Any shares converted in accordance with the terms and conditions of the founder share scheme are subject to a one year lock-up period, with 50% of the converted shares subject to a further one year lock-up period thereafter.

The table below sets out the ownership split between the holders of founder shares:

| Name | 31 December 2021 | 31 December 2020 |
|---|---|---|
| **Justin Bickle*** | 81,453,077 | 81,453,077 |
| **Stephen Garvey** | 81,453,077 | 81,453,077 |
| **John Mulcahy** | 18,100,684 | 18,100,684 |
| **Total** | **181,006,838** | **181,006,838** |

* Beneficially held by Durrow Ventures.

32 The adjusted issue price is defined as the IPO offer price (€1) as adjusted to reflect any subsequent consolidation or subdivision of ordinary shares or any allotment of ordinary shares pursuant to a capitalisation of profits or reserves.

# Nomination committee report

Pat McCann, chair, nomination committee

**Terms of reference**
The full terms of reference for the nomination committee are available on the Group's website.

**Committee meetings and attendance**
The committee meets at least once per annum, and additionally as circumstances require. The committee met on four occasions during 2021.

| Committee member | In attendance | Committee member as of |
|---|---|---|
| Pat McCann | 4/4 | 2020 |
| Robert Dix | 4/4 | 2020 |
| Richard Cherry | 4/4 | 2020 |
| John Mulcahy | 2/2 | 2021 |
| Cara Ryan | 3/3 | 2020 to 2021 |
| Camilla Hughes | 1/1 | 2021 |

**I am pleased to report on the main responsibilities of the nomination committee, how it has fulfilled these responsibilities during the year ended 31 December 2021, and its plans and intentions for the coming year.**

During 2021, there have been important changes to both the board and the executive leadership of Glenveagh. The committee engaged the executive search firm Korn Ferry to support the appointment process for a new independent non-executive director and we were delighted to welcome Camilla Hughes to the board on 1 July 2021.

At the 2021 AGM, John Mulcahy announced his intention to transition to the role of non-executive chairman with effect from 1 January 2022. Significant consideration was given to succession planning for the smooth transition of John's executive functions and the expansion of the Company's executive committee. From 1 January 2022, the executive directors Stephen Garvey and Michael Rice will be joined on the executive committee by Wesley Rothwell (chief commercial officer), Conor Murtagh (chief strategy officer), Barney O'Reilly (head of construction) and Tony McLoughlin (director of planning, design and manufacturing operations).

Looking ahead to 2022, the committee will continue to keep under review the leadership needs of the Company, both executive and non-executive, giving full consideration to succession planning for the board and its committees following the announcement on 5 January 2022 that Richard Cherry will step down as a non-executive director at the conclusion of the 2022 AGM.

**Roles and responsibilities of the committee**
The committee is responsible for 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.

The committee is also tasked with 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.

The committee promotes the development of greater diversity at board level, and it is tasked with reviewing the board diversity policy on an annual basis.

The committee also reviews 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.

**Areas of focus for the committee in 2021**

**Board appointment process**
As announced in the 2020 Annual Report, the key priority identified by the committee entering into 2021 was the selection and appointment process for a new independent non-executive director.

The committee worked with Korn Ferry, a leading independent recruitment firm engaged at the end of 2020, to identify a suitable list of potential candidates based on the candidate profile prepared and approved by the committee. In identifying the key candidate characteristics and experience required for this role, the committee took into account the existing balance of the board's skills, experience, gender and backgrounds.

The short listed candidates met with each of the committee members, following which the committee collectively identified Camilla Hughes as the preferred candidate and she then met with the executive directors. The recommendation by the committee that Camilla Hughes be appointed as a non-executive director of the Company with effect from 1 July 2021 was approved by the board and announced to the market on 30 April 2021.

**Executive succession planning**
The committee oversees the long-term succession planning for members of the executive committee and, following John Mulcahy's decision to step down from his executive duties at the end of the year, the committee met with the executive directors throughout 2021 to finalise succession plans, agreeing changes to the membership, composition and responsibilities of the executive committee for 2022.

**Board diversity**
Diversity continues to be a key focus area for the board and across the wider Group. The board diversity policy is reviewed annually by the committee and is taken into account in the committee's review of board balance and composition.
An overview of the board's diversity policy, as well as details on the diversity of the board and executive committee, can be found on page 86. Further details on diversity within the Group can be found on page 46.

**Annual board evaluation**
The committee reviews the size, structure and composition of the board during the year and, as part of its annual review, consideration was given to the results of the 2021 board performance evaluation process that related to the composition of the board.

Further details of the annual board evaluation can be found on page 86.

Following Richard Cherry's announcement in early 2022 that he does not intend to seek re-election to the board at the 2022 AGM, the committee is further reviewing the size, structure and composition of the board and its committees to ensure that the combination of skills, expertise and knowledge remains appropriate for the business.

**Pat McCann**
**Chair,**
**Nomination committee**

## The board diversity policy is reviewed annually by the committee and is taken into account in the committee's review of board balance and composition.

Barnhall Meadows
Leixlip, Co. Co Kildare

**Diversity**
**Diversity continues to be a key focus area for the board and across the wider Group.**
Read more on pages 46 and 86

# Environmental and social responsibility committee report

**Camilla Hughes**, chair, ESR committee

**Terms of reference**
The ESR committee's terms of reference are available on Glenveagh's website www.glenveagh.ie.

**Committee meetings and attendance**
The ESR committee met on two occasions during the financial year. The attendance of committee members is detailed in the table below.

| Committee member | No. of meetings | Committee member as of |
|---|---|---|
| Camilla Hughes | 2/2 | 2021 |
| Robert Dix | 2/2 | 2021 |
| Pat McCann | 1/2 | 2021 |
| Stephen Garvey | 2/2 | 2021 |

**On behalf of the committee I am pleased to present the environment and social responsibility (ESR) committee report for financial year ended 31 December 2021. This committee was established in July 2021 and comprises three independent non-executive directors; Camilla Hughes (Chair), Robert Dix and Pat McCann and the chief executive officer, Stephen Garvey.**

On occasion, special attendees were invited to attend all or part of committee meetings as deemed appropriate and necessary by the committee chair.

The committee focuses its efforts on assisting the board by proactively managing its core areas of responsibility: reviewing and monitoring the Group's environmental and social responsibilities and targets, and ensuring compliance with the evolving regulatory disclosure landscape in respect of sustainability. An overview of the committee's activities for the year has been summarised in the table below.

| Meeting | Item discussed |
|---|---|
| August | • Sustainability strategy update<br>• Benchmarking (ratings and peers)<br>• Preparing for future obligations<br>• Key risks and mitigants |
| November | • Update on group sustainability commitments<br>• UN Sustainable Development Goals<br>• Recent external developments e.g., Climate Action Plan, Net Zero standard from SBTi and the establishment of the International Sustainability Standards Board.<br>• Overview and approach to achieving our sustainability ambition<br>• Workplan for 2022 |

**Roles and responsibilites**
The committee is responsible for reviewing the environmental and social responsibility targets and areas of focus proposed by management and for ensuring compliance with the evolving regulatory disclosure land scape in respect of sustainability

It makes recommendations to the board regarding any action to be taken with regard to statutory prosecutions or notices in relation to environmental and community issues. It also considers budgetary and financial implications of the environmental social responsibilities strategy.

**Areas of focus for the committee in 2021**

**Strategy**
The committee reviewed the Group's sustainability strategy, its environmental and social responsibility targets and the progress being made against these in areas of focus as defined by management, which are as follows:

- Environmentally considerate and efficient operations
- Attracting, inspiring and investing in people
- Putting customer at the heart of what we do
- Keeping people safe
- Sustainable and responsible sourcing
- Creating sustainable homes and communities

In doing so, it also assessed the key risks which could impact the delivery of the strategy and the mitigants that are in place to address these.

The committee reviewed a benchmarking exercise to understand how the Group compares to its peers in terms of external ratings including MSCI, CDP as well as a number of ESG indicators such as carbon emissions, customer satisfaction, employee turnover and the gender pay gap.

## The committee also reviewed the workplan presented by management for the sustainability agenda in 2022.

The committee assessed the alignment of the Group's strategy to the UN Sustainable Development Goals (SDGs), as presented by management. Management plan to conduct a more detailed assessment of the SDGs in 2022.

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

**Compliance**
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 Corporate Sustainability Reporting Directive (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 environmental and social responsibility committee has made considerable progress in its first year and 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**

# Board of directors

## John Mulcahy (73)
Chairman

**Nationality:** Irish
**Date of appointment:** 11 August 2017

John Mulcahy is a chartered surveyor with over 40 years' experience in the Irish real estate sector. John is currently the chairman of IPUT plc and a member of the board of TIO ICAV. 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.

**Other appointments:**
- Chairman of IPUT plc
- Board member of TIO ICAV, and Quinta do Lago S.A., a Portuguese resort developer.

**Committee memberships:**
- Member of the nomination committee (1 year).

## Stephen Garvey (42)
CEO

**Nationality:** Irish
**Date of appointment:** 9 August 2017

Stephen Garvey was appointed chief executive officer in August 2019. Stephen is responsible for delivering on the Glenveagh's vision to create Ireland's leading and most sustainable homebuilder. 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 had led the growth and development of Glenveagh since IPO.

## Michael Rice (39)
CFO

**Nationality:** Irish
**Date of appointment:** 1 November 2019

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, IT, corporate governance and investor relations. He is a qualified chartered accountant with significant experience of finance management in both domestic and international environments.



