

NewERA

Annual Financial Review 2020/21



Gníomhaireacht Bainistíochta an Chisteáin Náisiúnta
National Treasury Management Agency

About Us

NewERA provides financial and commercial advice to Government Ministers and Departments in relation to State companies across a range of sectors. These companies are either designated to NewERA under legislation or NewERA provides advice to the relevant Government Ministers and Departments in relation to the companies by agreement - these companies are collectively referred to as the Portfolio or the Portfolio Companies. NewERA's approach is to facilitate an enhanced level of active ownership by the State as shareholder in the Portfolio Companies.



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NewERA Advisory Functions



Financial performance, return on capital and dividend policy



Effective and efficient use of capital



Corporate strategy



Capital and investment plans



Acquisitions, disposals, reorganisations, restructurings



Board appointments and remuneration

Portfolio Companies

- ▶ An Post
- ▶ Bord na Móna
- ▶ Coillte
- ▶ CIÉ
- ▶ daa
- ▶ Dublin Port
- ▶ EirGrid
- ▶ Ervia
- ▶ ESB
- ▶ Irish Water
- ▶ IAA
- ▶ Port of Cork
- ▶ Port of Waterford
- ▶ Shannon Foynes Port
- ▶ Shannon Group
- ▶ Vhi

** Port of Waterford has been included for the first time in the Annual Financial Review*



Introduction

Introduction

This report sets out an overview of the financial performance of the Portfolio Companies in respect of the reporting period spanning 2020/21¹ and the operational and financial challenges resulting from the Covid-19 pandemic. These challenges were particularly significant for An Post, CIÉ, daa, IAA and Shannon Group in 2020 and were ongoing in 2021. In working towards a sustainable economic recovery from the pandemic, climate action and the acceleration of the transition to a low carbon society remain in sharp focus.

A number of the Portfolio Companies have been materially impacted by the Covid-19 pandemic. The significant fall-off in demand for air transport has adversely impacted daa and Shannon Group, the Portfolio Companies with responsibility for managing Dublin and Cork airports and Shannon airport respectively, and also the IAA, which provides air traffic control and navigation services in Irish airspace. CIÉ's rail and bus public transport services were operated at a considerably reduced capacity for much of 2020 due to social distancing requirements. Reduced footfall also adversely affected An Post's post office retail business and the pandemic has led to an acceleration in the decline in the core mails business but an increased shift to e-commerce activity.

The resulting financial impacts from the Covid-19 pandemic are material at the overall Portfolio level with a €1bn reduction in turnover (-8.5%) driving a lower level of operating profitability of €0.8bn for 2020, a 53% reduction relative to 2019 (€1.7bn). Many of the Portfolio Companies sought to implement cost containment measures in response to the pandemic and a number also utilised Government funding supports which were made available in response to Covid-19 (e.g., wage subsidy schemes and waivers of commercial rates). For certain public transport services operated by CIÉ, there was also increased funding in 2020 due to the impact of Covid-19. Reported net profits after tax reduced from a combined €1.2bn in 2019 to €74m in 2020, a reduction of 94%. This mainly reflects the reduction in operating profitability but also an increased level of exceptional costs in the period.

Although there was improved profitability at an aggregate Portfolio level in the first half of 2021 based on interim financial results, Covid-19 continues to present significant challenges, noting for example that air traffic remains materially below pre-pandemic levels and public transport services were not operating at full capacity in the first half of 2021.

Significant impetus to accelerate the transition to a low carbon energy future existed before the onset of the pandemic and remains very much in focus in the context of the future economic recovery from the effects of the current crisis. The desire for a green recovery has been signalled as part of the European Green Deal², which seeks to ensure that economic growth is delivered in a way that is consistent with the sustainability agenda. This is also borne out in the Government Climate Action Plan 2021 (CAP 2021), which emphasises the need for climate resilience to be embedded as part of the recovery from Covid-19.

CAP 2021 also reiterates the clear expectation of climate action leadership by the public sector, and by extension, the commercial State sector. It includes an overview of the Climate Action Framework that has been designed by NewERA, the Department of the Environment, Climate and Communications (DECC) and the Department of Public Expenditure and Reform (DPER), in consultation with the commercial State sector. This framework is expected to be operational during 2022, subject to Government approval. As set out in CAP 2021, it comprises a series of five commitments by the companies and Ministers will communicate their expectations on climate action to the companies through the shareholder expectation letter.

¹ Appendix A sets out the latest annual and interim financial reporting dates for each of the Portfolio Companies. Collectively, the latest reported annual financial year ends span 2020 and, in one case, to March 2021. For simplicity, this report refers to the reporting period covering 2020/21 as 2020. A similar convention is applied for prior and current annual financial periods for reporting purposes.

² The European Green Deal is a set of policy initiatives by the European Commission with the overarching aim of making the European Union climate neutral by 2050.

The Portfolio at a Glance

The Portfolio consists of State companies which operate across a range of sectors and play a critical role in the Irish economy, supported by a workforce of over 39,000 employees.

Key Portfolio Assets and Activities

Energy



Regulated Electricity Networks

229,000km

of electricity lines including the interconnector to the UK

Regulated Gas Networks

14,000km

of gas pipelines including the interconnectors to the UK

Installed Generation Capacity

6GW

21% of which comprises renewable generation (wind, hydro, biomass, landfill gas)

Natural Resources

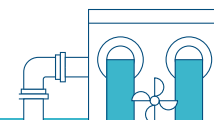


Forests and Peatlands

520,000ha

of forests (440,000 hectares) and peatlands (80,000 hectares), equivalent to c. 7.5% of the land cover of Ireland

Water



Regulated Water Networks

89,000km

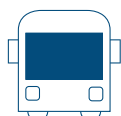
of water and wastewater pipelines

Other Water Infrastructure

c.7,000

water and wastewater assets including treatment plants, pumping stations and reservoirs

Rail & Bus



Passenger Journeys

139m

passenger journeys facilitated across bus and rail services in 2020 (2019: 281m)

Aviation



Passenger Journeys

9m

passenger journeys facilitated by Dublin, Cork and Shannon airports in 2020 (2019: 37m)

Flights Handled

0.5m

flights handled by air traffic controllers in Ireland in 2020 (2019: 1.1m)

Ports



Port Throughput

57m tonnes

of throughput handled in Ireland's Tier 1 ports in 2020 (2019: 58m)

Postal



Mail Volumes

c.550m

items of mail collected, delivered and forwarded annually in Ireland in 2020 (2019: c. 600m)

Health



Health Insurance

1.1m

private health insurance members

Key Financial Highlights 2020/21

In respect of their latest reported financial year ends along with interim six-monthly results³, the key financial highlights for the Portfolio Companies on a combined basis are set out below:



Operating Profit

€0.8bn (▼53%)

2019: €1.7bn

A material reduction in operating profit generated by the Portfolio Companies in 2020 relative to 2019 (-53%) primarily as a result of reduced revenues due to the impact of Covid-19, particularly for those companies operating in aviation and public transport given the significant reduction in passenger demand.

Combined operating profits for the first half of 2021 (€0.6bn) have increased overall relative to 2020 (€0.3bn). However, financial performance continues to be impacted for the Portfolio Companies involved in aviation, public transport and postal related activities.



Net Profit after Tax

€74m (▼94%)

2019: €1.2bn

A material reduction in the aggregate net profits after tax of €1.1bn or 94% period on period. This reflects the reduction in operating profitability (-€0.9bn) but also an increased level of exceptional costs in 2020 (-€0.3bn).



Invested Capital

€24.1bn (▲3%)

2019: €23.4bn

€24bn in capital invested in the Portfolio with a reduced level of return on invested capital (ROIC) for 2020 of 3.0% (2019: 6.6%) reflecting the lower operating profitability.



Gross Capital Expenditure

€2.70bn (▲1%)

2019: €2.68bn

Capital spend was broadly in line with the prior year notwithstanding Covid-19 related disruptions. Over 70% of 2020 investment levels relates to the energy sector companies and IW, reflecting the scale of their respective regulated asset investment programmes. Capital spend in the first half of 2021 was €1.15bn, slightly behind prior period spend levels (€1.19bn).



Dividends

€136m (▼49%)

2019: €267m

€136m of total dividends paid by the Portfolio Companies in 2020, €133m of that to the Exchequer. This represents a decrease of c. 49% versus 2019, which reflects the impact of Covid-19 but also a reduction in the level of special dividends. Special dividends are once off or exceptional items arising, for example, from proceeds relating to a disposal of assets.

³ Appendix A sets out the latest annual and interim financial reporting dates for each of the Portfolio Companies.

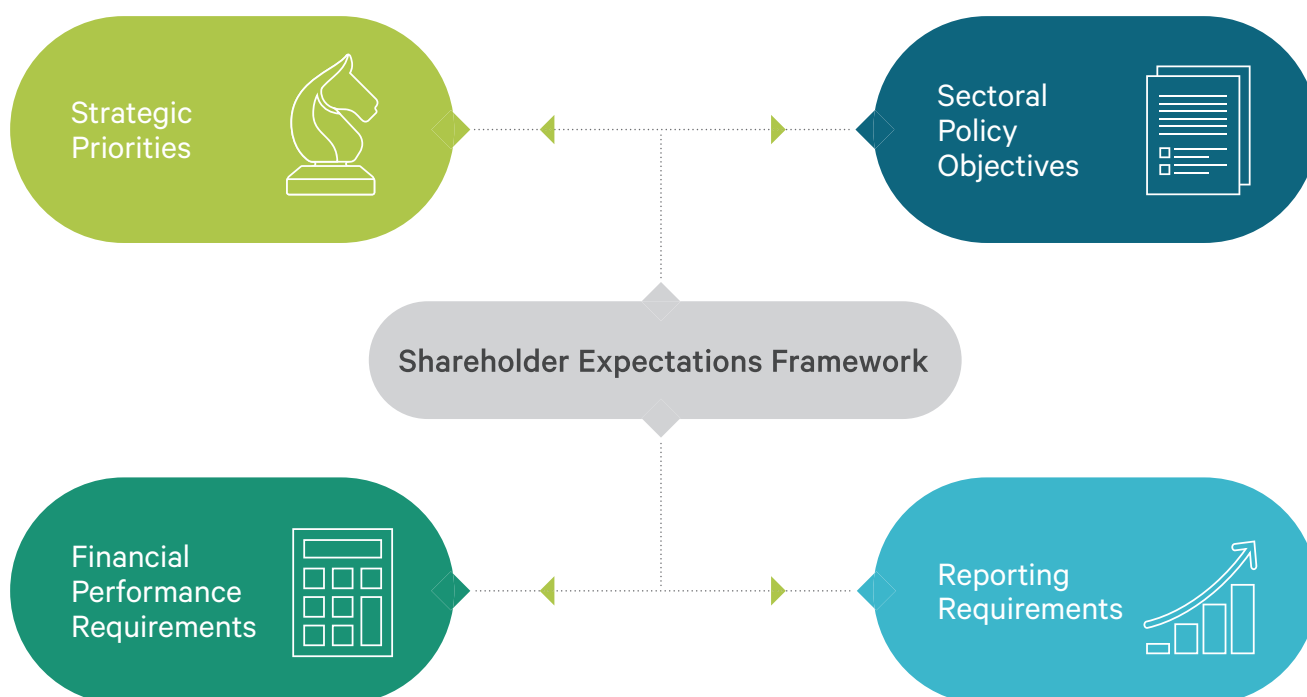


Shareholder Considerations

Shareholder Considerations

Together with the relevant Government Ministers and Departments, NewERA's approach is to facilitate an enhanced level of active ownership by the State as shareholder in the Portfolio Companies. This approach has regard to the OECD Guidelines on the Corporate Governance of State-Owned Enterprises, which include recommendations to ensure that such entities are operated efficiently, transparently and in an accountable manner.

One way in which this active ownership approach is achieved is via the Shareholder Expectations Framework, which communicates the Government's expectations, as shareholder, to the Chairperson and board of each of the Designated Companies by way of letter from the relevant Government Ministers. The Shareholder Expectations Framework is in use across the commercial State sector and generally encompasses four key elements.



From a shareholder perspective, the following areas are considered in this report: (i) the impact of Covid-19, (ii) sustainability and climate and (iii) gender representation.

The Impact of Covid-19

The Portfolio Companies were all impacted from an operational perspective at the immediate onset of the Covid-19 pandemic in March 2020. However, for those operating in the transport sector (CIÉ, daa, IAA and Shannon Group), it was extremely challenging throughout the remainder of 2020 due to the significant reduction in passenger and air traffic levels, and this continued during 2021. An Post has also been materially impacted by Covid-19, with a reduction in retail transactions at post office counters due to reduced footfall.

Aviation



Airport Passengers ↓78% (2020 v 2019)

Based on CSO data, the number of passengers handled by the five main Irish airports (this includes Dublin and Cork airports and Shannon airport, which are managed by daa and Shannon Group respectively) fell by 78% overall in 2020 relative to 2019.

Excluding Q1 2020, the level of reduction was 92% year on year, with the most material reduction occurring in Q2 2020 (-98%).

The sector rebounded slightly in Q3 2020 as international markets reopened in July 2020, but further periods of travel restrictions impacted activity for the remainder of 2020.

The degree of recovery in the first half of 2021 was limited with Q1 2021 and Q2 2021 both 94% lower relative to 2019 levels. There was an improvement in Q3 2021, although still 69% lower relative to 2019 levels.



Number of Flights ↓58% (2020 v 2019)

IAA reported that the number of flights it handled in Irish controlled airspace and around Dublin, Cork and Shannon airports reduced by 58% in 2020 (499k flights) relative to 2019 levels (1.1m flights).

Similar to the level of passengers handled, the reduction in flights handled was particularly pronounced in Q2 2020.

