

## Nomination and Governance Committee Report

# Fostering a culture of diversity, equity and inclusion



**Donard Gaynor**

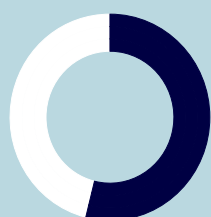
Nomination and Governance Committee Chair

### Committee members and Committee tenure

	Appointed to the Committee	Number of full years on the Committee
D Gaynor (Chair)	12 Dec 14	9
R Brennan	20 Jan 21	3
D O'Connor	12 Dec 14	9

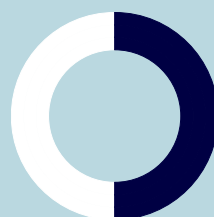
See pages 88 to 91 for more information on current Nomination and Governance Committee members.

### Board Gender as at 30 December 2023



Male – 54%  
Female – 46%

### Board Independence excluding the Group Chairman as at 30 December 2023



Independent – 50%  
Non-independent – 50%

### Terms of reference

The full terms of reference of the Committee can be found on the Group's website: [www.glanbia.com](http://www.glanbia.com) or can be obtained from the Group Secretary and Head of Investor Relations.

### Key responsibilities

Assessing the composition, structure and size (including skills, knowledge, experience and diversity) of the Board and its Committees and making recommendations on appointments and reappointments to the Board.

Planning for the orderly succession of new Directors to the Board and of senior management, taking into account the challenges and opportunities facing the Group, together with the variety of expertise and diversity required on the Board.

Keeping up to date and fully informed about strategic issues and commercial changes affecting the Group and the market in which it operates.

Keeping under review the leadership needs of the Group, both executive and non-executive, with a view to ensuring the continued ability of the Group to compete effectively in the market place.

Reviewing the talent capability across the Group.

Keeping the extent of Directors' other interests under review to ensure that the effectiveness of the Board is not compromised.

Overseeing the performance review of the Board, its Committees and individual Directors.

Keeping under review corporate governance developments with the aim of ensuring that the Group's governance policies and practices continue to be in line with best practice.

Ensuring that the principles and provisions set out in the Irish Corporate Governance Annex (the "Irish Annex") and the UK Corporate Governance Code 2018 (the "Code") (together the "Codes") (and any other governance code that applies to the Company) are observed and implemented.

Reviewing the disclosures and statements made in the Directors' Report to the shareholders.

Reviewing the results of the Board performance review.

## Nomination and Governance Committee Report continued

### Dear Shareholder,

On behalf of the Board and the Nomination and Governance Committee (the "Committee"), it is my pleasure to present the Nomination and Governance Committee Report for the year ended 30 December 2023.

The Committee had a busy year continuing its focus on succession planning, and overseeing a number of changes in the composition of the Board. We selected a successor to Siobhán Talbot and oversaw the selection and appointment process for a new independent non-executive director and also oversaw the appointment of a new Senior Independent Director.

Glanbia's values are at the heart of our business and culture, and for this to be the case, it is essential that the Board and each individual Director, our senior leadership team and our wider workforce share these values. We believe in leading by example, and it is a paramount responsibility of the Committee to oversee the review of the Board to ensure these values are being maintained and encouraged in every facet of our business.

We believe that Board members should bring a blend of expertise and skills with a variety of perspectives, to facilitate constructive discussions and effective, balanced decision-making. In this regard, the Committee keeps Board composition under constant review, continuously evaluating the composition, balance and performance of the Board and of its Committees, identifying and recommending to the Board the appointment of new Directors and Committee members to ensure that the Board and its Committees are comprised of an appropriate balance of independence, skills, knowledge, experience and diversity so that they are effective in discharging their responsibilities and in having holistic oversight.

The Committee also identifies the leadership needs of the Group, overseeing talent and succession plans for senior roles and monitors the Group's compliance with, and approach to, all applicable legal, regulatory and guidance related to corporate governance matters.

We consider the current size and composition of the Board to be

appropriate and that the Board as a whole has the appropriate blend of skills, knowledge and experience, from a wide range of industries, regions and backgrounds, necessary to effectively lead the Group. The Board skills matrix on page 101 provides valuable insights into our collective and individual strengths on the Board.

