

Directors' Report

The Directors present the Annual Report and audited Consolidated Financial Statements of the Group for the year ended 29 February 2020.

Principal Activities

The Group's principal trading activity is the production, marketing and distribution of cider and beer, wine, soft drinks and bottled water.

Non-Financial Reporting Statement

In compliance with the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017, the table below is designed to help stakeholders navigate to the relevant sections in this Annual Report to understand the Group's approach to these non-financial matters:

Reporting Requirements	Our Policies	Section in Annual Report or Page References	Risks
Environmental matters	Environmental Sustainability	Responsibility Report	Although the risks associated with environmental matters are actively monitored, the Group does not believe these risks meet the threshold of a principal risk for our business.
Social and Employee matters	<ul style="list-style-type: none"> • Diversity, Equality and Inclusion • Health and Safety • Whistleblowing • Conflicts of Interest 	Responsibility Report Confidential Reporting Procedures – page 72	For employee matters, retention and recruitment of staff is one of our principal risks. Please refer to page 16 for more details.
Human Rights	Anti-Modern Slavery	Responsibility Report	Although the risks associated with human rights abuses are actively monitored, the Group does not believe these risks meet the threshold of a principal risk for our business.
Anti-bribery and Corruption	Code of Conduct Compliance Anti-Bribery	Responsibility Report	Although the risks associated with bribery and corruption are actively monitored, the Group does not believe these risks meet the threshold of a principal risk for our business.
Description of the business model		Please refer to pages 6 to 9	
Non-Financial key performance indicators		Please refer to page 12	

Dividends

An interim dividend of 5.50 cent per share for the year ended 29 February 2020 was paid on 13 December 2019. Due to the emergence of COVID-19 and the impact this has on global economies and on business generally, the Board has concluded it is not appropriate to pay a final dividend for FY2020. For the previous financial year ending 28 February 2019, an interim dividend of 5.33 cent per share was paid on 13 December 2019 and a final dividend of 9.98 cent per share was paid on 19 July 2019.

Board of Directors

The names, functions and date of appointment of the current Directors are as follows:

Director	Function	Appointment
Stewart Gilliland	Interim Executive Chairman	2020
Jonathan Solesbury	Group Chief Financial Officer	2017
Andrea Pozzi	Chief Operating Officer	2017
Jill Caseberry	Independent Non-executive Director	2019
Jim Clerkin	Independent Non-executive Director	2017
Vincent Crowley	Independent Non-executive Director	2016
Emer Finnan	Independent Non-executive Director	2014
Helen Pitcher	Independent Non-executive Director	2019
Jim Thompson	Independent Non-executive Director	2019

Research and Development

Certain Group undertakings are engaged in ongoing research and development aimed at improving processes and expanding product ranges.

Listing Arrangements

During the course of the year, the Group sought inclusion in the FTSE UK Index Series. In order to facilitate the entry into the FTSE UK Index Series, the Group cancelled the listing and trading of C&C shares on Euronext Dublin with effect from 8 October 2019.

The Group is listed on the premium segment of The London Stock Exchange and was included in the FTSE All-Share Index and the FTSE 250 indices in December 2019.

The Group remains domiciled and tax resident in Ireland, with its registered and corporate head office located in Dublin. The Group also retains a significant manufacturing, commercial and brand presence in Ireland.

Share Price

The price of the Company's ordinary shares as quoted on the London Stock Exchange at the close of business on 28 February 2020 (being the last working day) was £3.28 (28 February 2019: £2.63 (converted from Euro equivalent)). The price of the Company's ordinary shares ranged between £3.28 and £4.11 during the year.