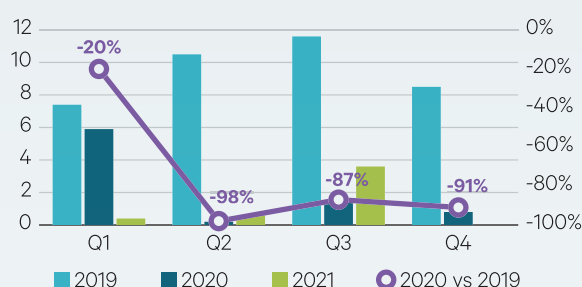
Some recovery was observed in the second half of the year and into 2021, noting a doubling in air traffic activity in Q2 2021 relative to Q2 2020 and further growth in Q3 2021 but remaining significantly below pre-pandemic levels.

Financial Impact and Outlook

The significant reduction in air traffic and passenger numbers materially impacted the financial performance of daa, IAA and Shannon Group in 2020 and had consequent funding implications with the need for cost containment measures to be implemented and Government supports availed of in a number of cases.

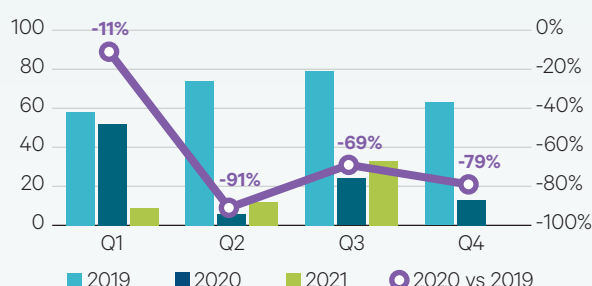
Looking forward, there remains considerable uncertainty over the shape and timing of the recovery in air traffic and passenger numbers which will depend on factors such as the future trajectory of Covid-19, international vaccine rollout, Government international travel policies, and economic recovery. It is likely these will remain below 2019 levels for some time.

Passengers Handled at Main Irish Airports (2019-2021 ytd, millions)



Source: CSO, Main Irish airports include Dublin, Cork, Shannon, Kerry and Knock

Flights Handled at Main Irish Airports (2019-2021 ytd, thousands)



Source: CSO, Main Irish airports include Dublin, Cork, Shannon, Kerry and Knock

Financial Metrics (€'m)	2020	2019	Δ
Turnover			
daa	291	935	▼644/69%
IAA	156	197	▼41/21%
Shannon Group	34	79	▼45/57%
Operating Profit (EBIT adjusted)			
daa	(193)	192	▼385
IAA	4	32	▼28
Shannon Group	1	25	▼24

Source: Portfolio Company Annual Reports

Public Transport



Rail & Bus Journeys ↓51% (2020 v 2019)

With CIÉ's services needing to be operated at a significantly reduced capacity during the periods of national lockdown (maximum 25% capacity) and phased restrictions (maximum 50% capacity), as well as reduced demand since the onset of Covid-19, the number of rail and bus passenger journeys reduced materially.

For rail and bus public transport services operated by the CIÉ Group (as shown in the adjacent chart), this represented a collective reduction of 51% in 2020 compared to 2019 levels.

Financial Impact and Outlook

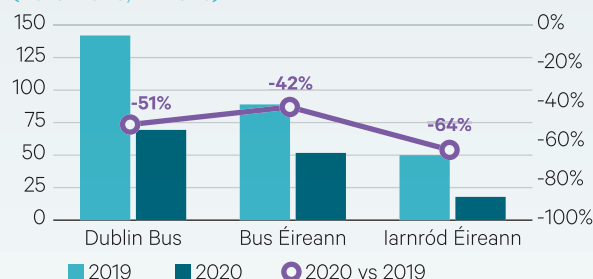
The significant reduction in passenger journeys, combined with the suspension of CIÉ Tours activities, meant a materially lower level of passenger fare revenues for CIÉ in 2020, reflected in the 46% reduction in non-Exchequer revenue in 2020 to €556m from €1bn in 2019.

To ensure the continued provision of public transport services, the shortfall in public transport fare revenue was to a large extent offset by the near doubling of Exchequer funding for Public Service Obligation (PSO) and other supported services from €329m in 2019 to €639m in 2020.

There may be some improvement in the 2021 passenger number statistics given that services are being operated at full capacity since September 2021.

Rail and Bus Passenger Journeys

(2019-2020, millions)



Source: CIÉ Annual Reports, BÉ Annual Report

Financial Metrics (€'m)	2020	2019	Δ
Turnover			
CIÉ Group Total	1,195	1,359	▼164
Of which:			
- Exchequer	639	329	▲310
- Non-Exchequer	556	1,030	▼474
By activity:			
- Dublin Bus	273	303	▼30
- Bus Éireann	397	425	▼28
- Iarnród Éireann	522	529	▼7
- CIÉ Tours	2	102	▼100

Postal



Parcel Postal Volumes ↑100% (2020 v 2019)

Over the last decade or so, a shift from letters to parcels has been reported by postal operators globally, with the Universal Postal Union (UPU) pointing to the expectation that the continuous decline in letter post volumes will intensify. Meanwhile Covid-19 has led to an acceleration in consumer behavioural change; with limited physical interactions, consumers increasingly shifted to e-commerce activity with a consequent acceleration in parcel volumes, and a significant reduction in the volume of transactions carried out in the physical post office network.

This acceleration is borne out in the operational statistics reported annually by An Post. Over the period 2017-2019, An Post reported that the annual increase in parcel volumes ranged between 30% and 40%. In 2020, parcel volumes were 100% higher than 2019. In the Retail business, transactions at post office counters in 2020 were €1bn (or 7%) lower than 2019.

Financial Impact and Outlook

Although turnover did increase year-on-year due mainly due to higher packet and parcel volumes from a surge in e-commerce activity, there was a significant negative financial impact arising from Covid-19, in the order of €50m according to An Post from an operating profit perspective. This was due to increased operating costs, the postponement of a planned stamp price increase and reduced customer footfall in the retail network.

An Post Operational Statistics (2017-2020)

	Core Mail Volumes	Parcel Volumes	Retail Transactions
	Annual % change	Annual % change	Annual value
2017	▼8.0%	▲30%	= €14bn
2018	▼7.3%	▲40%	= €14bn
2019	▼6.3%	▲30%	= €14bn
2020	▼7.1%	▲100%	▼€13bn

Financial Metrics (€'m)	2020	2019	Δ
Turnover	916	892	▲24
Operating Profit (EBIT adjusted)	(11)	42	▼53
PAT (reported)	(18)	66	▼84

Source: An Post Annual Reports

The impacts of Covid-19, both positive in terms of continued parcel growth and negative in terms of reduced demand for services in post offices and increased operating costs, continued into 2021. New headwinds have also emerged in the form of the impact of Brexit on parcel processing and changes in customs requirements. The acceleration in sectoral trends, both in terms of core mail and parcel volumes, is expected to continue.

Sustainability and Climate

Overview

The State continues to expect Portfolio Companies to be exemplars in terms of responsible and sustainable business practice. This expectation remains in focus both in the context of the significant impetus for climate action that existed before the onset of the Covid-19 pandemic but also now in terms of future economic recovery from the effects of that crisis. Across Europe, the desire for a green recovery from the pandemic has long been signalled in order to ensure that economic growth is delivered in a way that is consistent with the sustainability agenda. For the Portfolio Companies, the publication of the CAP 2021 is a key development.

The Climate Action Plan 2021

CAP 2021, which builds upon the Climate Action Plan 2019 (CAP 2019), underpins the ambition to deliver a step-change in Ireland's emissions performance over the coming decade to 2030 and to position the State to meet its 2050 decarbonisation ambitions.

The Government has outlined its view that the leadership role public bodies can play in taking early action on climate is fundamental to achieving Ireland's decarbonisation goals and the Climate Action and Low Carbon Development (Amendment) Act 2021 requires all public bodies to perform their functions in a manner consistent with Ireland's climate ambitions. The climate action agenda will remain a key priority for the Government and the boards of the Portfolio Companies over the period to 2030 and beyond. For the Portfolio Companies, the transition to a low carbon energy future affects some more than others, with the impact being particularly considerable for those operating in the energy sector given the relative nature and scale of the climate-related risks and opportunities they face.

The following aspects of CAP 2021 continue to be of particular relevance for the Portfolio Companies given the sectors in which they are operating and the opportunities and challenges they present:



- ▶ **Coal and peat-fired power generation:** Two of the three peat-fired power stations in the Midlands region ceased operations at the end of 2020 and the third, Bord na Móna's Edenderry Power Station is scheduled to co-fire using biomass and peat until 2023. In 2021, ESB announced the planned transformation of the Moneypoint site into a green energy hub with planned renewable technologies including floating offshore wind and green hydrogen. The Moneypoint power station, Ireland's only coal fired plant, had been due to cease coal burning in 2025 but, per a recent Government policy statement, it is expected that Moneypoint will remain available to generate electricity beyond 2025, but only until it is replaced by new generation capacity.
- ▶ **Just Transition for the Midlands:** Recognising the impact of the transition away from fossil fuels and the cessation of peat extraction for power generation, a just transition implementation plan is set out in CAP 2021 for the Midlands. An EU Just Transition Fund was established as part of the EU Green Deal and Ireland has secured €84.5m under that fund for investments over the period 2021-2027.
- ▶ **Increased ambition to deliver a higher proportion of renewable electricity:** The revised target for the proportion of renewable electricity is 80% by 2030 (up from 70%) and CAP 2021 reflects the increased ambition with the target of at least 5GW in offshore wind to be delivered by 2030 (up from 3.5GW in CAP 2019). Onshore wind (up to 8GW) and solar (1.5-2.5GW) capacity is also needed. Three of the Portfolio Companies are involved in the delivery of renewable generation capacity, namely Bord na Móna, Coillte and ESB.
- ▶ **Enabling Renewables:** CAP 2021 acknowledges that increasing the share of electricity demand generated by renewable sources is challenging given the rapid growth in demand for power but also the need to ensure that the security of supply is not compromised. Key enabling areas to absorbing and supporting the high level of renewables on the system include:
 - The reinforcement of the grid through the addition of lines, substations, and new technologies.
 - The facilitation of flexible demand side management through the ongoing National Smart Metering Programme.
 - The delivery of interconnection to Northern Ireland, Great Britain and France.
 - The deployment of complementary or enabling technologies (e.g. battery storage, renewable gas, modern gas-fired power generation).
- ▶ **Wide range of transport measures:** A key area of investment over the period to 2030 relates to the transition of the public transport fleet to low or zero carbon by 2030, which is of relevance for CIÉ. Other action areas of relevance include the enablement of greater electric vehicle infrastructure rollout in line with increasing the number of electric vehicles in Ireland noting that ESB continues to rollout electric vehicle charging infrastructure.

- ▶ **Land use efficiency:** CAP 2021 continues to target a range of measures to ensure that carbon abatement from land use is delivered. The Portfolio's forest and peatland assets, which are equivalent to c.7.5% of the land cover of Ireland, have a key role to play here. These lands also offer other opportunities, i.e. renewable energy production.
- ▶ **Public sector energy efficiency:** The energy efficiency improvement target is increasing from the 33% target in 2020 to 50% by 2030. All of the Portfolio Companies are expected to deliver on these targets, progress against which is measured and reported on annually by the Sustainable Energy Authority of Ireland (SEAI) on behalf of DECC.
- ▶ **Public sector emissions reduction:** There is also a target to reduce greenhouse gas emissions by 51% and each public sector body (other than schools, which will be subject to a sector level target) will be assigned an individual target. Delivering on this emission reduction target is one element of the Climate Action Framework for the commercial State sector (see following section).
- ▶ **Adaptation:** As outlined in the CAP 2021, physical climate risks, when they materialise, can erode physical assets, and cause business disruption and labour migration, with possible adverse implications both for asset valuations and broader economic outcomes. Relevant actions include:
 - The need to continue to develop flood forecasting capability, including the development of coastal and marine monitoring and predictive capability, which is of relevance for the ports companies;
 - The adoption of the four regional plans under Irish Water's National Water Resources Framework Plan; and
 - The undertaking of climate change adaptation research and the identification of areas vulnerable to impacts of climate change in the electricity and gas networks sector.

Climate Action Framework for the Commercial State Sector

One of the key roles for NewERA as part of CAP 2019 was to develop, in conjunction with DECC and DPER, "a framework for the commercial semi-state Sector to address climate action objectives"⁴. CAP 2021 provides an overview of the framework, which comprises a series of five commitments as follows:



COMMITMENT 1:

Governance of Climate Action Objectives

Climate action objectives will be integrated into strategic business planning and there will be oversight at board level, including reporting to the relevant Government Minister.

COMMITMENT 2:

Reduction Target and Emissions Measurement

Formal adoption, on an ongoing basis, of Government emission reduction targets for the public sector and the SEAI measurement methodology.

COMMITMENT 3:

Measuring and Valuing Emissions in Investment Appraisals

The value of emissions will be considered as part of the investment decision making process.

COMMITMENT 4:

Circular Economy and Green Procurement

The promotion of circular economy measures and green procurement.

COMMITMENT 5:

Climate-Related Disclosures in Financial Reporting

The identification of a climate-related financial disclosures framework that is relevant and appropriate to the company's activities and sector(s).

It is expected that ongoing monitoring of companies' compliance with the Climate Action Framework will be undertaken by various means, outlined below:

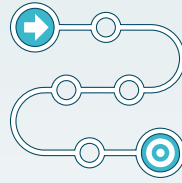
- ▶ The Shareholder Expectation Framework Letters will reference the Climate Action Framework and include the expectation that the Commercial State Sector Companies would sign up to or adopt the commitments provided for thereunder;
- ▶ Reference to climate action objectives alongside overall company performance reports in annual reports;
- ▶ Publication of progress towards emission reduction targets;
- ▶ Evidence of carbon pricing used in appraisal of investments for which Ministerial consents are sought under statutory or Code requirements;
- ▶ Climate-related disclosures in financial reporting; and
- ▶ For the Portfolio Companies, the Climate Action Framework will feature as a standing agenda item in quarterly meetings with their shareholding Government Departments and NewERA. In addition, it will also continue to be considered by NewERA as part of the Annual Financial Review and in the context of relevant advices to Ministers (e.g., corporate plans, capital investment proposals, annual reports etc.).