## Richard Cherry (60)
Independent non-executive director and chair of the remuneration committee

**Nationality:** British
**Date of appointment:** 2 October 2017

Richard Cherry was formerly a director and chief executive of the partnerships business at UK housebuilder Countryside, where he worked for over 35 years until his retirement in September 2017. He served on the main board for 30 years and previously held the roles of group new business director and deputy chairman. He has significant experience in the real estate sector, including in the execution of partnership projects with public authorities and housing associations. Richard is a graduate of the University of Reading and is a Fellow of the Royal Institution of Chartered Surveyors.

**Other appointments:**
- Richard holds directorships at a small number of private companies including UK house builder Stonebond Properties where he is co-chairman.

**Committee memberships:**
- Chair of the remuneration committee (4 years).
- Member of the audit and risk committee (4 years).
- Member of the nomination committee (2 years).

## Pat McCann (70)
Independent non-executive director and chair of the nomination committee

**Nationality:** Irish
**Date of appointment:** 1 September 2019

Pat McCann 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. In 2007, Pat founded Dalata Hotel Group plc. 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.

**Other appointments:**
- Former CEO of Dalata Hotel Group plc (retired 31 October 2021)
- Non-executive director of Ibec and Quinn Property Group.

**Committee memberships:**
- Chair of the nomination committee (2 years).
- Member of the remuneration committee (2 years).
- Member of the environmental and social responsibility committee (1 year).

## Cara Ryan (49)
Independent non-executive director, chair of the audit and risk committee and workforce engagement director

**Nationality:** Irish
**Date of appointment:** 1 September 2019

Cara Ryan is an experienced 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 is a non-executive director of Mercer Ireland, where she chairs the risk committee, remuneration committee and is also a member of the audit committee. She is also a non-executive director of BNP Paribas Fund Administration Services in Ireland and is a member of the audit committee. Cara has experience in the house building industry and was the director of finance of Manor Park Homebuilders. 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.

**Other appointments:**
- Non-executive director and chair of the risk committee and remuneration committee and member of the audit committee of Mercer Ireland Limited.
- Non-executive director and chair of the audit committee of BNP Fund Administration Services in Ireland.
- Cara also holds non-executive directorships at a number of private companies.

**Committee memberships:**
- Chair of the audit and risk committee (2 years).
- Member of the remuneration committee (2 years).

## Camilla Hughes (52)

Independent non-executive director and chair of the environmental and social responsibility committee

**Nationality:** British
**Date of appointment:** 1 July 2021

Camilla Hughes is a highly experienced strategic and financial advisor, having spent over twenty-five years in investment banking and capital markets advising companies on transactions and shareholder engagement. Camilla currently provides independent strategic advice around all aspects of ESG considerations at Rothschild & Co in the global advisory business based in London and, prior to expanding her executive career, Camilla served as a corporate broker within UK investment banking at Credit Suisse. Camilla brings to the board her significant and diverse experience of financial markets and investor influences with in-depth knowledge and expertise in the real estate, consumer and technology sectors. She holds an MA (hons) in PPE, philosophy, politics and economics, from Oxford University and a certificate in sustainable finance from Cambridge University Institute for Sustainability Leadership.

**Committee memberships:**

- Chair of the environmental & social responsibility committee (1 year).
- Member of the remuneration committee (1 year).
- Member of the nomination committee (1 year).

## Robert Dix (69)

Senior independent director

**Nationality:** Irish
**Date of appointment:** 26 September 2017

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.

**Other appointments:**

- CEO of Sopal Limited.
- Non-executive director and chairman of Quinn Property Group.
- Non-executive director and chairman of the audit committee of Dalata Hotel Group plc.
- Robert also holds non-executive directorships at a number of private companies.

**Committee memberships:**

- Member of the audit and risk committee (4 years).
- Member of the nomination committee (2 years).
- Member of the environmental & social responsibility committee (1 year).

## Chloe McCarthy (37)

Company secretary

Chloe McCarthy 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.



# 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 2021.**

### 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, and is targeting delivery of 1,400 suburban homes in 2022 with a longer-term target of over 3,000 homes per annum. The landbank that Glenveagh has assembled can deliver housing that is both in demand and affordable.

Shareholders are referred to the chairman's letter, the CEO's review and the CFO's review on pages 8, 12 and 16, respectively, which set out management's review of the Group's operations and financial performance in 2021 and the outlook for 2022. These are deemed to be incorporated into the directors' report.

### Results and dividends

Group revenue for the year ended 31 December 2021 was €476.8 million (2020: €232.3 million), gross profit was €83.1 million (2020: €9.5 million), profit after tax was €37.7 million (2020: loss of €13.9 million) and basic earnings per share of 4.5 cent (2020: loss per share of 1.60 cent).

The Company did not pay a dividend during the financial year ended 31 December 2021 (2020: €nil).

### Key performance indicators

Group performance against 2021 key performance indicators is outlined in the table below. A detailed commentary incorporating key performance indicators is contained within the 'Our KPIs' section on page 20 in this annual report. The key performance indicators upon which particular emphasis is placed are listed below.

| | 2021 | 2020 | % change |
|---|---|---|---|
| **KPIs financial** | | | |
| Revenue | **€476.8m** | €232.3m | +**105.3%** |
| Adjusted EBITDA | **€48.8m** | €9.6m | +**408.3%** |
| **KPIs non-financial** | | | |
| Customer satisfaction | **89%** | 83% | +**7%** |
| Health and safety | **89%** | 88% | +**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 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 at pages 70 to 79 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 112 to 114.

In accordance with the provisions contained in the UK Corporate Governance Code, all directors will voluntarily retire and be subject to election by shareholders at the 2022 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 106.

### Share capital

The issued share capital of the Company as at 7 March 2022 consists of 730,366,645 ordinary shares and 181,006,838 founder 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 founder shares. Founder shares may be converted to ordinary shares (or an equivalent value in cash) in the future subject to the achievement of performance hurdles related to the Company's share price. Further information on the Company's share capital and the rights attaching to the different classes of shares is set out in note 25 to the consolidated financial statements.

The Group has a long-term incentive plan in place, the details of which are set out at page 100 of the remuneration committee report and in note 14 to the consolidated financial statements.

**Significant shareholdings**
As at 31 December 2021 and 7 March 2022, the Company has been notified of the following interests of 3% or more in its ordinary share capital:

| | | 31 December 2021 | | 28 February 2022 | |
|---|---|---|---|---|---|
| | Shareholder | Ordinary shares held | % | Ordinary shares held | % |
| 1 | Teleios Capital Partners | 121,032,991 | 15.68 | 121,032,991 | 16.50 |
| 2 | FIL Investment International | 82,919,782 | 10.74 | 80,765,022 | 11.01 |
| 3 | GIC | 64,649,008 | 8.38 | 64,649,008 | 8.81 |
| 4 | Rye Bay Capital | 47,749,719 | 6.19 | 45,843,516 | 6.25 |
| 5 | Lansdowne Partners | 39,763,757 | 5.15 | 39,315,772 | 5.36 |
| 6 | Pelham Capital Mgt | 32,398,255 | 4.20 | 35,169,985 | 4.79 |
| 7 | Paradice Investment Mgt | 30,784,569 | 3.99 | 27,339,957 | 3.73 |
| 8 | Man GLG | 30,358,429 | 3.93 | 30,746,064 | 4.19 |
| 9 | Helikon Investments | 23,359,197 | 3.03 | 19,687,208 | 2.68 |
| 10 | PM Capital | 23,351,180 | 3.03 | 23,351,180 | 3.18 |

**Accounting records**
The directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act, 2014 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 directors' remuneration and interests in the remuneration committee report on pages 91 to 107 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 founder share scheme and long-term incentive plan is set out below.

**Founder shares**
In the event of a change of control of the Company at any time prior to 30 June 2022 which results in an offer to all holders of shares, if the performance condition has been satisfied and such offer becomes unconditional in all respects, the founder shares shall convert into such number of ordinary shares which, at such offer price, have an aggregate value equal to his relative proportion of 20% of the total shareholder return (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.

**Long-term incentive plan**
The remuneration committee will determine the extent to which unvested awards 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 chairman's letter on pages 8 to 10, the CEO's review on pages 12 to 14, the CFO's review on pages 16 to 18 and the principal risks and uncertainties detailed on pages 70 to 79 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 83 to 87 and, for the purposes of s1373 of the Companies Act 2014, 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 UK Corporate Governance Code and the Irish Corporate Governance 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 Companies Act 2014 (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. In light of Covid-19 a number of extra 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 UK Corporate Governance 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 March 2025. 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 January 2022 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 68 to 79 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 30 to the consolidated financial statements.

**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 88 to 90.

**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 Annual General Meeting.

**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 7 March 2022.

**On behalf of the board**

**Michael Rice**
**Director**

**Stephen Garvey**
**Director**


Ruxton Oaks
Navan, Co. Meath


The Hawthorns
Tullamore, Co. Offaly



# Financial Statements

# 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 112 to 114 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 2021 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*

*7 March 2022*



# 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 31 December 2021 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 thereto. The financial reporting framework that has been applied in the preparation of the Group financial statements is Irish Law, including the Commission Delegated Regulation 2018/815 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, Irish Law and FRS 101 Reduced Disclosure Framework issued in the United Kingdom by the Financial Reporting Council.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and Company as at 31 December 2021 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 FRS 101 Reduced Disclosure Framework issued by the UK's Financial Reporting Council; 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 and Risk committee.

We were appointed as auditor by the directors on 21 August 2017. The period of total uninterrupted engagement is the 5 years ended 31 December 2021. 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 inherent risks to the Group's and Company's business model and analysed how those risks might affect the Group's and Company's financial resources or ability to continue operations over the going concern period.

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's 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.

In relation to the Group's 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.

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

#### Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, 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.