Further Information on the Group

The information required by section 327 of the Companies Act 2014 to be included in this report with respect to:

1. The review of the development and performance of the business and future developments is set out in the interim Executive Chairman's Review on pages 22 to 30 and the Strategic Report on pages 2 to 49.
2. The principal risks and uncertainties which the Company and the Group faces are set out in the Strategic Report on pages 13 to 21 and which have been updated to reflect the risks posed by COVID-19.
3. The key performance indicators relevant to the business of the Group, including environmental and employee matters, are set out in the Strategic Report on page 12 and in the Group Chief Financial Officer's Review on pages 31 to 36; and further information in respect of environmental and employee matters is set out in the Responsibility Report on pages 37 to 49.
4. The financial risk management objectives and policies of the Company and the Group, including the exposure of the Company and the Group to financial risk, are set out in the Group Chief Financial Officer's Review on pages 31 to 36 and note 23 to the financial statements.

The Group's Viability Statement is contained in the Strategic Report on pages 20 to 21.

Corporate Governance

In accordance with Section 1373 of the Companies Act 2014, the corporate governance statement of the Company for the year, including the main features of the internal control and risk management systems of the Group, is contained in the Strategic Report and the Corporate Governance Report on pages 58 to 66.

Directors' Report (continued)

Substantial Interests

As at 29 February 2020 and 3 June 2020, details of interests over 3% in the ordinary share capital carrying voting rights which have been notified to the Company are:

	No. of ordinary shares held as notified at 29 February 2020	% at 29 February 2020	No. of ordinary shares held as notified at 3 June 2020	% at 3 June 2020
Artemis Investment Management LLP	34,074,190	11.01%	37,255,442	11.99%
FIL Limited	30,728,611	9.90%	14,265,107	5.93%
FMR LLC	29,624,562	9.54%	29,624,562	9.54%
Southeastern Asset Management, Inc.	17,703,604	5.69%	17,703,604	5.70%
Silchester International Investors LLP	15,465,170	4.99%	15,465,170	4.98%
Investec Asset Management Limited	15,391,039	4.98%	15,391,039	4.96%
BlackRock, Inc.	12,504,053	4.03%	12,222,351	3.94%
Wellington Management Company, LLP	12,306,055	3.97%	12,306,055	3.96%
JNE Partners LLP	7,944,591	2.54%	7,944,591	4.07%

As far as the Company is aware, other than as stated in the table above, no other person or company had at 29 February 2020 or 3 June 2020 an interest in 3% or more of the Company's share capital carrying voting rights.

Issue of Shares and Purchase of Own Shares

At the Annual General Meeting held on 4 July 2019, the Directors received a general authority to allot shares. A limited authority was also granted to Directors to allot shares for cash otherwise than in accordance with statutory pre-emption rights. Resolutions will be proposed at the Annual General Meeting to be held on 23 July 2020 to allot shares to a nominal amount which is equal to approximately one-third of the issued ordinary share capital of the Company. In addition, resolutions will also be proposed to allow the Directors to allot shares for cash otherwise than in accordance with statutory pre-emption rights up to an aggregate nominal value which is equal to approximately 5% of the nominal value of the issued share capital of the Company and, in the event of a rights issue, and a further 5% of the nominal value of the issued share capital of the Company for the purposes of an acquisition or a specified capital investment. If granted, these authorities will expire at the conclusion of the Annual General Meeting in 2021 and the date 18 months after the passing of the resolution, whichever is earlier.

The Directors have currently no intention to issue shares pursuant to these authorities except for issues of ordinary shares under the Company's share option plans and the Company's scrip dividend scheme. At the Annual General Meeting held on 4 July 2019 authority was granted to purchase up to 10% of the Company's ordinary shares (the "Repurchase Authority"). As at the date of this Report, the Group has purchased 1.76% of the Company's ordinary shares pursuant to the Repurchase Authority from the start of the financial year.

The Group spent €23m in the year under review, using an average exchange rate to convert GBP spend into Euros (2019: €1.9m) (including commission and related costs) to purchase 5,625,000 (2019: 576,716) of the Company's ordinary shares.