4 The commercial semi-State sector consists of 22 commercial State bodies including the Portfolio Companies (collectively, the Commercial State Sector Companies).

Integrating and Reporting on Sustainability

In the context of the fifth commitment of the Climate Action Framework (climate-related disclosures in financial reporting), it is important to recognise that the transition to a low carbon energy future affects some of the Portfolio Companies more than others given the relative nature and scale of the climate-related risks and opportunities they face. Given that the Portfolio Companies represent a diverse group in terms of size, sectors and activities, each is at a different stage in terms of integrating climate specific and wider sustainability into their strategy and business operations. However, individually, at this point over half have a published sustainability strategy in place (56% of the Portfolio Companies) with the majority of the balance having commenced the development of such a strategy.

A number of the Portfolio Companies place the United Nations Sustainable Development Goals (SDGs) framework at the heart of their sustainability approach, noting Ireland was one of the 193 countries which agreed in 2015 to implement the SDGs as part of the adoption of the United Nations 2030 Agenda for Sustainable Development. This is a framework comprising 17 individual SDGs which broadly define global priorities for 2030 covering the three dimensions of sustainable development: (i) economic growth; (ii) social inclusion, and (iii) environmental protection.



56%

The percentage of Portfolio Companies that currently have a published sustainability strategy.



69%

The proportion of Portfolio Companies that currently utilise the United Nations Sustainable Development Goals Framework.

In terms of the specific role of business, the United Nations 2030 Agenda for Sustainable Development explicitly called for companies, especially large and multinational companies, to be encouraged to adopt sustainable practices into their reporting cycle. The Shareholder Expectations Framework is used as a means of bringing into focus and encouraging the enhanced measurement, monitoring and reporting of the impact of sustainability initiatives by the Portfolio Companies. The focus on measuring, monitoring and reporting in this area remains given:

- ▶ the increasing attention on the climate-related information that companies report, as investors, regulators, consumers and other stakeholders demand access to information that will allow them to take climate-related matters into account in decision making; and
- ▶ the number of disclosure frameworks that have been developed to guide companies and suppliers in providing data on environmental impacts, risks, opportunities, investments and strategies (some of the more prominent ones are summarised in the adjacent graphic) noting that this is an area which continues to evolve.

	Disclosure Framework
Climate Focus	Task Force on Climate-related Financial Disclosures (TCFD)
	European Commission Guidelines (2019)
	CDP (formerly the Carbon Disclosure Project)
Broader ESG Focus	Sustainability Accounting Standards Board (SASB) Standards
	Global Reporting Initiative (GRI) Standards

The Climate Action Framework commitment in respect of climate-related disclosures in financial reporting provides for the identification by the CSS companies of a framework that is relevant and appropriate to the individual company's activities and sector, with a view to commercial State companies achieving compliance with their chosen climate-related financial disclosures framework by 2024.

Gender Representation

The process for Ministerial appointments to the boards of State Bodies is governed by the Guidelines on Appointments to State Boards, as published by DPER. This is supplemented by an appendix for appointments to the boards of State bodies that are designated to NewERA (collectively referred to, in the case of the Portfolio Companies, as the Appointment Guidelines). The appointments process pursuant to the Appointment Guidelines is administered on behalf of DPER by the Public Appointments Service (PAS). Additional arrangements for State board appointments may also be set out in the legislation governing a Portfolio Company, including for those board members who are not appointed via the PAS administered process – for example, worker directors or staff representatives or ex-officio appointments (i.e. CEOs).

In September 2020, the Minister of Public Expenditure and Reform published a new annex on ‘Gender Balance, Diversity and Inclusion’ to supplement the Code (referred to here as the Annex). In the context of the composition of State boards, the Annex reiterates the Government policy target of 40% representation of women and men on State boards. In addition, for board appointments, it:

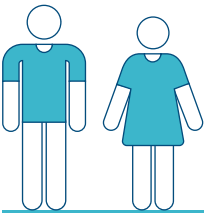
- ▶ requires that Ministers are to be informed of the gender balance on State boards at the time of making appointments; and
- ▶ provides that board terms should be varied to between 3 and 5 years to allow for an acceleration towards better gender balance with any period of renewal subject to a maximum of 8 years in total.

As at the end of October 2021⁵, the percentage of women on the boards of Portfolio Companies was 28%, below the overall 40% target. Just under half of the boards (7 out of 15) had female representation of 30% or more with two of the boards having no female representation⁶. Further detail is presented in Appendix C. In addition to these statistics, the following is noted in terms of board composition:

- ▶ The largest grouping across the boards is the Non-Executive Director category, noting these board members are appointed via the PAS appointments process. This grouping (excluding Chairs) has the highest level of female representation at 38%.
- ▶ The Chair is also appointed via the PAS appointments process and the level of female representation within this grouping is 29% with four of the Portfolio Companies having a female Chair.
- ▶ Two of the Portfolio Companies have a female CEO, equating to 13% female representation for this grouping, noting that the CEO is appointed outside of the PAS appointments process.
- ▶ In some cases, boards may also have other members such as worker directors, employee representatives, regulatory representatives or other Executive Director board members. These individuals are appointed/nominated to the board outside of the PAS appointments process. This grouping has a low level of female representation at 12%.

Increasing female representation remains a key focus in the context of meeting the Government policy target of 40% representation of each gender on State boards and NewERA will continue to work with relevant stakeholders to seek to deliver on this.

Taking a wider lens to representation, Appendix C also sets out statistics for the executive management teams (EMT) of the Portfolio Companies. The overall level of representation for women within the EMT group (excluding the CEO) is 25%. Only 2 of the 15 Portfolio Companies have female EMT representation at or in excess of 40%.



as at 31 October 2021

40%	28%	3/15	7/15	2/15
Government target for representation of women and men on State boards	The percentage of women on the boards of the Portfolio Companies as at the end of October 2021	The number of Portfolio Company boards which meet/exceed the 40% target	The number of Portfolio Company boards which have female representation of 30% or more	The number of Portfolio Company boards with no female representation

⁵ The gender representation statistics presented in this section are as at 31 October 2021.

⁶ For a number of the Portfolio Company boards, there are appointment processes currently ongoing, which may impact the gender representation statistics as at the time of report publication.



Portfolio Financial Performance

an
post

Bord na Móna



COILLTE
GROW · TRANSFORM · SUSTAIN

daa



COMHLACHT CHALAFORT
ATHA CLIATH
DUBLIN PORT COMPANY

EIRGRID
GROUP

ervia



Gas
Networks
Ireland

UISCE
ÉIREANN · IRISH
WATER



PORT of CORK
EUROPEAN MARITIME PORT

Port of Waterford

SHANNON FOYNES
PORT

shannon GROUP



Portfolio Financial Performance

The Portfolio comprises companies which are involved across a range of sectors with the main activities as follows:



Aviation

Ownership and operation of the three largest airports in Ireland – Dublin, Cork and Shannon – and national and international airport retailing. Provision of air traffic control and air navigation services in Irish-controlled airspace and around Dublin, Cork and Shannon airports.



Postal

Operation of Ireland's national postal services and responsibility for the national retail network of post offices.



Energy

Ownership and operation of the electricity and gas networks on the island of Ireland including interconnection with other markets, the operation of the Single Electricity Market (SEM), conventional and renewable power generation and the supply of electricity and gas in both the SEM and Britain.



Ports

Ownership of four of Ireland's ports (Dublin, Cork, Shannon Foynes and Waterford Port).



Health

Provision of private medical insurance products along with a medical health and well-being service offering.



Rail and Bus

Operation of rail and bus public transport and rail freight services throughout Ireland.



Natural Resources

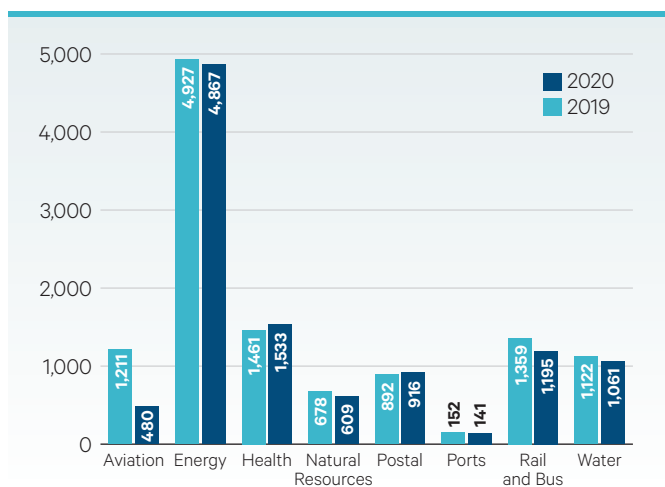
Management of Ireland's forestry estate (over 440,000 hectares) and peatlands (80,000 hectares) along with associated activities.



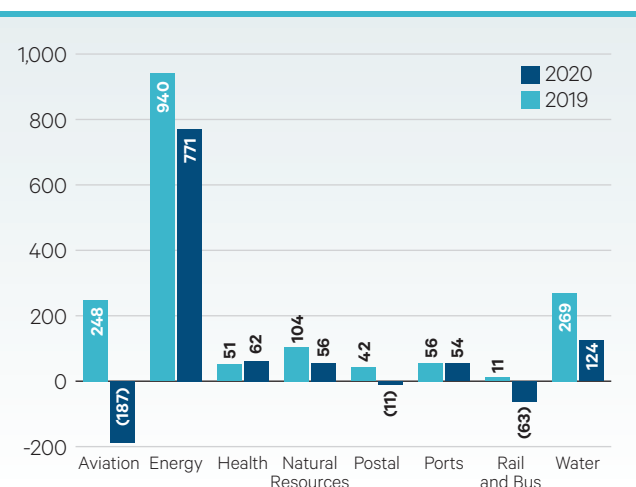
Water

Delivery of public water and wastewater services to households and businesses in Ireland.

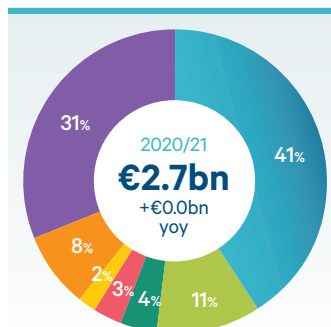
Turnover



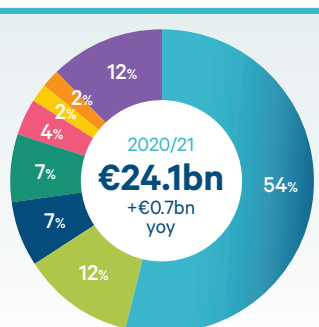
Operating Profit (EBIT adjusted)



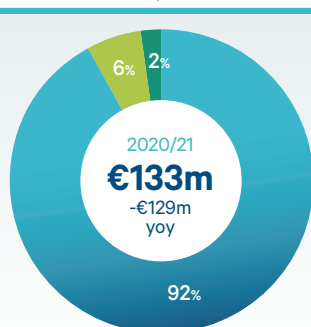
Gross Capital Expenditure (cash basis)



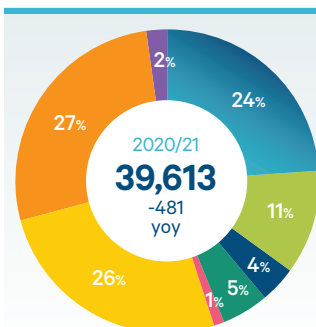
Invested Capital



Exchequer Dividends (incl. share of special dividends)



Employee Numbers



● ENERGY ● AVIATION ● HEALTH ● NATURAL RESOURCES ● PORTS ● POSTAL ● RAIL & BUS ● WATER

The Covid-19 pandemic has had a material impact on the aggregate financial performance of the Portfolio. At an aggregate level, combined turnover for 2020 was 8.5% lower than 2019 with some of the top line impact offset by additional Government funding support but adjusted operating profit and reported net profits after tax were 53% and 94% lower respectively. Based on interim results for 2021, the aggregate adjusted operating profitability improved in the first half of the year. However, financial performance continued to be impacted in 2021 for the Portfolio Companies involved in the aviation, public transport and postal related activities.

Financial Performance Overview 2020

KEY FINANCIAL INFORMATION	5yr avg.	2020	2019	yoy Δ
INCOME STATEMENT				
Turnover	11,090	10,802	11,803	-1,001
EBITDA (adjusted)	2,610	2,198	3,038	-840
EBIT (adjusted)	1,320	806	1,721	-915
PAT (adjusted)	882	492	1,268	-776
PAT (reported)	656	74	1,160	-1,086
BALANCE SHEET				
Tangible Fixed Assets	23,905	25,818	25,208	+610
Gross Debt	(8,933)	(9,523)	(8,579)	+944
Net Debt	(6,930)	(6,894)	(6,620)	+274
Pension Liabilities	(1,733)	(1,533)	(1,724)	-191
Employee Related Liabilities	(158)	(189)	(168)	+21
Net Assets	10,832	12,700	12,397	+303
Invested Capital	22,659	24,080	23,407	+673
CASHFLOWS				
Net Cashflow from Operations	2,133	2,065	2,295	-230
Gross Capital Expenditure	(2,314)	(2,702)	(2,679)	+23
Net (Acquisitions)/Disposals	(37)	8	(209)	-217
Dividends Paid (total)	(255)	(136)	(267)	-131
Dividends Paid (normal)	(171)	(112)	(170)	-58
EMPLOYEES				
Employee Numbers	39,495	39,613	40,094	-481

KEY METRICS	5yr avg.	2020	2019	yoy Δ
PROFITABILITY & EFFICIENCY				
Turnover Growth	0.5%	(8.5)%	4.0%	-12.5%
EBITDA Margin	23.5%	20.4%	25.7%	-5.3%
Operating Profit Margin	11.9%	7.5%	14.6%	-7.1%
PAT Margin	7.9%	4.6%	10.7%	-6.1%
Return on Invested Capital (ROIC)	5.2%	3.0%	6.6%	-3.6%
LIQUIDITY				
Current Ratio (times)	1.2x	1.6x	1.3x	+0.3x
Acid Test Ratio (times)	1.1x	1.5x	1.2x	+0.3x
LEVERAGE				
Net Gearing (see note iii)	39%	35%	35%	+0%
Net Gearing (see note iv)	45%	40%	41%	-1%
Net Debt/EBITDA (times)	2.7x	3.1x	2.2x	+0.9x
EBITA Interest Cover (times)	9.2x	9.7x	12.3x	-2.6x
SHAREHOLDER RETURNS				
Dividend Payout (normal dividends)	19%	9%	18%	-9%
Earnings (adjusted) growth	(1)%	(61)%	33%	-94%

NOTES:

- The above measures are applied by NewERA on a standardised basis across each of the Designated Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ. Definitions of NewERA's standardised performance measures are set out in Appendix D.
- Combined five-year historical financial information is provided in Appendix E.
- Net gearing excluding pension and employee related liabilities.
- Net gearing including pension and employee related liabilities.