# Independent auditor's report
## to the members of Glenveagh Properties plc

In arriving at our audit opinion above, we have identified one the key audit matters, as follows:
Carrying value of Inventory €767.2 million (2020 - €821.2 million) and profit recognition
Refer to, page 137 (accounting policy for inventory) page 135 (accounting policy for expenditure) and page 150 (financial disclosures - inventory)

| 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.<br><br>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.<br><br>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.<br><br>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.<br><br>The Group recognises profit on each unit sale by reference to the overall expected margin to be achieved on the site.<br><br>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:<br>• 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.<br>• For all new land acquisitions, we inspected purchase contracts and agreed the costs of acquisition including related purchase costs.<br>• 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.<br>• We inspected the Group's NRV reports on a sample basis and challenged the key inputs and assumptions in the following ways:<br>a) We agreed a sample of forecast costs to purchase contracts, supplier agreements or tenders and other relevant documentation.<br>b) 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.<br>c) We enquired as to whether there were any site-specific factors which may indicate that an individual site could be impaired.<br>d) We inspected the Group's calculation of the impairment reversal recognised.<br>e) We evaluated the sensitivity of certain forecast development margins to a change in sales prices and costs and considered whether this indicated a risk of impairment of the inventory balance.<br>f) 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.<br>• 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.<br>• We considered the adequacy of the Group's disclosures regarding the carrying value of inventory.<br><br>We found that the profit margins recognised on completed sales during the year appropriately reflected the attributable costs of the units sold.<br><br>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 2021, and the related disclosures in respect of work-in-progress to be appropriate. |

Due to the nature of the Company's activities, there are no key audit matters that we are required to communicate in accordance with ISAs (Ireland).



Independent auditor's report
to the members of Glenveagh Properties plc

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

The materiality for the Group financial statements as a whole was set at €4.8 million (2020: €4.9 million). This has been calculated with reference to a benchmark of total assets which we consider to be one of the principal considerations for members of the Group in assessing the financial performance of the Group as the principal focus of the Group in the financial period has been the deployment of capital raised. Materiality represents approximately 0.5% of this benchmark. We report to the Audit and Risk Committee all corrected and uncorrected misstatements we identified through our audit with a value in excess of €0.2 million (2020 €0.2 million). We applied materiality to assist us determine what risks were significant risks and the procedures to be performed. In addition, we applied a lower specific materiality level of €2.1 million (2020: €1.1 million) for testing certain profit and loss items, representing approximately 0.5% of total revenues for the year. In our judgement, the application of this lower specific materiality is appropriate due to key performance indicators reported by the Group.

Materiality for the Company financial statements as a whole was set at €3.7 million (2020: €4.3 million). This was determined with reference to a 0.5% benchmark of total assets. We reported to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding €0.1 million (2019 €0.2 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.

### Other information

The directors are responsible for the preparation of 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, 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 directors' 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; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

### Disclosures of principal risks and longer-term viability

Based on the knowledge we acquired during our financial statements audit, we have nothing material to add or draw attention to in relation to:

- the Principal Risks disclosures describing these risks and explaining how they are being managed and mitigated;
- the directors' confirmation within the Viability Statement page 117 that they have carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity; and
- the directors' explanation in the Viability Statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

### Other corporate governance disclosures

We are required to address the following items and report to you in the following circumstances:

- Fair, balanced and understandable: if we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the Annual Report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;

# Independent auditor's report
## to the members of Glenveagh Properties plc

- Report of the Audit and Risk Committee: if the section of the Annual Report describing the work of the Audit and Risk Committee does not appropriately address matters communicated by us to the Audit and Risk Committee;
- Statement of compliance with UK Corporate Governance Code: if the directors' statement does not properly disclose a departure from provisions of the UK Corporate Governance Code specified by the Listing Rules of Euronext Dublin and the UK Listing Authority for our review;
- if the directors' statement relating to Going Concern required under the Listing Rules of Euronext Dublin and the UK Listing Authority set out on page 116 and 117 is materially inconsistent with our audit knowledge.

We have nothing to report in these respects.

In addition as required by the Companies Act 2014, we report, in relation to information given in the Corporate Governance Statement on pages 83 to 87, 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 purpose of our audit.

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

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

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

- the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made;
- the Company has not provided the information required by Section 1110N in relation to its remuneration report for the financial year 31 December 2020;
- 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 2020 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.

The Listing Rules of Euronext Dublin and the UK Listing Authority require us to review:

- the Directors' Statement, set out on page 117, in relation to going concern and longer-term viability;
- the part of the Corporate Governance Statement on pages 83 to 87 relating to the Company's compliance with the provisions of the UK Corporate Governance Code and the Irish Corporate Governance Annex specified for our review; and
- certain elements of disclosures in the report to shareholders by the Board of Directors' Remuneration Committee.

We have nothing to report in this regard.

### Respective responsibilities and restrictions on use

#### Directors' responsibilities

As explained more fully in their statement set out on page 120, 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's 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.




# Independent auditor's report
## to the members of Glenveagh Properties plc


### Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud, other irregularities or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud or other irregularities is higher than for one resulting from error, as they may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control and may involve any area of law and regulation and not just those directly affecting the financial statements.

A fuller description of our responsibilities is provided on IAASA's website at http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/Description-of-the-auditor-s-responsibilities-for.

### 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 our report, or for the opinions we have formed.

**Michael Gibbons**
7 March 2022
for and on behalf of KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2 Ireland

# Consolidated statement of profit or loss and other comprehensive income

## For the financial year ended 31 December 2021

| | Note | 2021 €'000 | 2020 €'000 |
|---|---|---|---|
| Revenue | 10 | 476,807 | 232,296 |
| Cost of sales | | (397,969) | (202,530) |
| Impairment reversal/(charge) | 19 | 4,219 | (20,291) |
| **Gross profit** | | 83,057 | 9,475 |
| Administrative expenses | | (32,490) | (22,188) |
| **Operating profit/(loss)** | | 50,567 | (12,713) |
| Finance expense | 11 | (4,845) | (3,033) |
| **Profit/(loss) before tax** | 12 | 45,722 | (15,746) |
| Income tax (charge)/credit | 16 | (8,020) | 1,844 |
| **Profit/(loss) after tax attributable to the owners of the Company** | | 37,702 | (13,902) |
| Other comprehensive income | | - | - |
| **Total comprehensive profit/(loss) for the year attributable of the owners of the Company** | | 37,702 | (13,902) |
| **Basic earnings/(loss) per share (cent)** | 15 | 4.48 | (1.60) |
| **Diluted earnings/(loss) per share (cent)** | 15 | 4.46 | (1.60) |



# Consolidated balance sheet

## as at 31 December 2021

| | Note | 2021 €'000 | 2020 €'000 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 17 | 27,230 | 21,087 |
| Intangible assets | 18 | 1,214 | 712 |
| Deferred tax asset | 16 | 403 | 1,415 |
| Restricted cash | 23 | 25,000 | 708 |
| | | 53,847 | 23,922 |
| **Current assets** | | | |
| Inventory | 19 | 767,194 | 821,169 |
| Trade and other receivables | 20 | 32,380 | 14,605 |
| Income tax receivable | | - | 21 |
| Restricted cash | 23 | 458 | - |
| Cash and cash equivalents | 26 | 116,176 | 137,276 |
| | | 916,208 | 973,071 |
| **Total assets** | | 970,055 | 996,993 |
| **Equity** | | | |
| Share capital | 25 | 952 | 1,052 |
| Share premium | 25 | 179,310 | 179,281 |
| Undenominated capital | 25 | 100 | - |
| Retained earnings | | 558,468 | 629,044 |
| Share-based payment reserve | | 45,251 | 44,129 |
| **Total equity** | | 784,081 | 853,506 |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Loans and borrowings | 22 | 80,622 | - |
| Lease liabilities | 27 | 81 | 287 |
| | | 80,703 | 287 |
| **Current liabilities** | | | |
| Trade and other payables | 21 | 57,488 | 42,237 |
| Income tax payable | | 7,692 | - |
| Loans and borrowings | 22 | 39,625 | 99,934 |
| Lease liabilities | 27 | 466 | 1,029 |
| | | 105,271 | 143,200 |
| **Total liabilities** | | 185,974 | 143,487 |
| **Total liabilities and equity** | | 970,055 | 996,993 |

On behalf of the board

*Michael Rice*
*Director*

*Stephen Garvey*
*Director*

*7 March 2022*

# Consolidated statement of changes in equity

## for the financial year ended 31 December 2021

| | Note | Share Capital | | Undenominated capital | Share premium | Share-based payment reserve | Retained earnings | Total equity |
|---|---|---|---|---|---|---|---|---|
| | | Ordinary shares €'000 | Founder shares €'000 | €'000 | €'000 | €'000 | €'000 | €'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 | 25 | (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 changes in equity

## for the financial year ended 31 December 2020

| | Note | Share Capital | | Share premium | Share-based payment reserve | Retained earnings | Total equity |
|---|---|---|---|---|---|---|---|
| | | Ordinary shares €'000 | Founder shares €'000 | €'000 | €'000 | €'000 | €'000 |
| **Balance as at 1 January 2020** | | 871 | 181 | 879,281 | 44,035 | (57,821) | 866,547 |
| **Total comprehensive loss for the financial year** | | | | | | | |
| Loss for the financial year | | - | - | - | - | (13,902) | (13,902) |
| Other comprehensive income | | - | - | - | - | - | - |
| | | 871 | 181 | 879,281 | 44,035 | (71,723) | 852,645 |
| **Transactions with owners of the Company** | | | | | | | |
| Equity-settled share-based payments | | - | - | - | 861 | - | 861 |
| Lapsed share options | 14 | - | - | - | (767) | 767 | - |
| Share premium reduction and transfer to distributable reserves | 25 | - | - | (700,000) | - | 700,000 | - |
| | | - | - | (700,000) | 94 | 700,767 | 861 |
| **Balance as at 31 December 2020** | | 871 | 181 | 179,281 | 44,129 | 629,044 | 853,506 |