Special resolutions will be proposed at the Annual General Meeting to be held on 23 July 2020 to renew the authority of the Company, or any of its subsidiaries, to purchase up to 10% of the Company's ordinary shares in issue at the date of the Annual General Meeting and in relation to the maximum and minimum prices at which treasury shares (effectively shares purchased and not cancelled) may be re-issued off-market by the Company. If granted, the authorities will expire on the earlier of the date of the Annual General Meeting in 2021 and the date 18 months after the passing of the resolution. The minimum price which may be paid for shares purchased by the Company shall not be less than the nominal value of the shares and the maximum price will be 105% of the average market price of such shares over the preceding five days. The Directors will only exercise the power to purchase shares if they consider it to be in the best interests of the Company and its shareholders.

As at the date of this report, options to subscribe for a total of 3,765,506 ordinary shares (excluding Recruitment and Retention Awards) are outstanding, representing 1.21% of the Company's total voting rights. If the authority to purchase ordinary shares were used in full, the options would represent 1.35% of the Company's total voting rights.

Dilution Limits and Time Limits

All employee share plans contain the share dilution limits recommended in institutional guidance, namely that no awards shall be granted which would cause the number of Shares issued or issuable pursuant to awards granted in the ten years ending with the date of grant (a) under any discretionary or executive share scheme adopted by the Company to exceed 5%, and (b) under any employees' share scheme adopted by the Company to exceed 10% of the ordinary share capital of the Company in issue at that time.

The European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006

Structure of the Company's share capital

At 3 June 2020 the Company has an issued share capital of 319,495,110 ordinary shares of €0.01 each and an authorised share capital of 800,000,000 ordinary shares of €0.01 each.

At 29 February 2020, the trustee of the C&C Employee Trust held 1,784,957 ordinary shares of €0.01 each in the capital of the Company. Shares held by the trustee of the C&C Employee Trust are accounted for as if they were treasury shares. These shares are, however, included in the calculation of Total Voting Rights for the purposes of Regulation 20 of the Transparency (Directive 2004/109/EC) Regulations 2007 ("TVR Calculation").

As at 29 February 2020, a subsidiary of the Group held 9,025,000 shares in the Company, which were acquired under the authority granted to the Company. These shares are not included in the TVR Calculation and are accounted for as treasury shares.

Details of employee share schemes, and the rights attaching to shares held in these schemes, can be found in note 4 (Share-Based Payments) to the financial statements and the Report of the Remuneration Committee on Directors' Remuneration on pages 77 to 92.

The Company has no securities in issue conferring special rights with regard to control of the Company.

Details of persons with a significant holding of securities in the Company are set out on page 52.

Rights and obligations attaching to the Ordinary Shares

All ordinary shares rank *pari passu*, and the rights attaching to the ordinary shares (including as to voting and transfer) are as set out in the Company's Articles of Association ("Articles"). A copy of the Articles may be obtained upon request to the Company Secretary.

Holders of ordinary shares are entitled to receive duly declared dividends in cash or, when offered, additional Ordinary Shares. In

the event of any surplus arising on the occasion of the liquidation of the Company, shareholders would be entitled to a share in that surplus *pro rata* to their holdings of ordinary shares.

Holders of ordinary shares are entitled to receive notice of and to attend, speak and vote in person or by proxy, at general meetings having, on a show of hands, one vote, and, on a poll, one vote for each Ordinary Share held. Procedures and deadlines for entitlement to exercise, and exercise of, voting rights are specified in the notice convening the general meeting in question. There are no restrictions on voting rights except in the circumstances where a "Specified Event" (as defined in the Articles) shall have occurred and the Directors have served a restriction notice on the shareholder. Upon the service of such restriction notice, no holder of the shares specified in the notice shall, for so long as such notice shall remain in force, be entitled to attend or vote at any general meeting, either personally or by proxy.