Combined turnover of €10.8bn generated in 2020, a decrease of €1.0bn on the prior period (-8.5%). The aviation companies accounted for €0.7bn of the reduction and CIÉ for €0.17bn, noting the latter was in receipt of increased Exchequer funding

- Nearly one third of combined turnover (32%) relates to the regulated activities of the Portfolio Companies, being the regulated electricity, gas and water networks, the operation of the SEM and certain aviation revenues.
- The majority of combined turnover continues to be generated in Ireland (86%) with the balance derived from the UK (12%) and international markets (2%).
- In interpreting the financial performance, it should be noted that two of the Portfolio Companies, IW and CIÉ, are in receipt of State revenue funding (77% and 54% of revenue respectively in 2020) which accounts for c.14% of combined turnover (2019: 10%).
- It is noted in particular that State revenue funding for CIÉ rose considerably year-on-year (54% of CIÉ's turnover in 2020 versus 24% in 2019) primarily reflecting increased National Transport Authority and Exchequer funding provided to CIÉ in response to pandemic-related fare revenue shortfalls on PSO supported services and supports for other services.
- The degree of impact in terms of revenue shortfall was considerably more acute for the companies operating in the aviation sector with a €0.7bn reduction in revenue, most of that relating to daa (-€0.6bn).

Reflecting the reduced turnover, combined operating profit was materially lower in 2020 (-53%) resulting in a reduced level of return on invested capital of 3.0% for 2020 (2019: 6.6%)

- Almost all of the Portfolio Companies reported lower operating profits (adjusted EBIT) in 2020 but operating losses were reported by daa (-€193m), CIÉ (-€63m) and An Post (-€11m) reflecting the particularly challenging trading conditions in those sectors.
- The companies sought to implement cost containment measures in response to the pandemic and a number also utilised Government funding supports which were made available in response to Covid-19, primarily the wage subsidy schemes (TWSS and EWSS, €99m in total) and waivers in respect of commercial rates (€33m in total) and the adjusted operating profit figures reported take account of these supports.

Although the delivery of individual projects may have been impacted by Covid-19 restrictions at stages during the year, the aggregate level of capital investment was broadly similar year on year. The Portfolio Companies continue to contribute to the delivery of investment in a number of strategic priority areas as set out in the recent National Development Plan 2021-2030. The increase in aggregate borrowing levels in 2020 is primarily due to increased funding requirements for daa arising from Covid-19. Additionally, Covid-19 is a key driver of the reduced level of dividend payout in 2020 but also noting lower special dividends in the period.

The regulated energy and water network asset investment programmes are significant drivers of overall investment levels with investment over the past five years averaging €2.3bn annually

- ▶ The Portfolio Companies undertake significant annual capital investment with €2.7bn spend in 2020, most of that in the State.
- ▶ The aggregate level of gross spend was c. 1% higher in 2020 relative to 2019 and was not ultimately impacted to the degree that might have been expected at the onset of the Covid-19 pandemic.
- ▶ Of the total spend in 2020, 72% relates to the energy sector companies (41%, predominantly ESB and Ervia) and IW (31%) reflecting the scale of their individual regulated asset capital investment programmes but also, for ESB, the wider energy transition.

The increase in the combined net debt position in 2020 was mainly driven by daa's increased funding requirement as a result of the impact of Covid-19

- ▶ The net debt of the airport sector companies increased by €0.4bn from €0.2bn as at December 2019 to €0.6bn as at December 2020, mostly relating to daa (+€0.35bn), as additional liquidity was required to meet the operating cash shortfall driven by the significant reduction in passenger and air traffic levels.
- ▶ Aggregate Portfolio net gearing levels remained the same at 35% with increased net debt levels offset by net asset growth. However, net debt to EBITDA increased from 2.2x to 3.1x and net interest cover has reduced from 12.3x to 9.7x.
- ▶ Combined Portfolio net assets increased by €0.3bn in 2020 with net asset growth across many of the sectors, most notably IW (+€0.6bn) due to ongoing capital investment. However, reflecting the challenging year, this was partly offset by a reduced net asset position in the aviation sector (-€0.3bn) and an increased net liability position for the public transport sector (-€0.2bn).

- ▶ The aggregate pension liability of the Portfolio remains a key area of focus from a shareholder perspective with Portfolio Companies being encouraged to maintain focus on putting appropriate and sustainable funding and risk management plans in place to meet future pension scheme liabilities and Pensions Authority requirements. The year on year reduction in the combined net pension liability (2020: €1.5bn, 2019: €1.7bn) is due mainly to a reduction in ESB's net pension liability (-€0.29bn) arising from a final payment under its 2010 pension agreement, a reduction in An Post's net pension liability (-€0.1bn) partially offset by an increase in the CIÉ Group pension deficit (+€0.2bn).

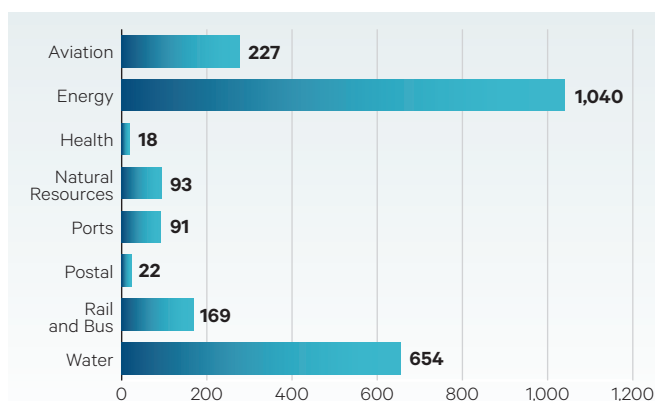
The aggregate dividend payout level in 2020 was approximately half 2019 levels (€136m in total dividends versus €267m). This was in part due to Covid-19 but also due to lower special dividend payments

- ▶ Over the past five years (2016 to 2020 inclusive), c.€1.25bn in dividend payments have been made to the Exchequer, with Ervia and ESB being the largest individual contributors (€0.6bn and €0.3bn respectively).
- ▶ The 2020 dividend payout rate was broadly half that of the prior year at 8.8% (2019: 17.9%) reflecting a lower level of normal dividend payments but also special dividends.
- ▶ Special dividends are once off or exceptional items arising, for example, from proceeds relating to a disposal of assets. In recent years, special dividends have been paid arising from the State asset disposal programme, which was pursued as a commitment under the EU/IMF Programme. These include dividends relating to the sale by Ervia of the Bord Gáis Energy business in 2014, with Ervia paying a special dividend of €24m in 2020 (2019: €85m) which represented the final distribution of these sale proceeds.

Average annual capex over past five years (EURm)

2016 to 2020 (inclusive)

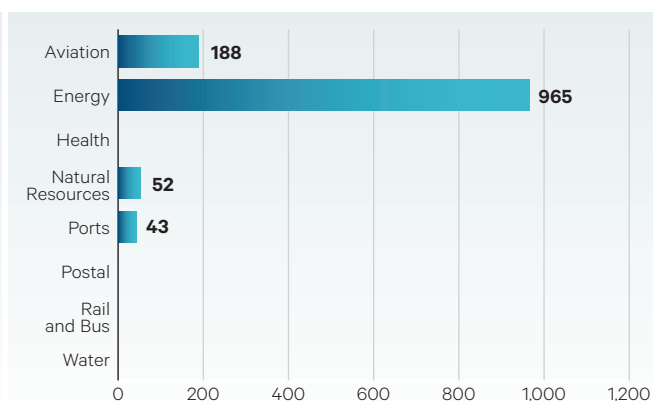
Gross capital investment, cash basis



Exchequer dividends paid over past five years (EURm)

2016 to 2020 (inclusive)

Includes Exchequer share of special dividend payments





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NOTES:

The financial measures presented in this section are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ. Definitions of NewERA's standardised performance measures are set out in Appendix D.



Established: 1984

State Ownership: 100%

Primary Sector: Postal

Employee Numbers (2020): 10,411

Chair: Carol Bolger

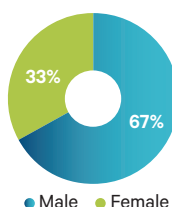
CEO: David McRedmond

Key Activities

- **Mails and Parcels:** An Post is responsible for the operation of Ireland's national postal services. This includes the universal postal service, which involves the provision of an every working day mail service to every household/premises in the State as well as servicing the continuing growth in e-commerce.
- **Retail:** Responsible for the national retail network of post offices, including the provision of social welfare and savings services and other Financial Services products.
- **Other:** Also manages a number of commercial enterprises and has an investment in the National Lottery Operator (Premier Lotteries Ireland).

Board Composition (Oct-21)

- Total No. of Directors: 12 (max. 15)
- Chair: 1
- Other Non-Executive Directors: 4
- CEO: 1
- Employee Directors: 5
- Postmaster Director: 1



Bord na Móna

Established: 1946

State Holding: 95%

Primary Sectors: Natural Resources, Energy

Employee Numbers (2020/21): 1,283

Chair: Geoffrey Meagher

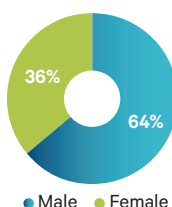
MD: Tom Donnellan

Key Activities

- **Renewable Energy:** Develops and operates the Group's portfolio of renewable energy assets.
- **Land and Habitats:** Management of the 80k hectare landbank, delivery of the peatlands climate action scheme and the operation and development of BnM's public amenities.
- **Recycling:** Provision of domestic and commercial non-hazardous waste collection, sector specific recycling services and operation of the Dredge landfill facility.
- **New Business:** Delivery of climate solutions through partnerships with third parties and using Group assets to enable other sustainable enterprises.
- **Consumer Products:** Completing the transition away from peat through the development of sustainable horticulture and fuel products.

Board Composition (Oct-21)

- Total No. of Directors: 11 (max. 12)
- Chair: 1
- Other Non-Executive Directors: 5
- MD: 1
- Worker Directors: 4



Key Financial Information (Year ended 31 December, IFRS)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	874	916	892	+24
EBITDA (adjusted)	43	33	80	-47
EBIT (adjusted)	12	(11)	42	-53
PAT (adjusted)	14	3	42	-39
PAT (reported)	19	(18)	66	-84
Tangible Fixed Assets	266	316	319	-3
Net (Debt)/Cash	11	(57)	4	+61
Pension (Liabilities)/Assets	(65)	89	(28)	+117
Net Assets/(Liabilities)	186	368	280	+88
Gross Capital Expenditure	(22)	(41)	(26)	+15
Dividends Paid (normal)	(0)	-	-	-
Key Indicators				
EBIT Margin	1.3%	(1.2%)	4.7%	-5.9%
Return on Invested Capital	3.8%	(1.4%)	7.3%	-8.7%
Net Gearing	2.7%	13.4%	-	+13.4%
Dividend Payout	-	-	-	-

Financial Performance 2020

Significant deterioration in 2020 financial performance with a material financial impact arising from Covid-19 (reported by An Post to be €50m) due to increased costs, the postponement of a planned stamp price increase and reduced customer footfall in the retail network. Turnover did increase year-on-year (+2.6%), with higher packet and parcel volumes from a surge in e-commerce activity (100% higher than 2019) partly offset by acceleration of the trend of declining core mail volumes in the Mails and Parcels business, as well as lower revenues in the Retail Business. However, higher operating costs and exceptional costs (including Covid-19 and transformation costs) resulted in a reported net loss after tax of €18m for 2020 (2019: profit of €66m). Financial performance continued to be impacted in 2021.

Key Financial Information (Year ended March, IFRS)

Key Financial Information (€'m)	5yr Avg	2021	2020	yoy Δ
Turnover	371	324	351	-27
EBITDA (adjusted)	73	58	71	-13
EBIT (adjusted)	37	27	40	-13
PAT (adjusted)	29	22	37	-15
PAT (reported)	(11)	22	(22)	+44
Tangible Fixed Assets	249	223	226	-3
Net (Debt)/Cash	(55)	4	(8)	+12
Pension (Liabilities)/Assets	(4)	8	15	-7
Net Assets/(Liabilities)	187	169	157	+12
Gross Capital Expenditure	(33)	(29)	(37)	-8
Dividends Paid (normal)	(1)	-	-	-
Key Indicators				
EBIT Margin	9.8%	8.4%	11.5%	-3.1%
Return on Invested Capital	7.7%	7.6%	10.3%	-2.7%
Net Gearing	17.1%	-	5.0%	-5.0%
Dividend Payout	4.9%	-	-	-

Financial Performance 2021

Financial performance in 2020 was lower than 2019 with reduced operating profits delivered. The reduction in turnover year-on-year (-€27m/-8%) is reflected in the reduced operating profit margin and ROIC. Measures were taken to address the operational impact arising from Covid-19 and BnM also availed of TWSS supports which, together, limited the financial impact of Covid-19 for BnM. The non-recurrence of exceptional costs in 2021 (2020: €66m) led to reported PAT of c.€22m. No dividend payment was made in 2021.