### Board appointments

One of the primary areas of focus of the Committee in 2023 was to oversee the selection and appointment of a new Chief Executive Officer and Executive Director to succeed Siobhán Talbot. On 16 August 2023, it was announced that after 10 years in the role, Siobhán Talbot would retire as Group Managing Director effective 31 December 2023. The process to appoint a new Chief Executive Officer involved reviewing both the internal talent pipeline, external talent landscape and working with an independent executive search firm, which is a signatory to the Voluntary Code of Conduct for Executive Search Firms and does not have any other connection with the Company or any individual Director. The search culminated in Hugh McGuire being announced as the incoming Chief Executive Officer effective 1 January 2024. Hugh has led Glanbia Performance Nutrition through an outstanding period of transformation, growth and performance over the last ten years and I look forward to working closely with him. Siobhán remained with the business until 26 January 2024 when she formally retired from the Group.

[Further information on the process of appointing the Chief Executive Officer can be viewed on page 123.](#)

The Committee also oversaw the appointment of a new Independent Non-Executive Director, following the retirement of Society-nominated Directors Patsy Ahern and John Murphy on 4 May 2023. The Committee led this process and was supported by an independent executive search firm, Egon Zehnder, which does not have any other connection with the Company or any individual Director. Gabriella Parisse, an Italian citizen residing and working in the USA was identified for this role and was appointed effective 1 June 2023. Gabriella brings significant experience in consumer brand development, the food ingredients industry and strategic leadership of multinational businesses.

There was also a number of changes to the composition of the Group's Committees in 2023. Further details are set out on page 125.

[Biographical details for Gabriella Parisse are set out on page 91.](#)

### Board review

During 2023, in line with our agreed triennial board review cycle, the Committee oversaw an external review of the effectiveness of the Board and its Committees. The results of this process were positive and provided the Board with assurance that it was operating effectively. Information on the review process and a summary of the outcomes of the Board review and the areas of focus for 2024 arising therefrom are set out in more detail on page 105.

### Committee aims for 2024

In 2024, Board composition, balance and diversity (both gender and ethnicity), senior management succession planning and governance oversight will continue to be priorities for the Committee.

We will continue to support the Board's broader oversight of talent and succession, ensuring that the frameworks through which the Board analyses and evaluates these matters are thorough, fair and robust. Additionally, the Committee will continue to lead Non-Executive Director search activity and Board renewal with an emphasis on diversity to ensure that at the appropriate time the Group can attract new Directors with the right balance of skills to support its future strategic priorities.

The following pages provide further details on the roles and responsibilities of the Committee and its governance duties.

On behalf of the Nomination and Governance Committee



**Donard Gaynor**  
Nomination and Governance Committee  
Chair

## Board composition and diversity

The Committee monitors Board composition, leadership and succession needs of the Group to ensure the Group has an effective board which provides the highest standards of governance to a globally diverse business and whose role is to promote the long-term sustainable success of the Group and to generate value for our shareholders. Many of our Board members have gained significant and relevant international industry specific experience throughout their careers and the Board reflects the need as outlined by the Code for an effective board to maintain a balance of skills knowledge and experience. Under the Relationship Agreement dated 5 May 2021, Tirlán Co-operative Society Limited (the "Society") has the right to nominate three Directors to the Board.

Critical to our success is ensuring a culture that complements the delivery of our strategy. The Board continues to focus on engendering a corporate culture that is more diverse, equitable and inclusive and on ensuring that this aligns with the Group's purpose, values and strategy. We strongly believe that diversity throughout the Group and at Board level is a key driver of business success. We recruit talented Board members who have the appropriate mix of skills, capabilities and market knowledge. When recruiting, we look across all sectors and non-traditional talent pools, and we require diversity on our shortlists.

Details of our Board diversity policy is contained on page 102. In 2020, the Group agreed that as new appointments are made, the target is that a minimum of 50% of the Independent (of the Society) Non-Executive Directors will be female. The Group continued to honour this commitment in 2023 with the appointment of Gabriella Parisse. As at 30 December 2023, the Board had met each of the FCA Listing Rules (LR) and the FTSE Women Leaders Review gender targets of achieving a minimum of 40% female representation on the Board, and the additional target of having at least one senior board position held by a female. The Group did not meet the FCA LR target of having at least one Director from a minority ethnic background as the Group concentrated its recent recruitment efforts on gender and nationality. Gender and ethnic diversity will remain a key focus for future Board recruitment.

## Governance in action

### CEO Appointment

An independent, executive recruitment agency was appointed to assist with the process.

### Assessment

Key skills and requirements for the role were prepared, reviewed and approved by the Nomination and Governance Committee taking into account the strategic objectives of Glanbia and its culture.