# Consolidated statement of cash flows

## For the financial year ended 31 December 2021

| | Note | 2021 €'000 | 2020 €'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit/(loss) for the financial year | | 37,702 | (13,902) |
| *Adjustments for:* | | | |
| Depreciation and amortisation | | 2,406 | 2,031 |
| Impairment of inventories (reversal)/charge | 19 | (4,219) | 20,291 |
| Finance costs | 11 | 4,845 | 3,033 |
| Equity-settled share-based payment expense | 14 | 1,219 | 861 |
| Tax expense/(credit) | 16 | 8,020 | (1,844) |
| Loss/(profit) on disposal of property, plant and equipment | 12 | 1,707 | (33) |
| | | 51,680 | 10,437 |
| *Changes in:* | | | |
| Inventories | | 59,418 | 124 |
| Trade and other receivables | | (17,796) | (2,343) |
| Trade and other payables | | 14,306 | (13,916) |
| Cash used in operating activities | | 107,608 | (5,698) |
| Interest paid | | (4,009) | (2,638) |
| Tax refund/(paid) | | 705 | (3,201) |
| **Net cash generated from/(used in) operating activities** | | 104,304 | (11,537) |
| **Cash flows from investing activities** | | | |
| Acquisition of property, plant and equipment | 17 | (15,701) | (3,982) |
| Acquisition of intangible assets | 18 | (1,012) | (174) |
| Transfer from restricted cash | 23 | 250 | 792 |
| Transfer to restricted cash | 23 | (25,000) | - |
| Proceeds from the sale of property, plant and equipment | | 5,099 | 41 |
| **Net cash used in investing activities** | | (36,364) | (3,323) |
| **Cash flows from financing activities** | | | |
| Proceeds from loans and borrowings | 22 | 130,000 | 70,000 |
| Repayment of loans and borrowings | 22 | (107,500) | (10,000) |
| Transaction costs related to loans and borrowings | 22 | (2,993) | - |
| Purchase of own shares | 25 | (107,466) | - |
| Proceeds from exercise of share options | 25 | 29 | - |
| Payment of lease liabilities | 27 | (1,110) | (1,088) |
| **Net cash (used in)/generated from financing activities** | | (89,040) | 58,912 |
| **Net (decrease)/increase in cash and cash equivalents** | | (21,100) | 44,052 |
| Cash and cash equivalents at the beginning of the year | | 137,276 | 93,224 |
| **Cash and cash equivalents at the end of the year** | | 116,176 | 137,276 |



# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021

### 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 2021. 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 (IFRS) 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 (IFRS's) 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 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 the global pandemic and other macroeconomic factors have been considered in the Group's assessment of the carrying value of its inventories at 31 December 2021, 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 net realisable value calculations.

# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

## 4 Use of judgements and estimates (continued)

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

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 required an impairment reversal of €4.2 million in respect of its previously impaired non-core active sites. Further detail in respect of the reversal of impairment for the year 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% increase in estimated costs recognised in the year, which is considered to be reasonably possible, would reduce the Group's gross margin by approximately 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.

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 26 Financial instruments and financial risk management.

## 6 Changes in significant accounting policies

Amendments to standard IFRS 16 *Leases* are effective from 1 January 2020 but they do not have a material effect on the Group's financial statements.

### (i) New significant accounting policies

**(a) Interest Rate Benchmark reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)**

The Group has initially adopted Interest Rate Benchmark reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) effective from 1 January 2021. The reform does not have a material effect on the Group's financial statements.

The Group applied the Phase 2 amendments retrospectively. However, in accordance with the exceptions permitted in the Phase 2 amendments, the Group has elected not to restate comparatives for the prior year to reflect the application of these amendments. Since the Group had no transactions for which the benchmark rate had been replaced with an alternative benchmark rate as at 31 December 2020, there is no impact on opening equity balances as a result of the retrospective application.

***Specific policies applicable from 1 January 2021 for interest rate benchmark reform***
The Phase 2 amendments provide practical relief from certain requirements in IFRS Standards. These reliefs relate to modifications of financial instruments and lease contracts or hedging relationships triggered by a replacement of a benchmark interest rate in a contract with a new alternative benchmark rate.



# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

## 6 Changes in significant accounting policies (continued)

### (i) New significant accounting policies (continued)

**(a) Interest Rate Benchmark reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)** (continued)

***Specific policies applicable from 1 January 2021 for interest rate benchmark reform*** *(continued)*
The Group is not impacted by the amendments Phase 2 because the benchmark rate used by the Group is EURIBOR which was not affected by the amendments, therefore there is no material impact on the Group's financial statements as a result.

The details of the accounting policies are disclosed in note 8. See also note 26 for related disclosures about risks, financial assets and financial liabilities.

**(b) 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.

There have been no other changes to significant accounting policies during the financial year ended to 31 December 2021.

### (ii) Other standards

The following new and amended standards applicable for accounting periods commencing after 1 January 2023 are not expected to have a significant impact on the Group's consolidated financial statements.

- *IAS 37 Provisions, contingent liabilities and contingent assets:* Onerous contracts – cost of fulfilling a contract (amendment)
- *IAS 16 Property plant and equipment:* Proceeds before intended use (amendment)
- *IFRS 3 Business combinations:* Reference to the Conceptual Framework (amendment)
- *IAS 1 Presentation of financial statements:* Classification of liabilities as current or non-current (amendment)
- *IAS 8 Accounting policies, changes in accounting estimates and errors:* Accounting policies, changes in accounting estimates and errors definition (amendment)
- *IAS 1 Presentation of financial statements:* Amendments to IAS 1 presentation of financial statements and IFRS practice statement 2 making materiality judgements (amendment)
- *IFRS 16 Leases* – Covid-19 related rent concessions beyond 30 June 2021 (amendment)
- Annual improvements to IFRS standards 2018-2020
- *IFRS 17 Insurance contracts* – amendments to IFRS 17 insurance contracts (amendment)
- *IAS 12 Income taxes* – Deferred tax related to assets and liabilities arising from a single transaction (amendment)
- *IFRS 10 Consolidated financial statements and IAS 28 Investments in associates and joint ventures* – Sale or contribution of assets between an investor and its associate or joint venture (amendment)

## 7 Going concern

The Group has recorded a profit before tax of €45.7 million (2020: Loss of €15.7 million) which included a non-cash impairment reversal of €4.2 million relating to the Group's inventory balance, the comparative year loss included a non-cash impairment charge of €20.3 million. The Group has an unrestricted cash balance of €116.2 million (31 December 2020: €137.3 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 €120.0 million (31 December 2020: €25.0 million).

Management has prepared a detailed cash flow forecast in order 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 pages 71 to 79 of the Risk Management Report. The Group's business activities, together with the factors likely to affect its future development are outlined throughout our Strategic Report. Further disclosures regarding the Group's loans and borrowings are provided in note 22.

# Notes to the consolidated financial statements
## For the financial year ended 31 December 2021 (continued)

### 7 Going concern (continued)

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 the 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 programs as a result of the ongoing impact of Covid-19.

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.



# Notes to the consolidated financial statements
## For the financial year ended 31 December 2021 (continued)

### 8 Significant accounting policies (continued)

#### 8.2 Revenue (continued)

**(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.

#### 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.

# Notes to the consolidated financial statements

**For the financial year ended 31 December 2021** (continued)

## 8 Significant accounting policies (continued)

### 8.4 Taxation (continued)

**(ii) Deferred tax** (continued)

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 and other comprehensive income 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.

### 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 — computer software

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.

The assets' useful economic lives and residual values are reviewed and adjusted, if appropriate, at each reporting date.




# Notes to the consolidated financial statements

**For the financial year ended 31 December 2021** (continued)

## 8 Significant accounting policies (continued)


### 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 |
| Deposits for sites | Amortised cost |
| Restricted cash | 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 |

***Cash and cash equivalents***

Cash and cash equivalents include cash and short-term investments with an original maturity of three months or less. 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.

# Notes to the consolidated financial statements
## For the financial year ended 31 December 2021 (continued)

## 8 Significant accounting policies (continued)

### 8.10 Financial instruments (continued)

**Classification of financial instruments** (continued)

***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. Non-current restricted cash are minimum cash balances required under the terms of the debt facilities.

***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 sheet 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.

### 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.




# Notes to the consolidated financial statements
## For the financial year ended 31 December 2021 (continued)


## 8 Significant accounting policies (continued)

### 8.13 Leases (continued)

**(i) As a lessee** (continued)

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.

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 Government grants

Grants that compensate the group for expenses incurred are recognised in the consolidated statement of profit or loss and other comprehensive income by offsetting against expenses on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

### 8.15 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.

# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

### 8 Significant accounting policies (continued)

#### 8.16 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.

### 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. Approx. 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.

The Group has restated the previously reported segment information for the year ended 31 December 2020 with certain assets being allocated to reportable segments for comparability purposes at the reporting date.