Established: 1945

State Ownership: 100%

Primary Sector: Public Transport (Rail and Bus)

Employee Numbers (2020): 10,598

Chair: Fiona Ross

CEO (CIÉ Group): Lorcan O'Connor

CEO (BÁC): Ray Coyne

CEO (BÉ): Stephen Kent

CEO (IÉ): Jim Meade

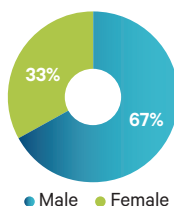
Key Activities

- ▶ CIÉ is the main provider of bus and rail public transport services and rail freight services in Ireland through its operating subsidiaries: Bus Átha Cliath (BÁC), Bus Éireann (BÉ) and Iarnród Éireann (IÉ).
- ▶ This includes both commercial services and services which are subvented by the State via Public Service Obligation (PSO) payments and the operation of a schools transport service which BÉ administers for the Department of Education.
- ▶ CIÉ also owns CIÉ Tours International which promotes and sells Irish coach tour holidays.

Note: The CIÉ Group parent company and its operating subsidiaries are all individually designated to NewERA. The financial information presented here is the consolidated CIÉ Group financial information.

Board Composition (Oct-21)

- ▶ Total No. of Directors (CIÉ Group): 12 (max. 12)
- ▶ Chair: 1
- ▶ Other Non-Executive Directors: 7
- ▶ Worker Directors: 4



Key Financial Information (Year ended 31 December, FRS102)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	1,265	1,195	1,359	-164
EBITDA (adjusted)	24	(38)	43	-81
EBIT (adjusted)	(16)	(63)	11	-74
PAT (adjusted)	(29)	(71)	(8)	-63
PAT (reported)	(26)	(67)	(14)	-53
Tangible Fixed Assets	2,789	2,608	2,754	-146
Net (Debt)/Cash	174	250	232	+18
Pension (Liabilities)/Assets	(763)	(975)	(777)	+198
Net Assets/(Liabilities)	(619)	(844)	(619)	+225
Gross Capital Expenditure	(169)	(216)	(195)	+21
Dividends Paid (normal)	-	-	-	-
Key Indicators				
EBIT Margin	(1.3%)	(5.3%)	0.8%	-6.1%
Return on Invested Capital	(2.6%)	(13.0%)	3.1%	-16.1%
Net Gearing	-	-	-	-
Dividend Payout	-	-	-	-

Financial Performance 2020

Financial performance deteriorated in 2020 as a result of Covid-19. The significant shortfall in fare revenue was largely but not completely offset by increased levels of Exchequer revenue funding during the year (2020: €639m or 54% of total revenue, 2019: €329m or 24% of total revenue). These comprised PSO receipts, funding supports for Bus Éireann's Expressway business under a Commercial Bus Operator Direct Award Contract, other Exchequer funding and wage subsidy scheme supports (the adjusted operating loss figures above are as reported by the company and take account of those supports although exclude restructuring costs and other items reported by the company as exceptional items). The Group reported an increased net loss after tax of €67m for 2020. CIÉ's balance sheet remains in a net liability position owing to its significant pension deficit, which increased by €198m to €975m in 2020.



Established: 1989

State Holding: 100%

Primary Sector: Natural Resources

Employee Numbers (2020): 796

Chair: Bernie Gray

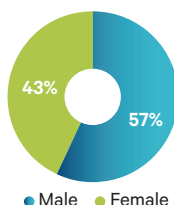
CEO: Imelda Hurley

Key Activities

- ▶ **Coillte Forest:** Manages the core forestry business including planting, growing, protecting and harvesting of forests, the provision of a range of wood products and recreational amenities including 12 forest parks, nearly 300 recreation sites and over 3,000km of hiking trails.
- ▶ **Meditate SmartPly:** Manufactures sustainable timber construction panel products, exporting to over 30 other countries worldwide.
- ▶ **Land Solutions:** Provides commercial land solutions which protect the core productive forest estate and support the delivery of Government policies in areas such as renewable energy and infrastructure. Also includes the Coillte Nature business unit, which focuses on not-for-profit activities delivering new native woodlands and undertaking nature restoration projects at scale.

Board Composition (Oct-21)

- ▶ Total No. of Directors: 7 (max. 9)
- ▶ Chair: 1
- ▶ Other Non-Executive Directors: 5
- ▶ Worker Directors: 1



Key Financial Information (Year ended 31 December, FRS102)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	306	285	327	-42
EBITDA (adjusted)	91	65	101	-36
EBIT (adjusted)	57	29	63	-34
PAT (adjusted)	49	23	59	-36
PAT (reported)	66	22	59	-37
Tangible Fixed Assets	1,448	1,500	1,464	+36
Net (Debt)/Cash	(72)	(28)	4	+32
Pension (Liabilities)/Assets	(67)	(44)	(50)	-6
Net Assets/(Liabilities)	1,242	1,365	1,341	+24
Gross Capital Expenditure	(60)	(73)	(62)	+11
Dividends Paid (normal)	(9)	(2)	(13)	-11
Key Indicators				
EBIT Margin	18.4%	10.2%	19.3%	-9.1%
Return on Invested Capital	3.5%	1.7%	3.8%	-2.1%
Net Gearing	5.7%	2.0%	-	+2.0%
Dividend Payout	17.2%	3.9%	18.5%	-14.6%

Financial Performance 2020

Financial performance in 2020 was lower than 2019 with reduced operating profits and PAT delivered. Financial performance was negatively impacted as a result of challenges arising from both Covid-19 and forestry licencing. The impact of these challenges was partly offset by the implementation of cost mitigation measures. Operating cash of €24m (2019: €54m) was substantially down on 2019 and this reduction in cash resulted in a net debt position at year end. However, gearing remains low at 2% owing to the scale of Coillte's underlying net asset base. Dividends of €2m were paid in 2020.



Established: 1937

State Ownership: 100%

Primary Sector: Aviation (Airports)

Employee Numbers (2020): 3,205

Chair: Basil Geoghegan

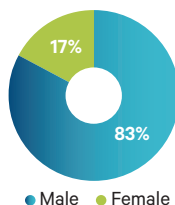
CEO: Dalton Philips

Key Activities

- ▶ daa's principal activities are airport development, operation and management, international airport retailing and international airport investment.
- ▶ daa owns and operates:
 - the two largest airports in Ireland, Dublin and Cork; and
 - has airport retail activities in Ireland and 14 international locations.
- ▶ daa also has investments in three European airports (Düsseldorf Airport in Germany, Larnaka Airport and Pafos Airport, both in Cyprus) and operates an airport terminal in Saudi Arabia.

Board Composition (Oct-21)

- ▶ Total No. of Directors: 12 (max. 13)
- ▶ Chair: 1
- ▶ Other Non-Executive Directors: 6
- ▶ CEO: 1
- ▶ Worker Directors: 4



Key Financial Information (Year ended 31 December, FRS102)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	754	291	935	-644
EBITDA (adjusted)	215	(33)	302	-335
EBIT (adjusted)	107	(193)	192	-385
PAT (adjusted)	65	(188)	150	-338
PAT (reported)	48	(284)	176	-460
Tangible Fixed Assets	1,764	1,960	1,792	+168
Net (Debt)/Cash	(553)	(783)	(430)	+353
Pension (Liabilities)/Assets	(6)	(4)	(4)	+0
Net Assets/(Liabilities)	1,334	1,243	1,535	-292
Gross Capital Expenditure	(183)	(270)	(222)	+48
Dividends Paid (normal)	(27)	(1)	(43)	-42
Key Indicators				
EBIT Margin	3.5%	(66.3%)	20.5%	-86.8%
Return on Invested Capital	4.2%	(7.3%)	7.9%	-15.2%
Net Gearing	29.2%	38.6%	21.9%	+16.7%
Dividend Payout	23.6%	-	30.3%	-30.3%

Financial Performance 2020

Significant deterioration in 2020 financial performance as a result of Covid-19, reflected in the reduced turnover (-69%) and adjusted operating loss and net loss after tax positions. Measures were implemented which delivered an operating cost reduction year-on-year (including staff restructuring measures) and daa also availed of wage subsidy and other governmental financial supports in Ireland and overseas (the adjusted operating loss figures above are as reported by the company and take account of these supports although exclude restructuring costs reported by the company as exceptional items). Average employee numbers were 23% lower in 2020 (3.2k, 2019: 4.1k). daa sought to strengthen liquidity through additional debt funding and no dividend payment was made in 2020. Financial performance continued to be impacted in 2021.



Established: 1997

State Holding: 100%

Primary Sector: Ports

Employee Numbers (2020): 154

Chair: Jerry Grant

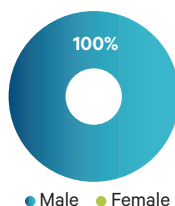
CEO: Eamonn O'Reilly

Key Activities

- ▶ Dublin Port is classified as a Tier 1 port by the National Ports Policy 2013 and as a core/comprehensive port in the EU Trans-European Transport Network (TEN-T).
- ▶ Key revenue generating functions are the setting and collection of port dues and the leasing of port lands and infrastructure to private sector operators.

Board Composition (Oct-21)

- ▶ Total No. of Directors: 6 (max. 8)
- ▶ Chair: 1
- ▶ Other Non-Executive Directors: 3
- ▶ CEO: 1
- ▶ Worker Directors: 1



Key Financial Information (Year ended 31 December, FRS102)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	87	87	93	-6
EBITDA (adjusted)	54	54	54	+0
EBIT (adjusted)	46	44	44	-0
PAT (adjusted)	39	34	39	-5
PAT (reported)	39	34	39	-5
Tangible Fixed Assets	484	613	564	+49
Net (Debt)/Cash	(76)	(133)	(122)	+11
Pension (Liabilities)/Assets	44	56	48	+8
Net Assets/(Liabilities)	436	512	470	+42
Gross Capital Expenditure	(69)	(57)	(77)	-20
Dividends Paid (normal)	(8)	-	(4)	-4
Key Indicators				
EBIT Margin	52.2%	51.0%	47.7%	+3.3%
Return on Invested Capital	8.9%	6.6%	7.6%	-1.0%
Net Gearing	13.4%	20.7%	20.5%	+0.2%
Dividend Payout	20.1%	-	9.9%	-9.9%

Financial Performance 2020

Financial performance in 2020 was broadly similar to 2019 with limited overall impact on financial performance arising from Covid-19. Lower turnover (throughput volumes -3.3% year on year) was offset by reduced operating costs, partly due to Dublin Port availing of a commercial rates waiver for 2020 resulting in operating profit (pre-exceptionals) of €44m in 2020, the same level as 2019. No dividend payment was made in 2020.



Established: 2006

State Ownership: 100%

Primary Sector: Energy

Employee Numbers (2020): 545

Chair: Brendan Tuohy

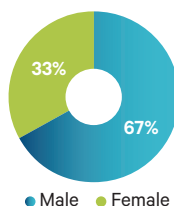
CEO: Mark Foley

Key Activities

- ▶ **Transmission System Operator (TSO):** EirGrid TSO develops, manages and operates the high voltage electricity transmission grid in Ireland (regulated by the Commission for the Regulation of Utilities (CRU)). SONI TSO develops, manages and operates the high voltage electricity transmission grid in Northern Ireland (regulated by the Utility Regulator Northern Ireland (URRegNI)).
- ▶ **Electricity Market Operation:** Operates the wholesale single electricity market across Ireland and Northern Ireland (regulated by the SEM Committee). Provides day-ahead auction and intraday markets for the SEM.
- ▶ **Electricity Interconnection:** Owns and operates the high voltage electricity link between Ireland and Wales, the East-West interconnector (EWIC). Management of the license of commercial fibre optic cable built as part of the EWIC project. Development of further interconnection opportunities and enabling interconnections developed/operated by third parties.

Board Composition (Oct-21)

- ▶ Total No. of Directors: 9 (max. 10)
- ▶ Chair: 1
- ▶ Other Non-Executive Directors: 6
- ▶ CEO: 1
- ▶ Employee Representatives: 1



Key Financial Information (Year ended 30 September, IFRS)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	689	688	748	-60
EBITDA (adjusted)	90	77	155	-78
EBIT (adjusted)	55	32	113	-81
PAT (adjusted)	32	12	80	-68
PAT (reported)	32	12	80	-68
Tangible Fixed Assets	546	489	511	-22
Net (Debt)/Cash	(135)	(16)	(147)	-131
Pension (Liabilities)/Assets	(41)	(43)	(51)	-8
Net Assets/(Liabilities)	246	323	300	+23
Gross Capital Expenditure	(33)	(20)	(27)	-7
Dividends Paid (normal)	(4)	(4)	(4)	-
Key Indicators				
EBIT Margin	7.7%	4.7%	15.2%	-10.5%
Return on Invested Capital	6.6%	3.1%	12.3%	-9.2%
Net Gearing	35.2%	4.9%	32.9%	-28.0%
Dividend Payout	54.1%	5.0%	7.0%	-2.0%

Financial Performance 2020

Financial performance for 2020 was significantly lower than 2019 with reported PAT falling by €68m. However, EirGrid's reported profits and returns can vary materially from year to year due to over or under recoveries of regulatory income. In addition, a significant proportion of its revenue is pass-through in nature as it comprises regulatory tariffs collected on behalf of transmission asset owners. Excluding such regulatory adjustments, underlying profit before tax as reported by EirGrid was €18.3m in 2020, €4m or 18% lower than 2019. Dividends of €4m were paid in 2020.



Established: 1976

State Holding: 100%

Primary Sector: Energy

Employee Numbers (2020): 1,154

Chair (Ervia): Tony Keohane

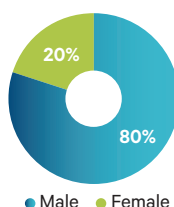
CEO (Ervia): Cathal Marley

Key Activities

- ▶ **Ervia:** Parent company of GNI and IW (IW financials are not consolidated with Ervia Group financials and therefore are shown separately in this report). Provides group central and support services to GNI and IW.
- ▶ **GNI:** Ownership, operation and maintenance of the natural gas transmission and distribution network in Ireland. Regulated by the CRU.
- ▶ **GNI (UK):** Operation and part-ownership of the gas interconnector pipelines between Ireland and Scotland and ownership and operation of two gas transmission pipelines in Northern Ireland. Regulated by the CRU, URRegNI and Ofgem.
- ▶ **Aurora Telecom:** Ownership and operation of a dark fibre telecoms network.