Holding and transfer of Ordinary Shares

The ordinary shares may be held in either certificated or uncertificated form (through CREST). Save as set out below, there is no requirement to obtain the approval of the Company, or of other shareholders, for a transfer of ordinary shares. The Directors may decline to register (a) any transfer of a partly-paid share to a person of whom they do not approve, (b) any transfer of a share to more than four joint holders, and (c) any transfer of a certificated share unless accompanied by the share certificate and such other evidence of title as may reasonably be required. The registration of transfers of shares may be suspended at such times and for such periods (not exceeding 30 days in each year) as the Directors may determine.

Transfer instruments for certificated shares are executed by or on behalf of the transferor and, in cases where the share is not fully paid, by or on behalf of the transferee. Transfers of uncertificated shares may be effected by means of a relevant system in the manner provided for in the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996 (the "CREST Regulations") and the rules of the relevant system. The Directors may refuse to register a transfer of uncertificated shares only in such circumstances as may be permitted or required by the CREST Regulations.

The Board proposes to convene later in the year a separate Extraordinary General Meeting to consider a number of resolutions to be proposed in connection with the migration of securities settlement in the securities of Irish registered companies listed on the London Stock Exchange (such as the Company) and/or Euronext Dublin from the current settlement system, CREST, to the replacement system, Euroclear Bank ("Migration"). This Migration is required as a result of Brexit. We will provide you with further details of the proposed Migration later in the year.

Directors' Report (continued)

Rules concerning the appointment and replacement of the Directors and amendment of the Company's Articles

Unless otherwise determined by ordinary resolution of the Company, the number of Directors shall not be less than two or more than 14. Subject to that limit, the shareholders in general meeting may appoint any person to be a Director either to fill a vacancy or as an additional Director. The Directors also have the power to co-opt additional persons as Directors, but any Director so co-opted is under the Articles required to be submitted to shareholders for re-election at the first Annual General Meeting following his or her co-option.

The Articles require that at each Annual General Meeting of the Company one-third of the Directors retire by rotation. However, in accordance with the recommendations of the UK Corporate Governance Code, the Directors have resolved they will all retire and submit themselves for re-election by the shareholders at the Annual General Meeting to be held this year.

The Company's Articles may be amended by special resolution (75% majority of votes cast) passed at general meeting.

Powers of Directors

Under its Articles, the business of the Company shall be managed by the Directors, who exercise all powers of the Company as are not, by the Companies Acts or the Articles, required to be exercised by the Company in general meeting.

The powers of Directors in relation to issuing or buying back by the Company of its shares are set out above under "Issue of Shares and Purchase of Own Shares".

Change of control and related matters

Certain of the Group's borrowing facilities include provisions that, in the event of a change of control of the Company, could oblige the Group to repay the facilities. Certain of the Company's customer and supplier contracts and joint venture arrangements also contain provisions that would allow the counterparty to terminate the agreement in the event of a change of control of the Company. The Company's Executive Share Option Scheme and Long-Term Incentive Plan each contain change of control provisions which allow for the acceleration of the exercise of share options/awards in the event of a change of control of the Company.

There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid in excess of their normal contractual entitlement.

Shareholder Rights Directive II

Following the end of the financial year, on 20 March 2020, the provisions of the Shareholders' Rights Directive II (SRD II) became law in Ireland with the publication of the European Union (Shareholders' Rights) Regulations 2020 (SRD II Regulations). The SRD II Regulations apply with effect from 30 March 2020.

SRD II Regulations codify that Irish companies must seek shareholder approval of a remuneration report annually; and, an advisory remuneration policy once every four years. The Group is, in effect, already in compliance with this requirement having provided shareholders with the opportunity to opine on the Group's remuneration report annually since 2010; and also provided shareholders with an advisory vote on the Group's Remuneration Policy.

Political Donations

No political donations were made by the Group during the year that require disclosure in accordance with the Electoral Acts, 1997 to 2002.