#### Segmental financial results

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| *Revenue* | | |
| Suburban | **276,848** | 201,973 |
| Urban | **199,959** | 30,323 |
| Partnerships | **-** | - |
| **Revenue for reportable segments** | **476,807** | 232,296 |
| *Operating profit/(loss)* | | |
| Suburban | **36,153** | 15,399 |
| Urban | **33,426** | (15,662) |
| Partnerships | **(1,050)** | (1,166) |
| Operating profit/(loss) for reportable segments | **68,529** | (1,429) |
| *Reconciliation to results for the financial year* | | |
| Segment results – operating profit/(loss) | **68,529** | (1,429) |
| Finance expense | **(4,845)** | (3,033) |
| Directors' remuneration | **(2,576)** | (1,574) |
| Corporate function payroll costs | **(4,350)** | (2,741) |
| Depreciation and amortisation | **(2,406)** | (2,031) |
| Professional fees | **(3,451)** | (1,736) |
| Share-based payment expense | **(1,219)** | (861) |
| (Loss)/gain on sale of property, plant and equipment | **(1,707)** | 33 |
| Other corporate costs | **(2,253)** | (2,374) |
| **Profit/(loss) before tax** | **45,722** | (15,746) |

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

## For the financial year ended 31 December 2021 (continued)

### 9 Segmental information (continued)

#### Segment assets and liabilities

| | 31 December 2021 | | | | 31 December 2020 | | | |
|---|---|---|---|---|---|---|---|---|
| | Suburban €'000 | Urban €'000 | Partnerships €'000 | Total €'000 | As restated Suburban €'000 | As restated Urban €'000 | Partnerships €'000 | As restated Total €'000 |
| *Segment assets* | **613,168** | **183,848** | **2,519** | **799,535** | 527,461 | 300,422 | 467 | 828,350 |
| *Reconciliation to Consolidated Balance Sheet* | | | | | | | | |
| Deferred tax asset | | | | **403** | | | | 1,415 |
| Trade and other receivables | | | | **497** | | | | 8,132 |
| Income tax receivable | | | | **-** | | | | 21 |
| Cash and cash equivalents | | | | **116,176** | | | | 137,276 |
| Restricted cash | | | | **25,000** | | | | - |
| Property, plant and equipment | | | | **27,230** | | | | 21,087 |
| Intangible assets | | | | **1,214** | | | | 712 |
| | | | | **970,055** | | | | 996,993 |
| *Segment liabilities* | **-** | **-** | **-** | **-** | - | - | 46 | 46 |
| *Reconciliation to Consolidated Balance Sheet* | | | | | | | | |
| Trade and other payables | | | | **57,488** | | | | 42,191 |
| Loans and borrowings | | | | **120,247** | | | | 99,934 |
| Lease liabilities | | | | **547** | | | | 1,316 |
| Income tax payable | | | | **7,692** | | | | - |
| | | | | **185,974** | | | | 143,487 |

# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

### 10 Revenue

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| *Suburban* | | |
| Core | 276,848 | 201,300 |
| Non-core | - | 673 |
| | 276,848 | 201,973 |
| *Urban* | | |
| Core | 126,217 | 7,390 |
| Non-core | 73,742 | 22,933 |
| | 199,959 | 30,323 |
| **Total Revenue** | 476,807 | 232,296 |

The Group has represented the previously reported revenue information for the comparative year and has presented revenue as split between core and non-core by business segment. This split is in line with how internal reporting to the CODM is provided which has been in effect since H1 2020. Core suburban product mainly 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.

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 Castleforbes site and amounted to €8.2 million *(2020: €nil)* with €3.8 million *(2020: €Nil)* outstanding in contract receivables at the year end. The payment terms for this contract are 90 days.

All revenue is earned in the Republic of Ireland.

### 11 Finance Expense

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Interest on secured bank loans | 4,820 | 3,006 |
| Finance cost on lease liabilities | 25 | 27 |
| | 4,845 | 3,033 |

### 12 Statutory and other information

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Amortisation of intangible assets (note 18) | 487 | 406 |
| Depreciation of property, plant and equipment (note 17)* | 3,144 | 2,722 |
| Employment costs (note 13) | 33,481 | 24,400 |
| Loss/(profit) on disposal of property, plant and equipment | 1,707 | (33) |
| Audit of Group, Company and subsidiary financial statements** | 235 | 200 |
| Other assurance services | 15 | 15 |
| Tax advisory services | 23 | 78 |
| Tax compliance services | 33 | 31 |
| Other non-audit services | 6 | - |
| | 312 | 324 |
| **Directors' remuneration** | | |
| Salaries, fees and other emoluments | 2,461 | 1,459 |
| Pension contributions | 115 | 115 |
| | 2,576 | 1,574 |

* Includes €1.2 million (2020: €1.1 million) capitalised in inventory during the year ended 31 December 2021

** Included in the auditor's remuneration for the Group is an amount of €0.015 million *(2020: €0.015 million)* that relates to the Company's financial statements.





### 13 Employment costs

The average number of persons employed by the Group (including executive directors) during the financial year was 336 *(Executive Committee: 3; Non-executive Directors: 5; Construction: 176; and Other: 152). (2020: 315 (Executive Committee: 3; Non-executive Directors: 5; Construction: 188; and Other: 119))*

The aggregate payroll costs of these employees for the financial year were:

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Wages and salaries | 28,262 | 20,535 |
| Social welfare costs | 2,744 | 2,064 |
| Pension costs - defined contribution | 1,256 | 940 |
| Share-based payment expense (note 14) | 1,219 | 861 |
| | 33,481 | 24,400 |

€12.3 million *(2020: €11.2 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 25.

Following the completion of the fourth test period (which ran from 1 March 2021 until 30 June 2021), 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.

#### (b) LTIP

On 1 April 2021, the remuneration committee approved the grant of 3,998,475 options to certain members of the management team (which do not include the Founders) 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 TSR and Earnings per Share (EPS) across the vesting period. 50% of the awards will vest based on the Company's TSR with 50% based on EPS targets. The EPS based options will vest based on the Group's EPS* for the financial year ended 31 December 2023. 25% of TSR options vest once the 3-year annualised TSR reaches 6.25% per annum with the remaining options vesting on a pro rata basis up to 100% if TSR of 12.5% is achieved. 25% of EPS based options will vest should the Group achieve EPS* of 9.5 cents per share with the remaining options vesting on a pro rata basis up to 100% if EPS* of 12.5 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 2021 | Number of Options 2020 |
|---|---|---|
| LTIP options in issue at 1 January | 7,675,456 | 4,685,800 |
| Granted during the financial year | 3,998,475 | 5,185,560 |
| Forfeited during the financial year | (590,329) | (991,726) |
| Lapsed during the financial year | (381,595) | (1,204,178) |
| Exercised during the financial year | (118,510) | - |
| **LTIP options in issue at 31 December** | 10,583,497 | 7,675,456 |
| **Exercisable at 31 December** | 58,057 | - |

LTIP options were exercised during the financial year with the average share price being €0.99. The options outstanding at 31 December 2021 had an exercise price €0.001 *(2020: €0.001)* and a weighted-average contractual life of 7 years *(2020: 7 years)*.

# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

### 14 Share-based payment arrangements (continued)

#### (b) LTIP (continued)

The fair value of LTIP options granted in the period was measured using a Monte Carlo simulation. 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:

| | 2021 Tranche I | 2020 Tranche I |
|---|---|---|
| **Fair value at grant date** | **€0.49** | **€0.23** |
| Share price at grant date | €0.91 | €0.75 |
| Valuation methodology | Monte Carlo | Monte Carlo |
| Exercise price | €0.001 | €0.001 |
| Expected volatility | 36.1% | 26.6% |
| Expected life | 3 years | 3 years |
| Expected dividend yield | 0% | 0% |
| Risk free rate | -0.7% | -0.8% |

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 €1.2 million (*2020: €0.9 million*) in the consolidated statement of profit or loss and other comprehensive income in respect of options granted under the LTIP.

*(*Group EPS is defined as basic earnings per share as calculated in accordance with IAS 33 EPS 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.)*

#### (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.

*Details of options outstanding and grant date fair value assumptions*

| | 2021 Number of options 3 Year | 2021 Number of options 5 Year | 2020 Number of options 3 Year | 2020 Number of options 5 Year |
|---|---|---|---|---|
| SAYE options in issue at 1 January | 959,040 | 255,000 | 806,340 | 202,000 |
| Granted during the financial year | - | - | 355,500 | 90,000 |
| Cancelled during the financial year | (130,500) | (90,000) | (202,800) | (37,000) |
| Exercised during the financial year | (28,800) | - | - | - |
| **SAYE options in issue at 31 December** | **799,740** | **165,000** | 959,040 | 255,000 |

| | 2021 3 Year | 2021 5 Year | 2020 3 Year | 2020 5 Year |
|---|---|---|---|---|
| **Fair value at grant date** | N/A | N/A | €0.25 | €0.25 |
| Share price at grant date | N/A | N/A | €0.76 | €0.76 |
| Valuation methodology | N/A | N/A | Monte Carlo | Monte Carlo |
| Exercise price | N/A | N/A | €0.60 | €0.60 |
| Expected volatility | N/A | N/A | 34.3% | 35.5% |
| Expected life | N/A | N/A | 3 years | 5 years |
| Expected dividend yield | N/A | N/A | 0% | 1.37% |
| Risk free rate | N/A | N/A | -0.83% | -0.81% |

The weighted average exercise price of all options granted under the SAYE to date is €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 *(2020: €0.05 million)* in the consolidated statement of profit or loss in respect of options granted under the SAYE scheme.



# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

### 15 Earnings/(loss) per share

#### (a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) 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 771,770,694 ordinary shares in issue at 31 December 2021 (*2020: 871,333,550*).

| | 2021 | 2020 |
|---|---|---|
| Profit/(loss) for the financial year attributable to ordinary shareholders (€'000) | 37,702 | (13,902) |
| Weighted average number of shares for the financial year | 840,694,786 | 871,333,550 |
| **Basic earnings/(loss) per share (cent)** | **4.48** | (1.60) |

| | 2021* No. of shares | 2020 No. of shares |
|---|---|---|
| **Reconciliation of weighted average number of shares** | | |
| Number of ordinary shares at beginning of financial year | 871,333,550 | 871,333,550 |
| Effect of share buyback | (30,664,903) | - |
| Effect of SAYE maturity | 4,359 | - |
| Effect of LTIP maturity | 21,780 | - |
| | 840,694,786 | 871,333,550 |

#### (b) Dilutive earnings/(loss) per share

**Diluted earnings/(loss) per share**

| | 2021 | 2020 |
|---|---|---|
| Profit/(loss) for the financial year attributable to ordinary shareholders (€'000) | 37,702 | (13,902) |
| Weighted average number of shares for the financial year | 845,809,433 | 871,333,550 |
| **Diluted earnings/(loss) per share (cent)** | **4.46** | (1.60) |

| | 2021* No. of shares | 2020 No. of shares |
|---|---|---|
| **Reconciliation of weighted average number of shares (diluted)** | | |
| Weighted average number of ordinary shares (basic) | 840,694,786 | 871,333,550 |
| Effect of potentially dilutive shares | 5,114,647 | - |
| | 845,809,433 | 871,333,550 |

* The number of potentially issuable shares in the Group held under option or founder share arrangements at 31 December 2021 is 191,590,335 (*2020: 188,682,294*).

** Under IAS 33, founders shares and LTIP arrangements have an assumed test period ending on 31 December 2021. 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 2021 nil options (*2020: 1,202,040*) were excluded from the diluted weighted average number of ordinary shares because their effect would have been anti-dilutive.

On 16 November 2021, the Company announced a share buyback programme that is in progress at the financial year end. This programme has resulted in ordinary share transactions occurring after the balance sheet date. Please see note 30 for more details on the progress made in this programme subsequent to year end.

# Notes to the consolidated financial statements
## For the financial year ended 31 December 2021 (continued)

### 16 Income tax

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Current tax charge/(credit) for the financial year | 7,008 | (557) |
| Deferred tax charge/(credit) for the financial year | 1,012 | (1,287) |
| **Total income tax charge/(credit)** | 8,020 | (1,844) |

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.

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| **Profit/(loss) before tax for the financial year** | 45,722 | (15,746) |
| Tax charge/(credit) at standard Irish income tax rate of 12.5% | 5,715 | (1,968) |
| *Tax effect of:* | | |
| Income taxed at the higher rate of corporation tax | 2,141 | 40 |
| Non-deductible expenses – other | 298 | 359 |
| Adjustment in respect of prior year under/(over) accrual | 44 | (5) |
| Losses forward previously not recognised as deferred tax | (178) | - |
| Other adjustments | - | (270) |
| **Total income tax charge/(credit)** | 8,020 | (1,844) |

| Movement in deferred tax balances | Balance at 1 January 2021 €'000 | Recognised in profit or loss €'000 | Balance at 31 December 2021 €'000 |
|---|---|---|---|
| Tax losses carried forward | 1,415 | (1,012) | 403 |
| | 1,415 | (1,012) | 403 |

The tax losses arise in Ireland and have no expiry date. Based on the return to profitability in 2021, 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.



# Notes to the consolidated financial statements
## For the financial year ended 31 December 2021 (continued)

### 17 Property, plant and equipment

| | Land & buildings €'000 | Fixtures & fittings €'000 | Plant & machinery €'000 | Computer equipment €'000 | Total €'000 |
|---|---|---|---|---|---|
| *Cost* | | | | | |
| At 1 January 2021 | 15,263 | 1,162 | 9,045 | 694 | 26,164 |
| Additions | 10,000 | 62 | 5,958 | 32 | 16,052 |
| Disposals | (7,024) | (279) | (304) | (9) | (7,616) |
| **At 31 December 2021** | 18,239 | 945 | 14,699 | 717 | 34,600 |
| *Accumulated depreciation* | | | | | |
| At 1 January 2021 | (1,693) | (389) | (2,551) | (444) | (5,077) |
| Charge for the financial year | (922) | (197) | (1,866) | (159) | (3,144) |
| Disposals | 399 | 148 | 296 | 8 | 851 |
| **At 31 December 2021** | (2,216) | (438) | (4,121) | (595) | (7,370) |
| *Net book value* | | | | | |
| **At 31 December 2021** | 16,023 | 507 | 10,578 | 122 | 27,230 |

# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

### 17 Property, plant and equipment (continued)

| | Land & buildings €'000 | Fixtures & fittings €'000 | Plant & machinery €'000 | Computer equipment €'000 | Total €'000 |
|---|---|---|---|---|---|
| *Cost* | | | | | |
| At 1 January 2020 | 13,166 | 762 | 6,308 | 553 | 20,789 |
| Additions | 2,097 | 420 | 3,137 | 143 | 5,797 |
| Disposals | - | (20) | (400) | (2) | (422) |
| **At 31 December 2020** | **15,263** | **1,162** | **9,045** | **694** | **26,164** |
| *Accumulated depreciation* | | | | | |
| At 1 January 2020 | (779) | (228) | (1,396) | (244) | (2,647) |
| Charge for the financial year | (914) | (171) | (1,436) | (201) | (2,722) |
| Disposals | - | 10 | 281 | 1 | 292 |
| **At 31 December 2020** | **(1,693)** | **(389)** | **(2,551)** | **(444)** | **(5,077)** |
| *Net book value* | | | | | |
| **At 31 December 2020** | **13,570** | **773** | **6,494** | **250** | **21,087** |

The depreciation charge for the year includes €1.2 million (2020: €1.1 million) which was capitalised in inventory at 31 December 2021.

Property plant and equipment includes right of use assets of €0.5 million (2020: €1.3 million) related to leased properties and motor vehicles.

During the year, the Group entered into new lease agreements for the use of motor vehicles amounting to €0.3 million (2020: €0.3 million). In the prior year, the Group entered into new lease agreements for the use of land and buildings for its office facility in Maynooth, Co. Kildare. The land and buildings lease commenced in June 2020 for a duration of two years. On lease commencement, the Group recognised €1.8 million of right-of-use assets and lease liabilities.



# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

### 18 Intangible assets

| | Licence €'000 | Computer software €'000 | Total €'000 |
|---|---|---|---|
| *Cost* | | | |
| At 1 January 2021 | 149 | 1,359 | 1,508 |
| Additions | - | 1,038 | 1,038 |
| Disposals | (149) | (7) | (156) |
| **At 31 December 2021** | **-** | **2,390** | **2,390** |
| *Accumulated amortisation* | | | |
| At 1 January 2021 | (100) | (696) | (796) |
| Charge for the year | - | (487) | (487) |
| Disposals | 100 | 7 | 107 |
| **At 31 December 2021** | **-** | **(1,176)** | **(1,176)** |
| *Net book value* | | | |
| **At 31 December 2021** | **-** | **1,214** | **1,214** |

| | Licence €'000 | Computer software €'000 | Total €'000 |
|---|---|---|---|
| *Cost* | | | |
| At 1 January 2020 | 149 | 1,225 | 1,374 |
| Additions | - | 194 | 194 |
| Disposals | - | (60) | (60) |
| **At 31 December 2020** | **149** | **1,359** | **1,508** |
| *Accumulated amortisation* | | | |
| At 1 January 2020 | (100) | (330) | (430) |
| Charge for the year | - | (406) | (406) |
| Disposals | - | 40 | 40 |
| **At 31 December 2020** | **(100)** | **(696)** | **(796)** |
| *Net book value* | | | |
| **At 31 December 2020** | **49** | **663** | **712** |

# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

### 19 Inventory

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Land | **548,728** | 605,244 |
| Development expenditure work in progress | **204,458** | 201,917 |
| Development rights | **14,008** | 14,008 |
| | **767,194** | 821,169 |

€387.5 million (*2020: €198.9 million*) of inventory was recognised in 'cost of sales' during the year ended 31 December 2021. Sustainable materials such as heat pumps, 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. This assessment has resulted in an impairment reversal of €4.2 million for the year (2020: impairment of €20.3 million) at our previously impaired non-core active sites. The impairment reversal is 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.

In the prior financial year, the Group amended its sales strategy on its remaining high end, private customer units which was reflected in its net realisable value calculations at the balance sheet date. The revised sales strategy on these developments is to exit within 12 months versus in excess of 48 months at previously forecasted sales rates. The Group also identified three non-core assets which are also suited to higher ASP product on which construction has not commenced and has amended its exit strategy on these sites from development to site sale. This resulted in an impairment charge of €20.3 million being recorded in the prior year financial statements. This was recognised in cost of sales with €10.3 million allocated to land and the remainder (€10.0 million) allocated to work in progress.

#### (ii) Employment cost capitalised

€12.3 million of employment costs incurred in the financial year have been capitalised in inventory (*2020: €11.2 million*).

#### (iii) Development rights

**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 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 acquisition 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. The Directors have determined that joint control over both sites exists and the arrangements have been accounted for as joint operations in accordance with IFRS 11 Joint Arrangements. For further information regarding the APSA, see note 28 of these financial statements.

### 20 Trade and other receivables

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Trade receivables | **6,549** | 1,948 |
| Contract receivables | **3,825** | - |
| Other receivables | **2,172** | 1,985 |
| Prepayments | **698** | 462 |
| Construction bonds | **10,012** | 7,670 |
| Deposits for sites | **9,124** | 2,540 |
| | **32,380** | 14,605 |

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

## For the financial year ended 31 December 2021 (continued)

### 21 Trade and other payables

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Trade payables | **6,202** | 3,457 |
| Payroll and other taxes | **3,524** | 1,671 |
| Inventory accruals | **20,069** | 17,416 |
| Other accruals | **13,238** | 5,874 |
| VAT payable | **14,455** | 13,819 |
| | **57,488** | 42,237 |
| Non-current | **-** | - |
| Current | **57,488** | 42,237 |
| | **57,488** | 42,237 |

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.