Board Composition (Oct-21)

- ▶ Total No. of Directors: 10 (max. 11)
- ▶ Chair: 1
- ▶ Other Non-Executive Directors: 8
- ▶ CEO: 1
- ▶ Worker Directors: n/a



Key Financial Information (Year ended 31 December, IFRS)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	475	447	470	-23
EBITDA (adjusted)	291	258	281	-23
EBIT (adjusted)	159	123	145	-22
PAT (adjusted)	112	86	105	-19
PAT (reported)	109	88	105	-17
Tangible Fixed Assets	2,502	2,469	2,509	-40
Net (Debt)/Cash	(1,053)	(1,024)	(1,084)	-60
Pension (Liabilities)/Assets	(137)	(183)	(147)	+36
Net Assets/(Liabilities)	1,009	963	972	-9
Gross Capital Expenditure	(128)	(116)	(120)	-4
Dividends Paid (normal)	(47)	(47)	(54)	-7
Key Indicators				
EBIT Margin	33.3%	27.4%	30.8%	-3.4%
Return on Invested Capital	5.7%	4.4%	5.1%	-0.7%
Net Gearing	51.1%	51.5%	52.7%	-1.2%
Dividend Payout	39.7%	45.0%	45.0%	-

Financial Performance 2020

Financial performance in 2020 was lower than 2019 with lower operating profits and PAT reported. Turnover fell year on year due to over recoveries of regulatory revenue in prior years, lower pass-through revenue and reduced gas demand which resulted from high wind levels in Q1 2020 and, to a lesser extent, Covid-19 related demand factors. Ordinary dividends of €47m were paid in 2020 (2019: €54m). Special dividends of €24m were also paid in 2020 which represented the final distribution of the proceeds from the sale of the Bord Gáis Energy business in 2014.



Established: 2013

State Ownership: 100%

Primary Sector: Water

Employee Numbers (2020): 791

Chair (Ervia): Tony Keohane

CEO (Ervia): Cathal Marley

MD (Irish Water): Niall Gleeson

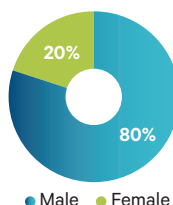
Key Activities

- ▶ Ireland's national water utility with responsibility for the delivery of all public water services to households and businesses including the supply of drinking water and the collection, treatment and disposal of wastewater.
- ▶ The CRU provides independent economic oversight of IW and it is also subject to the requirements of the EPA.

Note: Irish Water is a subsidiary of Ervia under the Companies Act 2014 but, due to its share ownership structure, it is not a subsidiary of Ervia for accounting purposes. From a governance perspective, the Ervia board and executive team are responsible for the performance of Irish Water.

Board Composition (Ervia) (Oct-21)

- ▶ Total No. of Directors: 10 (max. 11)
- ▶ Chair: 1
- ▶ Other Non-Executive Directors (Ervia): 8
- ▶ CEO: 1
- ▶ Worker Directors: n/a



Established: 1927

State Ownership: 96%

Primary Sector: Energy

Employee Numbers (2020): 7,938

Chair: Terence O'Rourke

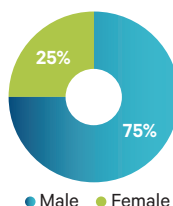
CEO: Paddy Hayes

Key Activities

- ▶ **Networks:** Owner of the transmission network and owner and operator of the distribution network on the island of Ireland.
- ▶ **Generation and Trading:** Owner and operator of installed power generation capacity of 5.5GW across the SEM and Great Britain, of which 1.0GW is renewable generation.
- ▶ **Customer Solutions:** Develops, markets, sells and services energy supply and service offerings through all of ESB's customer-facing brands (Electric Ireland, Smart Energy Services, ESB e-Cards, ESB Telecoms and ESB Energy) in the SEM and GB.
- ▶ **Other:** Provision of engineering and international consultancy services, SIRO fibre, Novus Modus investments and pre-commercial products.

Board Composition (Oct-21)

- ▶ Total No. of Directors: 8 (max. 12)
- ▶ Chair: 1
- ▶ Other Non-Executive Directors: 3
- ▶ Worker Directors: 4



Key Financial Information (Year ended 31 December, IFRS)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	1,017	1,061	1,122	-61
EBITDA (adjusted)	262	262	380	-118
EBIT (adjusted)	170	124	269	-145
PAT (adjusted)	144	107	228	-121
PAT (reported)	144	107	228	-121
Tangible Fixed Assets	2,789	4,160	3,429	+731
Net (Debt)/Cash	(578)	(191)	(148)	+43
Pension (Liabilities)/Assets	(32)	(43)	(34)	+9
Net Assets/(Liabilities)	1,828	3,399	2,810	+589
Gross Capital Expenditure	(654)	(850)	(836)	+14
Dividends Paid (normal)	-	-	-	-

Note: Key metrics not presented for IW given its funding model

Financial Performance 2020

Financial performance in 2020 was lower than 2019 with the reduction in operating profits resulting from lower turnover (lower Government subvention income and commercial revenues) and increased operating costs (primarily due to the introduction of rates and higher bad debts provision recognised due to Covid-19 partly offset by delivery of operating cost efficiencies). IW's turnover and profit reflect the regulated utility model, which allows it to generate a return on its capital investment incurred to date with any surplus reinvested in water and wastewater infrastructure noting the continued material level of capital investment in 2020. A substantial portion of IW's operating and capital funding is provided by the State. In 2020 it received €815m in revenue subvention for domestic customer water usage and a €488m capital contribution. IW also borrowed an additional €134m in 2020 from a facility provided by the Minister for Finance.

Key Financial Information (Year ended 31 December, IFRS)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	3,463	3,731	3,710	+21
EBITDA (adjusted)	1,314	1,358	1,432	-74
EBIT (adjusted)	568	616	682	-66
PAT (adjusted)	321	401	432	-31
PAT (reported)	136	126	338	-212
Tangible Fixed Assets	10,693	11,054	11,211	-157
Net (Debt)/Cash	(4,835)	(5,120)	(5,239)	-119
Pension (Liabilities)/Assets	(494)	(223)	(509)	-286
Net Assets/(Liabilities)	3,817	3,908	3,895	+13
Gross Capital Expenditure	(878)	(965)	(956)	+9
Dividends Paid (normal)	(66)	(50)	(43)	+7
Key Indicators				
EBIT Margin	16.4%	16.5%	18.4%	-1.9%
Return on Invested Capital	5.1%	5.5%	6.1%	-0.6%
Net Gearing	55.8%	56.7%	57.4%	-0.7%
Dividend Payout	21.0%	11.6%	20.7%	-9.1%

Financial Performance 2020

Financial performance in 2020 was lower than 2019 as ESB reported operating profit (pre-exceptionals) of €616m in 2020, €66m lower than 2019 due to increased operating costs with c.€15m of the reduction in operating profit due to Covid-19 (mainly increased bad debt provisions in Customer Solutions). Reported PAT was materially lower in 2020 due mainly to exceptional costs of €247m (2019: €94m), €188m of which related to an impairment of ESB's UK Carrington gas plant (driven by increased renewable generation and Covid-19 related demand reductions along with lower projected thermal margins). Despite the impact of Covid-19 on construction activities, there was a continued high level of investment in 2020. Dividends of €50m were paid in 2020.



Established: 1994

State Holding: 100%

Primary Sector: Aviation

Employee Numbers (2020): 725

Chair: Rose Hynes

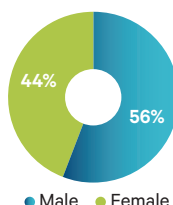
CEO: Peter Kearney

Key Activities

- ▶ IAA is the sole provider of air traffic control and air navigation services in Irish-controlled airspace and around the main State airports (Dublin, Cork and Shannon). It provides air traffic management to flights passing through Irish-controlled airspace and to flights landing at or departing from Irish airports.
- ▶ Sole provider of voice communication to aircraft flying over the north-eastern Atlantic Ocean.
- ▶ IAA's Safety Regulation Division is responsible for the regulatory and safety oversight of civil aviation in Ireland.

Board Composition (Oct-21)

- ▶ Total No. of Directors: 9 (max. 9)
- ▶ Chair: 1
- ▶ Other Non-Executive Directors: 5
- ▶ CEO: 1
- ▶ Worker Directors: 1
- ▶ Other: 1



● Male ● Female

Key Financial Information (Year ended 31 December, FRS102)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	187	156	197	-41
EBITDA (adjusted)	42	15	44	-29
EBIT (adjusted)	28	4	32	-28
PAT (adjusted)	23	2	28	-26
PAT (reported)	23	(1)	28	-29
Tangible Fixed Assets	95	112	109	+3
Net (Debt)/Cash	204	170	233	-63
Pension (Liabilities)/Assets	(111)	(118)	(113)	+5
Net Assets/(Liabilities)	199	203	216	-13
Gross Capital Expenditure	(20)	(14)	(24)	-10
Dividends Paid (normal)	(8)	(8)	(8)	+0

Key Indicators

EBIT Margin	14.5%	2.4%	16.2%	-13.8%
Return on Invested Capital	8.9%	1.7%	10.2%	-8.5%
Net Gearing	-	-	-	-
Dividend Payout	28.6%	28.0%	27.7%	+0.3%

Financial Performance 2020

Significant deterioration in 2020 financial performance as a result of Covid-19, with the reduction in air traffic reflected in the reduced turnover and operating profit levels and the net loss after tax position. Cost containment measures were implemented which delivered a reduction in operating costs year-on-year and IAA also availed of Government wage subsidy supports (the adjusted operating profit figures above take account of those supports). IAA remained in a net cash position at year-end with the reduction reflective of net cash outflows from operations over the period, ongoing capex and dividend payments. Financial performance continued to be impacted in 2021.



Established: 1997

State Holding: 100%

Primary Sector: Ports

Employee Numbers (2020): 155

Chair: Michael Walsh*

CEO: Eoin McGettigan

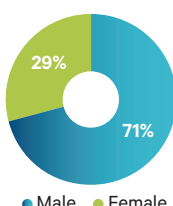
Key Activities

- ▶ The Port of Cork is classified as a Tier 1 port by the National Ports Policy 2013 and as a core/comprehensive port in the EU TEN-T network.
- ▶ Key revenue generating functions are the setting and collection of port dues, terminal operations, leasing of port land, infrastructure and superstructure to private sector operators.
- ▶ Also generates income from stevedoring service charges, rents on warehouse space, vessel towage charges, storage charges and other activities.

Board Composition (Oct-21)

- ▶ Total No. of Directors: 7 (max. 8)
- ▶ Other Non-Executive Directors: 5
- ▶ CEO: 1
- ▶ Worker Directors: 1

* Appointed in November 2021.



● Male ● Female

Key Financial Information (Year ended 31 December, FRS102)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	33.6	33.7	37.7	-4.0
EBITDA (adjusted)	9.8	10.1	11.0	-0.9
EBIT (adjusted)	5.9	6.1	7.3	-1.2
PAT (adjusted)	4.7	4.7	5.8	-1.1
PAT (reported)	4.7	4.7	6.0	-1.3
Tangible Fixed Assets	118.9	156.5	130.1	+26.4
Net (Debt)/Cash	(4.8)	(31.4)	(13.1)	+18.3
Pension (Liabilities)/Assets	(8.7)	(6.1)	(8.5)	-2.4
Net Assets/(Liabilities)	82.7	92.9	87.0	+5.9
Gross Capital Expenditure	(17.5)	(29.9)	(25.1)	+4.8
Dividends Paid (normal)	(0.5)	-	(0.3)	-0.3

Key Indicators

EBIT Margin	17.7%	18.1%	19.3%	-1.2%
Return on Invested Capital	4.9%	4.0%	5.3%	-1.3%
Net Gearing	7.7%	25.3%	13.0%	+12.3%
Dividend Payout	10.8%	-	5.8%	-5.8%

Financial Performance 2020

Financial performance in 2020 was lower than 2019 with lower operating profits and PAT reported. Despite increases in overall throughput volumes over the year, the impact of Covid-19 on cruise traffic in particular (-€3m) resulted in an overall reduction in turnover (-10%). Cost containment measures did partly offset the consequent reduction in profits and Port of Cork also availed of Government wage subsidy supports. The increase in net debt and gearing levels is reflective of debt drawdowns to fund ongoing investment in the Ringaskiddy redevelopment project. No dividend payment was made in 2020.



Port of Waterford

Established: 1999

State Ownership: 100%

Primary Sector: Ports

Employee Numbers (2020): 45

Chair: Des Whelan

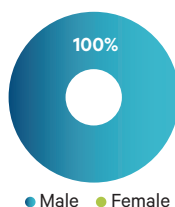
CEO: Frank Ronan

Key Activities

- ▶ The Port of Waterford is classified as a Tier 2 port by the National Ports Policy 2013 and as a core/comprehensive port in the EU TEN-T network.
- ▶ Key revenue generating functions are the setting and collection of port dues, terminal operations, leasing of port land, infrastructure and superstructure to private sector operators.
- ▶ Also generates income from stevedoring service charges, rents on warehouse space, vessel towage charges, storage charges, car parking and other activities.