Accounting Records

The measures taken by the Directors to secure compliance with the requirements of Sections 281 to 285 of the Companies Act, 2014 with regard to the keeping of adequate accounting records are to employ accounting personnel with appropriate qualifications, experience and expertise and to provide adequate resources to the finance function. The books of account of the Company are maintained at the Group's office in Bulmers House, Keeper Road, Crumlin, Dublin 12, D12 K702.

Auditor

In accordance with Section 383(2) of the Companies Act, 2014, the auditors, Ernst & Young, Chartered Accountants, will continue in office. Ernst & Young were first appointed as the Company's auditor during the financial year ending 28 February 2018.

Disclosure of Information to the Auditor

In accordance with Section 330 of the Companies Act, 2014, the Directors confirm that, so far as they are each aware, there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the Company's auditor is unaware. Having made enquiries with fellow Directors and the Company's auditor, each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors Compliance Statement (Made In Accordance With Section 225 of the Companies Act, 2014)

The Directors acknowledge that they are responsible for securing compliance by the Company with its relevant obligations as are defined in the Companies Act, 2014 (the 'Relevant Obligations').

The Directors confirm that they have drawn up and adopted a compliance policy statement setting out the Company's policies that, in the Directors' opinion, are appropriate to the Company with respect to compliance by the Company with its relevant obligations.

The Directors further confirm the Company has put in place appropriate arrangements or structures that are, in the Directors' opinion, designed to secure material compliance with its relevant obligations including reliance on the advice of persons employed by the Company and external legal and tax advisers as considered appropriate from time to time and that they have reviewed the effectiveness of these arrangements or structures during the financial year to which this report relates.

Financial Instruments

In the normal course of business, the Group has exposure to a variety of financial risks, including foreign currency risk, interest rate risk, liquidity risk, and credit risk. The Company's financial risk objectives and policies are set out in Note 23 of the financial statements.

Post Balance Sheet Events

As outlined in the Group's viability statement on pages 20 to 21, COVID-19 is having a material impact on the Group's business post year end. In response to this, the Group has implemented a series of measures to reduce operating costs, maximise available cash flow, and maintain and strengthen the Group's liquidity position.

In March 2020, the Group completed the successful issue of approximately €140 million of new US Private Placement ('USPP') notes.

The Group has also received confirmation from the Bank of England that it is eligible to issue commercial paper under the COVID-19 Corporate Financing Facility scheme. The Group had not drawn down on this facility as at 3 June 2020.

Due to the emergence of COVID-19 and the impact this has on global economies and on business generally, the Board concluded, post year-end, that it was not appropriate to pay a final dividend for FY2020.

See note 29 (Post Balance Sheet Events) to the financial statements for further information.

Annual General Meeting

Your attention is drawn to the letter to shareholders and the notice of meeting accompanying this report which set out details of the matters which will be considered at the Annual General Meeting. In particular, please ensure to read additional disclosures relating to restrictions at the Annual General Meeting due to government and health authority guidance on COVID-19 social distancing.

Other Information

Other information relevant to the Director's Report may be found in the following sections of the Annual Report:

Information	Location in the Annual Report
Results	Financial Statements – pages 104 to 110.
Principal risks & uncertainties including risks associated with recent emergence of COVID-19	Principal Risks & Uncertainties – pages 13 to 21.
Directors' remuneration, including the interests of the directors and secretary in the share capital of the Company	Directors' Remuneration Report – pages 77 to 92.
Long-Term Incentive Plan, share options and equity settled incentive schemes	Directors' Remuneration Report – pages 77 to 92.
Significant subsidiary undertakings	Financial Statements – Note 28.

The Directors' Report for the year ended 29 February 2020 comprises these pages and the sections of the Annual Report referred to under 'Other information' above, which are incorporated into the Directors' Report by reference.