### Requirement

A preliminary assessment of potential external and internal candidates was conducted by the recruitment agency and reviewed by the Nomination and Governance Committee.

### Search

A list of potential external and internal candidates was reviewed by the Nomination and Governance Committee.

### Screening

The Group Chairman led the selection process which was reviewed and approved by the Nomination and Governance Committee.

### Remuneration

Remuneration arrangements for the CEO role were reviewed and approved by the Remuneration Committee in line with the Company's Remuneration Policy.

### Approval

The Nomination and Governance Committee recommended the appointment of Hugh McGuire as Glanbia's next Chief Executive Officer to be appointed on 1 January 2024. The Board unanimously approved the appointment and a regulatory announcement was released on 16 August 2023.

# Nomination and Governance Committee Report continued

## Succession planning

Oversight of succession planning is one of the Board's primary responsibilities, assisted by the Committee. The Committee leads a formal and transparent process for all Board appointments and is responsible for ensuring that plans are in place for orderly Board and senior management succession. In addition, the Committee ensures that the Group's governance framework facilitates the appointment and development of effective Directors and management that can deliver shareholder value over the longer term.

The Committee is also heavily focused on the leadership needs of the Group at senior management level and regularly receives updates from the Chief Human Resources Officer. Crucial to the successful delivery of our strategy is attracting and retaining strong, diverse talent who have an affinity to our culture. Our culture is a major contributing factor to the delivery of long-term success for our stakeholders and this makes the effective internal management of that talent absolutely critical to ensuring that Glanbia's unique culture is preserved as far as possible. The Committee plays a key role in embedding a positive culture by ensuring that our succession planning and appointment process identifies candidates who are exemplars of our values. Our induction and training programmes and the annual performance review process promotes these values in all of our Directors and employees.

A key area of focus of the Committee in 2023 was to oversee the selection and appointment of a new Chief Executive Officer and Executive Director to succeed Siobhán Talbot. On 16 August 2023 it was announced that after 10 years in the role, Siobhán Talbot would retire as Group Managing Director effective 31 December 2023. Hugh McGuire was announced as the incoming Chief Executive Officer effective 1 January 2024.

The Committee is satisfied that effective succession plans for Directors and senior management are in place to ensure the continued ability of the Group to implement strategy and compete effectively in the markets in which it operates in a manner that fosters the Company's culture and values.

## Independent Non-Executive Director appointment

In 2023, in accordance with the planned reduction of the Society's representation on the Board, an Independent Non-

## Governance in action

### Non-Executive Director appointment

Gabriella Parisse were appointed to the Board with effect from 1 June 2023. The key stages of the nomination process are outlined below.

### Assessment

The Nomination and Governance Committee assessed the skill set, experience and diversity on the Board, the requirements to meet the Group's strategic plans, together with the planned retirements from the Board over the coming years.

### Requirement

The Committee agreed to prioritise diversity of gender and nationality to enable the Company maintain its objective that 50% of the Independent (of the "Society") Non-Executive Directors be female. Such candidate would bring the following mix of skills and experience: marketing background with CEO, President, General Manager, or other commercial leader experience; US market experience; food ingredients industry experience; food or wider consumer products experience; previous board experience and a cultural fit.

### Search

The Nomination and Governance Committee and the Group Secretary and Head of Investor Relations led the search process and were assisted by global talent search firm, Egon Zehnder.

### Interview

A shortlist of potential candidates went through a two stage interview process meeting with the Group Chairman and the Group Secretary and Head of Investor Relations, initially. Second round interviews involving a number of Non-Executive Directors of the Company as well as the members of the Nomination and Governance Committee and the Executive Directors were undertaken.

### Approval

Following a successful interview round, and a check for any disclosures required under Listing Rule 6.1.66 of the Euronext Dublin Listing Rules and 9.6.13 of the FCA Listing Rules, the Group Chairman took independent references on the candidate and then discussed suitability with the Nomination and Governance Committee. The Nomination and Governance Committee then recommended the appointment to the Board for final approval.

Executive Director recruitment and selection process was undertaken to identify a new Independent Non-Executive Director, taking into account the Group's commitment to diversity at all levels of the organisation.

Egon Zehnder, global talent search firm, was engaged to assist in the identification of suitable candidates for appointment as a Non-Executive Director to the Board. Please refer to 'Governance in Action' on page 124 for a detailed description of the process.