Board Composition (Oct-21)

- ▶ Total No. of Directors: 6 (max. 8)
- ▶ Chair: 1
- ▶ Other Non-Executive Directors: 3
- ▶ CEO: 1
- ▶ Worker Directors: 1



Established: 2000

State Holding: 100%

Primary Sector: Ports

Employee Numbers (2020): 52

Chair: David McGarry

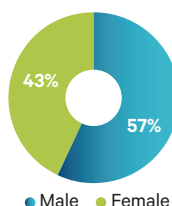
CEO: Pat Keating

Key Activities

- ▶ SFPC is classified as a Tier 1 port by the National Ports Policy 2013 and as a core/comprehensive port in the EU TEN-T network.
- ▶ Revenues are generated from activity at its directly-owned terminals at Foynes, Limerick Docks and Shannon and from activity at three privately-owned terminals on the Shannon Estuary: (i) ESB's Moneypoint power station, (ii) the Aghinish Alumina plant and (iii) Tarbert, which hosts a power plant owned by SSE and is also occupied by a National Oil Reserves Agency storage facility.
- ▶ SFPC also has a wholly-owned and fully consolidated subsidiary, Limerick Cargo Handling DAC, which carries out stevedoring activities.

Board Composition (Oct-21)

- ▶ Total No. of Directors: 7 (max. 8)
- ▶ Chair: 1
- ▶ Other Non-Executive Directors: 4
- ▶ CEO: 1
- ▶ Worker Directors: 1



Key Financial Information (Year ended 31 December, FRS102)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	7.4	7.2	7.8	-0.6
EBITDA (adjusted)	1.9	1.6	1.8	-0.2
EBIT (adjusted)	1.0	0.7	1.0	-0.3
PAT (adjusted)	1.0	0.6	1.2	-0.6
PAT (reported)	1.1	0.6	1.3	-0.7
Tangible Fixed Assets	26.9	26.3	27.2	-0.9
Net (Debt)/Cash	4.5	6.5	3.2	+3.3
Pension (Liabilities)/Assets	(1.4)	(0.2)	(0.7)	-0.5
Net Assets/(Liabilities)	32.0	33.0	33.1	-0.1
Gross Capital Expenditure	(1.3)	(0.5)	(2.3)	-1.8
Dividends Paid (normal)	(0.1)	-	(0.3)	-0.3
Key Indicators				
EBIT Margin	13.6%	10.0%	13.3%	-3.3%
Return on Invested Capital	2.7%	1.9%	2.7%	-0.8%
Net Gearing	-	-	-	-
Dividend Payout	3.0%	-	15.0%	-15.0%

Financial Performance 2020

Financial performance in 2020 was lower than 2019 with reduced operating profits and PAT reported with Covid-19 having a negative impact on cruise traffic and car parking income at the port. Cash held at year end increased by €3m driven largely from proceeds on the sale of an investment property during the year. No dividend payment was made in 2020.

Key Financial Information (Year ended 31 December, FRS102)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	13.8	12.9	14.0	-1.1
EBITDA (adjusted)	6.3	5.5	6.0	-0.5
EBIT (adjusted)	4.3	3.3	3.9	-0.6
PAT (adjusted)	3.5	2.6	3.2	-0.6
PAT (reported)	3.8	2.6	4.4	-1.8
Tangible Fixed Assets	57.4	56.6	57.4	-0.8
Net (Debt)/Cash	(4.8)	1.0	(3.1)	+4.1
Pension (Liabilities)/Assets	(9.2)	(8.1)	(8.7)	-0.6
Net Assets/(Liabilities)	40.6	46.9	44.4	+2.5
Gross Capital Expenditure	(2.8)	(1.6)	(1.8)	-0.2
Dividends Paid (normal)	(0.2)	-	(0.4)	-0.4
Key Indicators				
EBIT Margin	31.1%	25.9%	27.7%	-1.8%
Return on Invested Capital	6.2%	4.6%	5.5%	-0.9%
Net Gearing	11.2%	-	6.5%	-6.5%
Dividend Payout	6.0%	-	8.9%	-8.9%

Financial Performance 2020

Financial performance in 2020 was lower than 2019 with lower operating profits and PAT reported. Overall, throughput volumes were down c.2% year on year driven by reduced volumes at the port's directly owned terminals, particularly Shannon which reflects reduced aviation fuel throughput as a result of Covid-19. The negative impact of reduced activity on profitability levels was partly offset by cost containment measures which delivered a reduction in operating costs year on year. PAT was €1.8m lower in 2020 but noting that 2019 included gains from the sale of non-core land assets (€1.4m). The company was in a net cash position at year end mainly reflecting increased cashflow from operating activities due to favourable working capital movements. No dividend payment was made in 2020.



Established: 2014

State Ownership: 100%

Primary Sector: Aviation (Airports)

Employee Numbers (2020): 306

Chair: Pádraig Ó Céidigh

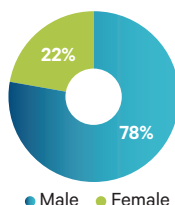
CEO: Mary Considine

Key Activities

- ▶ **Shannon Airport Authority:** Provision of air transport and aviation services at Shannon Airport and the development of the aerospace industry in Shannon via the International Aviation Services Centre.
- ▶ **Shannon Commercial Properties:** Owns and operates a range of business and industrial parks in the Shannon/Limerick area and across the mid-west of Ireland with the flagship park being the Shannon Free Zone.
- ▶ **Shannon Heritage:** Development and operation of a range of heritage tourism attractions in mid-west Ireland and the Dublin area.

Board Composition (Oct-21)

- ▶ Total No. of Directors: 9 (max. 10)
- ▶ Chair: 1
- ▶ Other Non-Executive Directors: 5
- ▶ CEO: 1
- ▶ Employee Representatives: 2



Key Financial Information (Year ended 31 December, IFRS)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Turnover	66.2	34.3	79.1	-44.8
EBITDA (adjusted)	9.1	1.2	14.6	-13.4
EBIT (adjusted)	13.3	1.4	24.9	-23.5
PAT (adjusted)	12.0	(0.3)	21.6	-21.9
PAT (reported)	4.9	(28.2)	21.6	-49.8
Tangible Fixed Assets	63.4	55.9	83.0	-27.1
Net (Debt)/Cash	4.2	(3.4)	0.0	+3.4
Pension (Liabilities)/Assets	(0.8)	(0.8)	(0.6)	+0.2
Net Assets/(Liabilities)	146.3	144.5	172.9	-28.4
Gross Capital Expenditure	(23.7)	(17.2)	(30.5)	-13.3
Dividends Paid (normal)	-	-	-	-
Key Indicators				
EBIT Margin	18.0%	4.2%	31.4%	-27.2%
Return on Invested Capital	1.9%	(2.9%)	3.8%	-6.7%
Net Gearing	1.2%	2.3%	-	+2.3%
Dividend Payout	-	-	-	-

Financial Performance 2020

Significant deterioration in 2020 financial performance as a result of Covid-19, reflected in the reduced turnover (-57%) and operating profit levels and net loss after tax position for 2020. Measures were implemented which delivered an operating cost reduction year-on-year (including staff restructuring measures) and Shannon Group also availed of wage subsidy and other governmental financial supports (the adjusted operating profit figures above are as reported by the company and take account of those supports). Average employee numbers were 40% lower in 2020 (2020: 306, 2019: 512). Capital investment was curtailed in 2020 with the exception of key strategic projects. Financial performance continued to be impacted in 2021.



Established: 1957

State Holding: 100%

Primary Sector: Health

Employee Numbers (2020): 1,455

Chair: Paul O'Faherty

CEO (Acting): Declan Moran

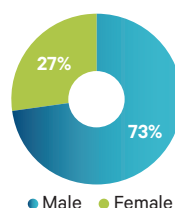
Key Activities

Vhi is a statutory body which was established pursuant to the Voluntary Health Insurance Acts, 1957-2008 (as amended). Key activities include:

- ▶ **Insurance:** underwriting of private medical insurance (PMI).
- ▶ **Healthcare:** distribution of PMI policies and other insurance policies underwritten by third parties.
- ▶ **Health and Wellbeing:** development and provision of medical, health and wellbeing services for Vhi group customers including: corporate occupational health services, employee assistance programmes; minor injury clinics (Vhi SwiftCare); home care services (Hospital@Home); and medical screening services.

Board Composition (Oct-21)

- ▶ Total No. of Directors: 11 (max. 12)
- ▶ Chair: 1
- ▶ Other Non-Executive Directors: 8
- ▶ Other Executive Directors: 2



Key Financial Information (Year ended 31 December, FRS)

Key Financial Information (€'m)	5yr Avg	2020	2019	yoy Δ
Gross Written Premium	1,465	1,533	1,446	+87
Total Earned Premium (net)	1,274	1,506	1,413	+93
Gross Claims Paid	(1,309)	(1,147)	(1,387)	-240
Total Claims Incurred (net)	(1,136)	(1,111)	(1,371)	-260
Net Operating Expenses	(129)	(133)	(127)	+6
Surplus-Ordinary Activities after Tax	62	53	45	+8
Tangible Fixed Assets	15	18	23	-5
Net (Debt)/Cash	39	63	98	-35
Pension (Liabilities)/Assets	(37)	(38)	(56)	-18
Net Assets/(Liabilities)	664	773	701	+72
Gross Capital Expenditure	(18)	(2)	(36)	-34
Dividends Paid (total)	-	-	-	-

Note: Vhi's financial statements are prepared in accordance with FRS102 and FRS103 Insurance Contracts with the equivalent of its income statement being presented in a different format to the other Portfolio Companies. The standardised NewERA performance measures are therefore not currently presented for Vhi.

Financial Performance 2020

Financial performance in 2020 improved over 2019 with an increase in the surplus after tax in 2020 driven by an increased level of net earned premium and reduced total net incurred claims. The increase in net earned premiums was attributable to increased customer membership and premium performance. Vhi experienced lower total net incurred claims as Vhi customers' access to healthcare was materially limited by the pandemic. In response to this, Vhi implemented a programme to return value to its customers by way of partial waivers of insurance premiums.



Appendices

Appendix A – Important Notice

This report (the “**Report**”) has been prepared by the New Economy and Recovery Authority (“**NewERA**”) for the purposes of providing an overview of the combined annual financial performance of the portfolio of Designated Bodies (as defined in the National Treasury Management Agency (Amendment) Act 2014 (the “**NTMA Act**”). Financial information is also presented in the Report for certain other commercial State-owned companies, which are not Designated Bodies for the purposes of the NTMA Act but for which NewERA is providing financial and commercial advisory services to Ministers on an ongoing basis pursuant to individually agreed terms of reference. Collectively, these companies are referred to on a combined basis as the “**Portfolio**” or the “**Portfolio Companies**” for the purposes of the Report and are listed below along with their latest respective reported financial year ends, which form the basis of the financial information presented in this report (the “**Relevant Financial Year**”). The financial highlights presented at the start of this Report also refer to the combined financial information relating to the most recently reported interim results for each of the Portfolio Companies, with the latest respective reported interim periods also set out below:

Portfolio Companies	Relevant Financial Year (twelve months ending)	Relevant Interim Financial Period (six months ending)
An Post	31 December 2020	30 June 2021
Bord na Móna plc (“ BnM ”)	31 March 2021	29 September 2021
Coras Iompair Éireann (“ CIÉ ”) CIÉ operating subsidiaries (also designated to NewERA):	31 December 2020	30 June 2021
— Bus Átha Cliath (“ BÁC ”)	31 December 2020	30 June 2021
— Bus Éireann (“ BÉ ”)	31 December 2020	30 June 2021
— Iarnród Éireann (“ IE ”)	31 December 2020	30 June 2021
Coillte Cuideachta Ghníomhaíochta Ainmnithe (“ Coillte ”)	31 December 2020	30 June 2021
daa plc (“ daa ”)	31 December 2020	30 June 2021
Dublin Port Company (“ DPC ”)	31 December 2020	30 June 2021
EirGrid plc (“ EirGrid ”)	30 September 2020	31 March 2021
Ervia	31 December 2020	30 June 2021
Irish Aviation Authority (“ IAA ”)	31 December 2020	30 June 2021
Irish Water (“ IW ”)	31 December 2020	30 June 2021
Port of Cork Company (“ PoCC ”)	31 December 2020	30 June 2021
Port of Waterford (“ PoW ”)	31 December 2020	30 June 2021
Shannon Foynes Port Company (“ SFPC ”)	31 December 2020	30 June 2021
Shannon Group plc (“ Shannon Group ”)	31 December 2020	30 June 2021
The Electricity Supply Board (“ ESB ”)	31 December 2020	30 June 2021
Voluntary Health Insurance Board (“ Vhi ”)	31 December 2020	30 June 2021

As many of the Portfolio Companies report on a consolidated basis, reference to them in this Report includes the relevant subsidiaries. It should also be noted that certain of the Portfolio Companies are statutory bodies rather than companies but, for ease of reference, are referred to in this Report as companies. For the purposes of the Report, the Relevant Financial Year for the Portfolio Companies is collectively referred to as “**2020**” but, for individual Portfolio Companies with a year end post 31 December 2020 (currently only BnM), the Relevant Financial Year is referred to as “**2021**”.

This Report is issued by NewERA for information purposes only. The contents of this Report do not constitute investment, legal, business or tax advice and should not be read as such. This Report has been prepared by NewERA primarily on the basis of publicly available information relating to the Portfolio Companies including, without limitation, their respective most recently published annual reports. For aggregate reporting purposes, the most recent interim financial information of the Portfolio Companies has also been utilised but, with respect to each of the Portfolio Companies, this Report does not present any individual interim financial information relating to periods after the last day of the Relevant Financial Year of each of the relevant Portfolio Companies. Financial performance measures utilised by NewERA and presented in this Report (see Appendix D) have been applied by NewERA on a standardised basis across each of the Portfolio Companies; the financial performance measures applied by each of the Portfolio Companies for their own purposes and how these are calculated may differ.

This Report also includes some general and non-exhaustive observations by NewERA arising out of its work with the Portfolio Companies which may be of relevance to the historical and future performance of the Portfolio Companies. These observations are made from a financial/commercial perspective only; any legal, regulatory and/or policy implications which may also be relevant to these observations are not addressed in this Report.