### 22 Loans and Borrowings

#### (a) Loans and borrowings

In February 2021, the Group entered into a new 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%. The prior year debt facilities were fully repaid by the Group during the year and at 31 December 2021, €122.5 million had been drawn on the new debt facilities (31 December 2020: €100.0 million). Pursuant to the debt facility agreement, there is a fixed and floating charge in place over certain land assets of the Group as continuing security for the discharge of any amounts drawn down.

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Debt facilities | **122,500** | 100,000 |
| Unamortised borrowing costs | **(2,476)** | (104) |
| Interest accrued | **223** | 38 |
| **Total loans and borrowings** | **120,247** | 99,934 |

| **Loans and borrowings are payable as follows:** | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Less than one year | **39,625** | 99,934 |
| Between one and two years | **9,401** | - |
| More than two years | **71,221** | - |
| **Total loans and borrowings** | **120,247** | 99,934 |

The Group's debt facilities were entered into with AIB, Barclays and HSBC and are subject to primary financial covenants calculated on a quarterly basis:

- A maximum net debt to net assets ratio;
- Loans to eligible assets value;
- The Group is required to maintain a minimum cash balance of €25.0 million throughout the term of the debt facility; and
- A minimum EBITDA to net interest coverage ratio calculated on a trailing twelve month basis.

# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

### 22 Loans and Borrowings (continued)

#### (b) Reconciliation of movements of liabilities to cash flows arising from financing activities

| 2021 | | Cash flows | | | | | | | Non-cash changes | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Opening 2021 €'000 | Credit facility drawdown €'000 | Credit facility repayment €'000 | Transaction costs related to loans and borrowings €'000 | Share buyback payments €'000 | Proceeds from share option exercised €'000 | Payment of lease liability €'000 | Interest Paid €'000 | 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 |

| 2020 | | Cash flows | | | | Non-cash changes | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Opening 2020 €'000 | Credit facility drawdown €'000 | Credit facility repayment €'000 | Payment of lease liability €'000 | Interest Paid €'000 | Amortisation of transaction costs €'000 | Interest on RCF €'000 | Interest on lease liability €'000 | New leases €'000 | Closing 2020 €'000 |
| **Liabilities** | | | | | | | | | | |
| Loans and borrowings | **40,000** | 70,000 | (10,000) | - | - | - | - | - | - | **100,000** |
| Unamortised transaction costs | **(446)** | - | - | - | - | 342 | - | - | - | **(104)** |
| Lease liability | **595** | - | - | (1,088) | - | - | - | 27 | 1,782 | **1,316** |
| Interest accrual | **15** | - | - | - | (2,638) | - | 2,660 | - | - | **38** |
| | 40,164 | 70,000 | (10,000) | (1,088) | (2,638) | 342 | 2,660 | 27 | 1,782 | 101,250 |



# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

### 22 Loans and Borrowings (continued)

#### (c) Net funds reconciliation

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Restricted cash | **25,458** | 708 |
| Cash and cash equivalents | **116,176** | 137,276 |
| Loans and borrowings | **(120,247)** | (99,934) |
| Lease liabilities | **(547)** | (1,316) |
| **Total net funds** | **20,840** | 36,734 |

#### (d) Lease Liabilities

**Lease liabilities are payable as follows:**

| | 31 December 2021 | | |
|---|---|---|---|
| | Present value of minimum lease payments €'000 | Interest €'000 | Future value of minimum lease payments €'000 |
| Less than one year | **466** | **21** | **487** |
| Between one and two years | **80** | **-** | **80** |
| More than two years | **1** | **-** | **1** |
| | **547** | **21** | **568** |

### 23 Restricted cash

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Current | **458** | - |
| Non-current | **25,000** | 708 |
| | **25,458** | 708 |

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; and
- €25.0 million minimum cash balance which is required to be maintained throughout the term of the debt facility.

### 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 2021 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 |

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.

# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

### 25 Capital and reserves

#### (a) Authorised share capital

| | 2021 Number of shares | 2021 €'000 | 2020 Number of shares | 2020 €'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 | 200,000,000 | 200 |
| Deferred Shares of €0.001 each | 200,000,000 | 200 | 200,000,000 | 200 |
| | **1,400,000,000** | **1,400** | **1,400,000,000** | **1,400** |

#### (b) Issued and fully paid share capital and share premium

| 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** |

| At 31 December 2020 | Number of shares | Share Capital €'000 | Share premium €'000 |
|---|---|---|---|
| Ordinary Shares of €0.001 each | 871,333,550 | 871 | 179,281 |
| Founder Shares of €0.001 each | 181,006,838 | 181 | - |
| | **1,052,340,388** | **1,052** | **179,281** |

#### (c) Reconciliation of shares in issue

| In respect of current 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** |

| In respect of prior year | Ordinary shares '000 | Founder shares '000 | Share capital €'000 | Share premium €'000 |
|---|---|---|---|---|
| In issue at 1 January 2020 | 871,333 | 181,007 | 1,052 | 879,281 |
| Share premium transfer to distributable reserves | - | - | - | (700,000) |
| | **871,333** | **181,007** | **1,052** | **179,281** |

#### (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.



Notes to the consolidated financial statements

For the financial year ended 31 December 2021 (continued)

### 25 Capital and reserves (continued)

#### (d) Rights of shares in issue (continued)

**Founder shares** (continued)

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 fourth test period (which ran from 1 March 2021 until 30 June 2021), 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.

**Capital re-organisation**

In the prior financial year, further to resolutions passed by shareholders of the Company on 17 December 2019, the Irish High Court approved the Group's application on 16 March 2020 to redesignate €700.0 million of share premium to retained earnings to allow for future distributions under section 117 of the Companies Act 2014.

#### (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 LTIP 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 up to a further €100.0 million. As at 31 December 2021, the total number of shares purchased under the second buyback programme was 28,020,961 at a total cost of €33.1 million. 28,020,961 repurchased shares were cancelled in the year ended 31 December 2021. The programme may continue until 31 December 2022.

# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

### 26 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) with the exception of construction bonds.

**Financial instruments: financial assets**

| The consolidated financial assets can be summarised as follows: | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Trade receivables | 6,549 | 1,948 |
| Amounts recoverable on construction contracts | 3,825 | - |
| Other receivables | 2,172 | 1,985 |
| Construction bonds | 10,012 | 7,670 |
| Deposits for sites | 9,124 | 2,540 |
| Cash and cash equivalents | 116,176 | 137,276 |
| Restricted cash (current) | 458 | - |
| Restricted cash (non-current) | 25,000 | 708 |
| **Total financial assets** | **173,316** | 152,127 |

Cash and cash equivalents are short-term deposits held at variable rates.

**Financial instruments: financial liabilities**

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Trade payables | 6,202 | 3,457 |
| Lease liabilities | 547 | 1,316 |
| Inventory accruals | 20,069 | 17,416 |
| Other accruals | 13,238 | 5,874 |
| Loans and borrowings | 120,247 | 99,934 |
| **Total financial liabilities** | **160,303** | 127,997 |

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.



# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

### 26 Financial instruments and financial risk management (continued)

**Financial risk management objectives and policies** (continued)

**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 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 |

| | 31 December 2020 | | | | |
|---|---|---|---|---|---|
| | 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 | 1,316 | 1,377 | 1,078 | 295 | 4 |
| Trade payables | 3,457 | 3,457 | 3,457 | - | - |
| Inventory accruals | 17,416 | 17,416 | 17,416 | - | - |
| Other accruals | 5,874 | 5,874 | 5,874 | - | - |
| Loans and borrowings | 99,934 | 100,010 | 100,010 | - | - |
| | 127,997 | 128,134 | 127,835 | 295 | 4 |

# Notes to the consolidated financial statements

## For the financial year ended 31 December 2021 (continued)

## 26 Financial instruments and financial risk management (continued)

### Financial risk management objectives and policies (continued)

**Liquidity risk** (continued)

***Funds available***

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Debt facilities* (undrawn committed) | 120,000 | 25,000 |
| Cash and cash equivalents | 141,634 | 137,984 |
| | 261,634 | 162,984 |

*The Group's RCF contains a mechanism through which the committed amount can be increased by a further €50.0 million.

The Group's debt facilities are subject to primary financial covenants calculated on a quarterly basis:

- A maximum net debt to net assets ratio;
- Loans to eligible assets value;
- The Group is required to maintain a minimum cash balance of €25.0 million throughout the term of the debt facilities; and
- A minimum EBITDA to net interest coverage ratio 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. On 12 February 2021, the Group entered into a new debt facility agreement for a total of €250.0 million, the agreement has a term component of €100.0 million and a committed RCF 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%. €122.5 million *(2020: €100.0 million)* had been drawn on the facility at 31 December 2021. 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 2021 it is estimated that an increase of 100 basis points to EURIBOR would have decreased the Group's profit before tax by €1.1 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

## For the financial year ended 31 December 2021 (continued)

## 27 Leases

### (a) Leases as lessee (IFRS 16)

The Group leases a property and motor vehicles. The leases typically run for a period of 1 to 3 years, with an option to renew the lease after that date. Lease payments are renegotiated every 1 to 3 years to reflect market rentals.