### External directorships

The Board benefits from the experience and perspective that its Directors bring to the Group from other external appointments that they may hold. Board members are required to devote adequate time to performing their duties which includes preparation for and attendance at Board meetings, attendance at training and development sessions and visits to our sites. Prior to appointment, potential independent non-executive directors are required to disclose details of their other significant commitments to ensure that they have adequate capacity to commit to the position. Existing directors are required to obtain approval of the Board, prior to accepting any significant additional roles.

### Committee changes

There were a number of changes to the membership of the Board Committees in 2023:

- Gabriella Parisse was appointed to the Development Committee on 1 June 2023;
- Dan O'Connor was appointed Chair of the ESG Committee effective 30 December 2023 succeeding Donard Gaynor who remains a member of the ESG Committee;
- Siobhán Talbot retired from the ESG Committee on 30 December 2023; and
- Mark Garvey was appointed to the ESG Committee on 30 December 2023.

### Workforce Engagement Director

During 2019, the role of Donard Gaynor, an Independent Non-Executive Director (at that time, and now Group Chairman), was expanded to include oversight of workforce engagement to further improve Board involvement in this area and to gather employees views and communicate them to the Board so that employees' views can be considered in Board discussions and decision-making. Details of the Group Chairman's engagements with employees during 2023 are set out on page 96.

### Regular matters

A number of regular matters were considered by the Committee in accordance with its terms of reference, such as:

#### Review of Non-Executive Directors' independence in accordance with the guidance in the Codes

The Board review and review process considered the independence of each of the Non-Executive Directors, taking into account their integrity, objectivity and contribution to the Board and its Committees. A rigorous internal review was carried out in respect of those Non-Executive Directors who served longer than six years.

The Board is of the view that the following behaviours are essential for a Non-Executive Director to be considered independent:

- provides an objective, robust and consistent challenge to the assumptions, beliefs and views of senior management and the other Directors;
- questions intelligently, debates constructively and challenges rigorously and dispassionately;
- acts at all times in the best interests of the Company and its shareholders; and
- has a detailed and extensive knowledge of the Company and the Group's business and of the market as a whole which provides a solid background with which they can consider the strategy of the Company and the Group objectively and help the Executive Directors develop proposals on strategy.

The Board also gives due regard to applicable legislation. The Board and the Committee believe that all Non-Executive Directors demonstrated the essential characteristics of independence and brought independent challenge and deliberations to the Board.

The reviews took into consideration the fact that Donard Gaynor (who was independent on his appointment as Group Chairman), Dan O'Connor, Brendan Hayes, John G Murphy and Patrick Murphy have each served on the Board for more than nine years, a factor the Codes state could be relevant to the determination of a Non-Executive Director's independence. The Codes also make it clear, however, that a director may be considered independent notwithstanding these facts. This reflects the Board's view that independence is determined by the Director's character

as set out above. Nevertheless, Donard Gaynor (who was independent on appointment), Dan O'Connor and the Non-Executive Directors nominated by the Society are not considered by the Board to be independent for the purposes of the Codes.

#### Extension of tenure(s)

On 11 August 2021, the Board extended the tenure of Donard Gaynor as Group Chairman until 2025. The Board remain unanimous in its view that the Group Chairman continues to provide strong, objective and effective leadership to the Board notwithstanding that he has served on the Board for more than nine years. The Board believes that the extension of the Group Chairman's tenure for a limited period beyond nine years was warranted in this particular instance to facilitate effective succession planning and the development of a diverse board.

Dan O'Connor has indicated that he intends to remain on the Board until the 2025 AGM to facilitate ongoing Board succession planning.

#### Election or re-election of Directors

The Committee continues to be of the view that all Directors should be re-elected to the Board at the Company's AGM. Accordingly, all Directors are seeking election or re-election at the 2024 AGM. The Group Chairman has confirmed that each of the Directors continue to be effective members of the Board and demonstrate their commitment to their responsibilities. The Committee assessed the Non-Executive Directors' time commitment considering both the time required for Glanbia Board and Committee appointments and the number and nature of the Directors' external commitments. All Non-Executive Directors continue to demonstrate that they have sufficient time to devote to their present role on the Board. This was also a consideration of the Board in assessing potential candidates for the role of Independent Non-Executive Director in 2023.

#### Committee performance

The Committee assessed its performance covering its terms of reference, composition, procedures, contribution and effectiveness. The Board and Committee are satisfied that the Committee is functioning effectively and continues to meet its terms of reference. This view was supported by the external review of the Board and its Committee.