The accuracy and completeness of the information on which this Report is based has not been independently audited, tested or verified by NewERA and no undertaking, representation or warranty (express or implied) is given as to, and no responsibility or liability, whether in negligence or otherwise howsoever, is accepted by NewERA in respect of, the fairness, reasonableness, adequacy, accuracy, completeness, fitness for use or use of the contents of this Report. Furthermore, NewERA makes no representation that use of this Report or any of its content would not infringe other proprietary rights.

Appendix B – Shareholdings/Stockholdings of the Portfolio Companies

Shareholdings/stockholdings in the Portfolio Companies (excluding IW) as at the Relevant Financial Year End									
Portfolio Company	Entity Type	Units in Issue	Portion held by or for						% held by ESOT
			MPER (Note 1)	MHLGH	MECC	MT	MAFM	MH	
An Post	Designated Activity Company	54,590,946 ordinary shares	One share	-	c.100%	-	-	-	-
BnM	Public Limited Company	65,212,639 ordinary shares	c.95%	-	One share	-	-	-	5%
Coillte	Designated Activity Company	631,000,000 ordinary shares	c.100%	-	-	-	One share	-	-
CIÉ	Statutory Body	Note 2	-	-	-	Note 2	-	-	-
daa	Public Limited Company	186,336,813 ordinary shares	100%	-	-	-	-	-	-
DPC	Designated Activity Company	11,571,000 ordinary shares	One share	-	-	c.100%	-	-	-
EirGrid	Public Limited Company	30,000 ordinary shares	c.100%	-	One share	-	-	-	-
Ervia	Statutory Body	Note 3	Note 3	Note 3	Note 3	-	-	-	Note 3
ESB	Statutory Body	1,957,681,855 units capital stock	86%	-	10.1%	-	-	-	c.39%
IAA	Designated Activity Company	17,858,000 ordinary shares	c.100%	-	-	One share	-	-	-
Port of Cork	Designated Activity Company	18,014,977 ordinary shares	One share	-	-	c.100%	-	-	-
Port of Waterford	Designated Activity Company	14,940,642 ordinary shares	One share	-	-	c.100%	-	-	-
SFPC	Designated Activity Company	17,749,900 ordinary shares	One share	-	-	c.100%	-	-	-
Shannon Group	Public Limited Company	38,107 ordinary shares	100%	-	-	-	-	-	-
Vhi	Statutory Body	Note 4	-	-	-	-	-	Note 4	-

Source: NewERA Analysis of Annual Reports and public information

Abbreviated Terms: Minister for Public Expenditure and Reform ("MPER"), Minister for Housing, Local Government and Heritage ("MHLGH"), Minister for the Environment, Climate and Communications ("MECC"), Minister for Transport ("MT"), Minister for Agriculture, Food and the Marine ("MAFM"), Minister for Finance ("MFIN"), Minister for Health ("MH").

Note 1: The Ministers and Secretaries (Amendment) Act 2011 had the effect of transferring ownership of either the stock or shares previously held by the Minister for Finance to the MPER.

Note 2: CIÉ is a statutory body without share capital. It is wholly owned by the Government of Ireland and reports to the MT.

Note 3: In March 2014, an agreement was signed regarding the buy-out of the 3.27% capital stockholding in Ervia held by the ESOP Trustee on behalf of ESOP beneficiaries. The agreement provided for the appropriation and cancellation of the entire capital stock issued to the ESOP, in exchange for promissory notes to be issued by Ervia and redeemed over the period 2014 to 2018. Ervia's 2020 Annual Report notes that Ervia is 100% beneficially owned by the State. Pursuant to the Gas Act 1976 (as amended by the Gas Regulation Act 2013), the MHLGH acts as the majority shareholding Minister for Ervia.

Note 4: Vhi is a statutory body without share capital. It is wholly owned by the Government of Ireland and reports to the MH.

Shareholdings in IW as at the Relevant Financial Year end						
Portfolio Company	Entity Type	Units in Issue	Units held by or on behalf of			Units held by the ESOP Trustee
			Ervia	MHLGH	MFIN	
Irish Water	Designated Activity Company	1 ordinary A share ¹ 650 ordinary B shares ²	1 ordinary A share ¹ (100% voting rights)	325 ordinary B shares ² (50% economic rights)	325 ordinary B shares ² (50% economic rights)	n/a

Source: NewERA Analysis of Annual Reports and public information

¹ Ordinary A share is a voting share but with no economic rights attaching, ²Ordinary B shares are non-voting shares but with economic rights attaching

Appendix C – Board Composition Statistics

The gender representation statistics presented in this section are as at 31 October 2021. For a number of the Portfolio Company boards there are appointment processes currently ongoing which may impact the gender representation statistics as at the time of report publication.

Board Composition as at 31 October 2021						
Portfolio Company	Maximum Number of Directors	Actual Number of Directors	Actual Number of Directors by Position			
			Chairperson	Chief Executive Officer/ Managing Director ¹	Non-Executive Director	Other ²
An Post	15	12	1	1	4	6
BnM	12	11	1	1	5	4
CIÉ	12	12	1	-	7	4
Coillte	9	7	1	-	5	1
daa	13	12	1	1	6	4
DPC	8	6	1	1	3	1
EirGrid	10	9	1	1	6	1
Ervia	11	10	1	1	8	-
ESB	12	8	1	-	3	4
IAA	9	9	1	1	5	2
PoCC	8	7	- ³	1	5	1
PoW	8	6	1	1	3	1
SFPC	8	7	1	1	4	1
Shannon Group	10	9	1	1	5	2
Vhi	12	11	1	-	8	2
Total	157	136	14	11	77	34

Source: NewERA Analysis, www.stateboards.ie, Portfolio Companies

Note: ¹ For a number of the companies, the CEO is either not a board member or is yet to be appointed to the board.

² The other category comprises worker directors, employee representatives/nominees, ESOP representatives (where applicable), representatives of the relevant regulatory body (where applicable, currently IAA only) and Executive Directors (other than the CEO/MD and where applicable, currently Vhi only).

³ Michael Walsh was appointed as Chairperson of PoCC in November 2021.

Male and Female Representation as at 31 October 2021												
Portfolio Company	Board		Chairperson ¹		NED (excl. Chairperson)		Other ¹		CEO/MD ^{1,2}		Executive Management Team (excluding the CEO/MD)	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
An Post	67%	33%		•	50%	50%	83%	17%	•		43%	57%
BnM	64%	36%	•		40%	60%	75%	25%	•		75%	25%
CIÉ	67%	33%		•	71%	29%	75%	25%	•		100%	-
Coillte	57%	43%		•	60%	40%	•	-		•	83%	17%
daa	83%	17%	•		67%	33%	100%	-	•		67%	33%
DPC	100%	-	•		100%	-	•	-	•		89%	11%
EirGrid	67%	33%	•		50%	50%	•	-	•		83%	17%
Ervia	80%	20%	•		75%	25%	-	-	•		70%	30%
ESB	75%	25%	•		33%	67%	100%	-	•		67%	33%
IAA	56%	44%		•	40%	60%	100%	-	•		67%	33%
PoCC	71%	29%		- ³	60%	40%	•	-	•		100%	-
PoW	100%	-	•		100%	-	•	-	•		86%	14%
SFPC	57%	43%	•		25%	75%	•	-	•		100%	-
Shannon Group	78%	22%	•		100%	-	50%	50%		•	60%	40%
Vhi	73%	27%	•		63%	38%	100%	-	•		67%	33%
Portfolio	72%	28%	71%	29%	62%	38%	88%	12%	87%	13%	75%	25%

Source: NewERA Analysis, www.stateboards.ie, Portfolio Companies

Notes: ¹ Where a category comprises one individual, this is denoted by •. For categories comprising more than one individual, the statistic is expressed in percentage terms.

² For a number of the companies, the CEO is either not a board member or is yet to be appointed. These individuals are included in the CEO/MD category statistics per the above table but are not reflected in the overall board statistics.

³ Michael Walsh was appointed as Chair of PoCC in November 2021.

Appendix D – Financial Performance Measures

Term	Definition
Acid Test Ratio	Aggregate of closing balance for trade and other receivables, cash and current tax assets <u>divided by</u> aggregate of closing balance for trade and other payables, current borrowings and current tax liabilities
Adjusted EBIT	Earnings before interest and tax, adjusted for exceptional items and certain fair value movements. Also referred to in this report as operating profit
Adjusted EBITDA	Earnings before interest, tax, depreciation and amortisation adjusted for exceptional items and certain fair value movements
Adjusted PAT	Net profit after tax, adjusted for exceptional items and certain fair value movements
Average Employee Costs	Employee costs <u>divided by</u> average number of employees where employee costs: <ol style="list-style-type: none"> 1. Include capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any) 2. Include capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs <p>Note: where an entity does not disclose the average number of employees in the notes to its financial statements, the employee numbers as at the end of the financial year are used.</p>
Current Ratio	Aggregate of closing balance for inventories, trade and other receivables, cash and current tax assets <u>divided by</u> aggregate of closing balance for trade and other payables, current borrowings and current tax liabilities
Dividends Paid	Dividends paid during the financial year per the cashflow statement (including or excluding special dividends depending on the individual metric)
Dividend Payout Rate	Dividends Paid (excluding special dividends) <u>divided by</u> prior year Adjusted PAT
Earnings (adjusted) Growth	Year-on-year growth in Adjusted PAT
EBITDA Margin	Adjusted EBITDA <u>divided by</u> reported turnover
EBIT Margin/Operating Margin	Adjusted EBIT <u>divided by</u> reported turnover
EBITDA Interest Cover	Adjusted EBITDA <u>divided by</u> Interest paid
Equity	Total shareholder(s) equity taken from the balance sheet
Fair Value Movements	Includes unrealised fair value gains/losses on derivatives or all fair value gains/losses on derivatives where the entity does not separately identify unrealised items
Invested Capital	Adjusted total debt <u>plus</u> adjusted total equity (per NewERA methodology)
Net Debt	Gross borrowings <u>plus</u> right of use lease liabilities less cash
Net Debt/EBITDA	Net debt <u>divided by</u> Adjusted EBITDA
Net Gearing	Net debt <u>divided by</u> net debt plus equity
PAT Margin	Adjusted PAT <u>divided by</u> turnover
Return on Invested Capital (ROIC)	Net operating profit after tax (NOPAT) <u>divided by</u> average invested capital
Turnover Growth	Year-on-year growth in reported turnover

Appendix E – Portfolio Financial Information

PORTFOLIO COMPANIES

KEY FINANCIAL INFORMATION	5yr avg.	2020	2019	2018	2017	2016
INCOME STATEMENT (€'m)						
Turnover	11,090	10,802	11,803	11,345	10,832	10,668
EBITDA (adjusted)	2,610	2,198	3,038	2,620	2,639	2,553
EBIT (adjusted)	1,320	806	1,721	1,397	1,342	1,333
PAT (adjusted)	882	492	1,268	951	853	847
PAT (reported)	656	74	1,160	793	613	639
BALANCE SHEET (€'m)						
Tangible Fixed Assets	23,905	25,818	25,208	23,700	22,447	22,353
Gross Debt	(8,933)	(9,523)	(8,579)	(8,776)	(8,693)	(9,096)
Net (Debt)/Cash	(6,930)	(6,894)	(6,620)	(6,976)	(6,858)	(7,300)
Pension (Liabilities)/Assets	(1,733)	(1,533)	(1,724)	(1,412)	(1,746)	(2,251)
Employee Related Liabilities	(158)	(189)	(168)	(129)	(137)	(168)
Net Assets	10,832	12,700	12,397	10,731	9,606	8,725
Invested Capital	22,659	24,080	23,407	22,428	21,896	21,485
CASHFLOWS (€'m)						
Net Cashflow from Operations	2,133	2,065	2,295	2,158	2,106	2,044
Gross Capital Expenditure	(2,314)	(2,702)	(2,679)	(2,239)	(2,074)	(1,877)
Net (Acquisitions)/Disposals Spend	(37)	8	(209)	7	31	(21)
Dividends Paid (normal)	(171)	(112)	(170)	(165)	(232)	(175)
Dividends Paid (special)	(85)	(24)	(97)	(102)	(100)	(100)
Dividends Paid (total)	(255)	(136)	(267)	(267)	(332)	(275)
EMPLOYEES						
Employee Numbers	39,495	39,613	40,094	39,640	39,465	38,661
Avg. Cost per Employee (see note ii)	€'000 68	71	70	69	67	65
Avg. Cost per Employee (see note iii)	€'000 57	58	58	57	56	55

KEY METRICS	5yr avg.	2020	2019	2018	2017	2016
PROFITABILITY & EFFICIENCY						
Turnover Growth	0.5%	(8.5)%	4.0%	4.7%	1.5%	0.8%
EBITDA Margin	23.5%	20.4%	25.7%	23.1%	24.4%	23.9%
Operating Margin (EBIT adjusted)	11.9%	7.5%	14.6%	12.3%	12.4%	12.5%
PAT Margin	7.9%	4.6%	10.7%	8.4%	7.9%	7.9%
Return on Invested Capital (ROIC)	5.2%	3.0%	6.6%	5.6%	5.5%	5.6%
LIQUIDITY						
Current Ratio (times)	1.2x	1.6x	1.3x	0.9x	1.0x	1.0x
Acid Test Ratio (times)	1.1x	1.5x	1.2x	0.9x	1.0x	0.9x
LEVERAGE						
Net Gearing (see note iv)	39%	35%	35%	39%	42%	46%
Net Gearing (see note v)	45%	40%	41%	44%	48%	53%
Net Debt/EBITDA (times)	2.7x	3.1x	2.2x	2.7x	2.6x	2.9x
EBITDA Interest Cover (times)	9.2x	9.7x	12.3x	8.6x	8.4x	7.2x
SHAREHOLDER RETURNS						
Dividend Payout (normal dividends)	19%	9%	18%	19%	27%	22%
Earnings (adjusted) growth	(1)%	(61)%	33%	11%	1%	9%

Notes:

- The above measures are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ from the above. See Appendix D for NewERA's standardised performance measures
- Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts
- Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts
- Net gearing excluding pensions and employee related liabilities
- Net gearing including pensions and employee related liabilities



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