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).

| | Property €'000 | Motor vehicles €'000 | Total €'000 |
|---|---|---|---|
| **2021** | | | |
| 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 |

| | Property €'000 | Motor vehicles €'000 | Total €'000 |
|---|---|---|---|
| **2020** | | | |
| Balance at 1 January | 280 | 293 | 573 |
| Additions to right-of-use assets | 1,455 | 303 | 1,758 |
| Depreciation charge for the year | (711) | (304) | (1,015) |
| **Balance at 31 December** | 1,024 | 292 | 1,316 |

**(ii) Amounts recognised in profit or loss**

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| **2021 — Leases under IFRS 16** | | |
| Interest on lease liabilities | 25 | 27 |
| Expenses relating to short-term leases | 46 | 12 |

**(iii) Amounts recognised in statement of cash flows**

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Total cash outflow on leases | 1,110 | 1,088 |

### (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.

## 28 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:

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Short-term employee benefits | 2,461 | 1,460 |
| Post-employment benefits | 115 | 115 |
| LTIP and SAYE share-based payment expense | 116 | 99 |
| | 2,692 | 1,674 |

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

**For the financial year ended 31 December 2021** (continued)

## 28 Related party transactions (continued)

### (ii) Other related party transactions

**Acquisition of development rights**

The Group entered into the APSA with 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.

The Directors have determined that joint control over both sites 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 The Square Shopping Centre, Tallaght, Dublin 24, Gateway Retail Park, Knocknacarra, Co. Galway and a third site, 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.

## 29 Commitments and contingent liabilities

### (a) Commitments arising from development land acquisitions

In addition to the contingent liabilities outlined in note 28 above, the Group had the following commitments at 31 December 2021 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 2021, the Group had contracted to acquire six development sites; one in County Wicklow, two in County Meath, two in County Kildare and one in North Dublin for aggregate consideration of approximately €29.8 million (excluding stamp duty and legal fees). Deposits totalling €8.3 million were paid pre-year end and are included within trade and other receivables at 31 December 2021.



Notes to the consolidated financial statements

For the financial year ended 31 December 2021 (continued)

## 30 Subsequent events

On 28 February 2022, the number of shares repurchased in the second share buyback programme had reached 67,415,760 shares for a cost of €81.4 million, bringing the total number of shares repurchased under the buyback programme to 139,104,965 at a total cost of €156.4m. All repurchased shares were cancelled.

## 31 Profit/(loss) of the parent company

The parent company of the Group 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 €0.031 million (for the year ended 31 December 2020: profit of €0.034m).

## 32 Approved financial statements

The board of directors approved the financial statements on 7 March 2022.

# Company balance sheet
## as at 31 December 2021

| | Note | 2021 €'000 | 2020 €'000 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Investments in subsidiaries | 3 | **7,143** | 5,924 |
| | | **7,143** | 5,924 |
| **Current assets** | | | |
| Trade and other receivables | 4 | **190** | 196 |
| Amounts owed by subsidiaries | 5 | **736,398** | 843,154 |
| Cash and cash equivalents | | **1,983** | 1,559 |
| | | **738,571** | 844,909 |
| **Total assets** | | **745,714** | 850,833 |
| **Equity** | | | |
| Share capital | 7 | **952** | 1,052 |
| Share premium | | **179,310** | 179,281 |
| Retained earnings | | **517,528** | 625,775 |
| Share-based payment reserve | | **45,251** | 44,129 |
| Undenominated capital | | **100** | - |
| | | **743,141** | 850,237 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 6 | **2,573** | 596 |
| **Total liabilities** | | **2,573** | 596 |
| **Total liabilities and equity** | | **745,714** | 850,833 |

# Company statement of changes in equity
## 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 | - | - | - | - | (97) | 97 | - |
| Exercise of options | - | - | - | 29 | - | - | 29 |
| Purchase of own shares | (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 |

# Company statement of changes in equity

## for the financial year ended 31 December 2020

| | Share capital Ordinary shares €'000 | Founder shares €'000 | Share premium €'000 | Share-based payment reserve €'000 | Retained earnings €'000 | Total equity €'000 |
|---|---|---|---|---|---|---|
| **Balance as at 1 January 2020** | 871 | 181 | 879,281 | 44,035 | (75,026) | 849,342 |
| **Total comprehensive income for the financial year** | | | | | | |
| Profit for the financial year | - | - | - | - | 34 | 34 |
| Other comprehensive income | - | - | - | - | - | - |
| | 871 | 181 | 879,281 | 44,035 | (74,992) | 849,376 |
| **Transactions with owners of the Company** | | | | | | |
| Equity-settled share-based payments | - | - | - | 861 | - | 861 |
| Lapsed share options | - | - | - | (767) | 767 | - |
| Share premium reduction and transfer to distributable reserves | - | - | (700,000) | - | 700,000 | - |
| | - | - | (700,000) | 94 | 700,767 | 861 |
| **Balance as at 31 December 2020** | 871 | 181 | 179,281 | 44,129 | 625,775 | 850,237 |



# Notes to the Company financial statements

## For the financial year ended 31 December 2021

## 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
- Disclosures in respect capital management

As noted in note 31 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 €0.03 million. (*2020: 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

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Investment in subsidiaries | 4,025 | 4,025 |
| Accumulated cost of share-based payments in respect of subsidiaries | 3,118 | 1,899 |
| | 7,143 | 5,924 |

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

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| VAT receivable | 56 | 38 |
| Prepayments and other receivables | 134 | 158 |
| | 190 | 196 |

# Notes to the Company financial statements

## For the financial year ended 31 December 2021 (continued)

### 5 Amounts due from subsidiaries

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Amounts due from subsidiaries | 736,398 | 843,154 |
| | 736,398 | 843,154 |

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.

### 6 Trade and other payables

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Trade payables | 128 | 16 |
| Accruals | 2,385 | 534 |
| Payroll and other taxes | 60 | 46 |
| | 2,573 | 596 |

### 7 Share capital and share premium

For further information on share capital and share premium, refer to note 25 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 26 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 28 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 28 of the consolidated financial statements.



# Supplementary Information

## For the financial year ended 31 December 2021

### 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 | 2021 €'000 | 2020 €'000 |
|---|---|---|---|
| Gross profit | Statement of profit or loss | 83,057 | 9,475 |
| Revenue | Note 10 | 476,807 | 232,296 |
| Gross margin percentage | | 17.4% | 4.1% |

Gross margin percentage is calculated after an impairment reversal of €4.2 million (2020: impairment charge of €20.3 million).

### 2 Core gross margin percentage

| | | 2021 €'000 | 2020 €'000 |
|---|---|---|---|
| **Suburban** | | | |
| Core revenue | | 276,848 | 201,300 |
| Non-core revenue | | - | 673 |
| Total revenue | Note 10 | 276,848 | 201,973 |

| | | 2021 €'000 | 2020 €'000 |
|---|---|---|---|
| **Urban** | | | |
| Core revenue | | 126,217 | 7,390 |
| Non-core revenue | | 73,742 | 22,933 |
| Total revenue | Note 10 | 199,959 | 30,323 |

| | | 2021 €'000 | 2020 €'000 |
|---|---|---|---|
| Core cost of sales | | (324,254) | (179,169) |
| Non-core cost of sales | | (73,715) | (23,361) |
| Total cost of sales | Statement of profit or loss | (397,969) | (202,530) |

| | 2021 €'000 | 2020 €'000 |
|---|---|---|
| Core gross profit | 78,811 | 29,521 |
| Core revenue | 403,065 | 208,690 |
| Core gross margin percentage | 19.6% | 14.1% |

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.

# Supplementary Information
## For the financial year ended 31 December 2021 (continued)

### 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.

| | Financial statements reference | 2021 €'000 | 2020 €'000 |
|---|---|---|---|
| Depreciation - capitalised | | **1,224** | 1,097 |
| Depreciation - expensed | | **1,920** | 1,625 |
| Total depreciation | Note 17 | **3,144** | 2,722 |

| | | 2021 €'000 | 2020 €'000 |
|---|---|---|---|
| Operating profit/(loss) | Statement of profit or loss | **50,567** | (12,713) |
| Impairment | Note 19 | **(4,219)** | 20,291 |
| Depreciation – expensed | As above | **1,920** | 1,625 |
| Amortisation | Note 18 | **487** | 406 |
| **Adjusted EBITDA pre-exceptional items** | | **48,755** | 9,609 |
| **Adjusted EBITDA margin pre- exceptional items** | | **10.2%** | 4.1% |

### 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 the Group's efficiency of returns generated from shareholder equity before taxation and is calculated as profit before tax attributable to shareholders divided by the average of opening and closing shareholders' funds.

### 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 Group 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 and nomination committee at its discretion, for items deemed not reflective of the Group's underlying performance for the period.



# Company Information

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### Directors

**Executive Directors**

John Mulcahy
Stephen Garvey
Michael Rice

**Non-Executive Directors**

Robert Dix
Richard Cherry
Camilla Hughes
Pat McCann
Cara Ryan

### Company Secretary

Chloe McCarthy

### Registered Office

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Digital Office Centre
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Moneycooly
Maynooth
Co. Kildare

### Registrars

Computershare Investor Services
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3100 Lake Drive
Citywest Business Campus
Dublin 24

### Auditor

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2

### Solicitor

A&L Goodbody
North Wall Quay
Dublin 1

Kane Tuohy
Hambleden House
19-26 Pembroke Street Lower
Dublin 2

Mason Hayes and Curran
South Bank House
Barrow St
Dublin 4

### Bankers

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Bankcentre
Ballsbridge
Dublin 4

Bank of Ireland
27-33 Upper Baggot Street
Dublin 2

Barclays Bank Ireland plc
2 Park Place
Hatch Street
Dublin 2

Ulster Bank
George's Quay
Dublin 2

### Website

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### Stockbrokers

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Glenveagh

**Home of the new.**

Cover image:
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