Signed
On behalf of the Board

Stewart Gilliland
Interim Executive Chairman
3 June 2020

Jonathan Solesbury
Group Chief Financial Officer

Directors and Officers

Stewart Gilliland

Interim Executive Chairman



Stewart Gilliland (63) was appointed a non-executive Director of the Company in April 2012, Chairman in July 2018 and interim Executive Chairman in January 2020. Stewart is also Chairman of the Nomination Committee. From 2006 to 2010 he was Chief Executive Officer of Müller Dairy (UK) Ltd. Prior to that, he held positions at Whitbread Beer Company and at Interbrew SA in markets including the UK, Ireland, Europe and Canada. He is currently Chairman of Curious Drinks Limited, a non-executive Director and member of the Audit Committee and Nomination Committee at Tesco plc and a non-executive Director and Chairman of the Remuneration Committee at Natures Way Foods Limited. He is a former non-executive Director of Booker Group plc, Mitchells & Butlers plc, Sutton & East Surrey Water plc, Vianet Group plc and Tulip Limited.

Jonathan Solesbury

Group Chief Financial Officer



Jonathan Solesbury (54) was appointed Group Chief Financial Officer in November 2017. A former SABMiller plc Director of Group Finance, Jonathan held a number of senior roles during his 22 year tenure with the global drinks company. He oversaw the acquisition and subsequent integration of SABMiller's Colombian business and transformation programme in Latin America and served as an executive Director on many boards across multiple jurisdictions and as Chief Financial Officer for the Latin American and Asian regions. He has extensive international and emerging market experience and played a prominent role in building SABMiller plc into one of the world's largest and most successful beverage companies.

Andrea Pozzi

Group Chief Operating Officer



Andrea Pozzi (48) is the Group's Chief Operating Officer with responsibility for the Group's manufacturing, logistics, procurement and IT functions as well as leading the Group's businesses in Great Britain. He joined C&C in 2010 and has had a number of roles within the Group, including Group Manufacturing Director and Managing Director International (EMEA). Before joining C&C, Andrea held various management positions with the Carlsberg Group, Brasseries Kronenbourg and Masterfoods.

Jill Caseberry

Independent Non-executive Director



Jill Caseberry (55) was appointed a non-executive Director of the Company in February 2019 and a member of the Remuneration Committee in March 2019. Jill has extensive sales, marketing and general management experience across a number of blue chip companies including Mars, PepsiCo and Premier Foods. Jill is a non-executive Director, Chair of the Remuneration Committee and member of the Audit and Nomination Committee at Bellway plc and at Halfords plc. Jill is also a non-executive Director and member of the Audit, Nomination and Remuneration Committees of St. Austell Brewery Company Limited. Jill brings considerable experience of brand management and marketing to the Board.

Jim Clerkin

Independent Non-executive Director



Jim Clerkin (65) was appointed as a non-executive Director of the Company in April 2017. Over his 40-year career, Jim has worked for many prominent companies in the wine and spirits industry. Jim is currently the President of Strategic Development and advisor to the CEO at Moët Hennessy. Jim joined Moët Hennessy USA in 2008 and prior to his current role, was the President and CEO of Moët Hennessy North America. Before joining Moët Hennessy, Jim held roles in Guinness and Diageo, including terms as Managing Director of Gilbeys of Ireland, President of Diageo North America's Western Division, and President of Allied Domecq North America. Jim's career began in Ireland where he progressed through the ranks at Guinness to become Executive Sales Director and a member of the Board of Directors. Jim brings a wealth of experience and knowledge of the global drinks industry to the Board.

Vincent Crowley

Independent Non-executive Director



Vincent Crowley (65) was appointed as a non-executive Director of the Company in January 2016 and as Senior Independent Director in June 2019. He is a member of the Audit Committee and the Nomination Committee. Vincent was previously both Chief Operating Officer and Chief Executive Officer of Independent News and Media plc, a leading media company. He also served as Chief Executive Officer and subsequently as a non-executive Director of APN News & Media, a media company listed in Australia and New Zealand. He initially worked with KPMG in Ireland. Vincent is currently Chairman of Altas Investments plc and a non-executive Director of Grafton Group plc. He is also Chairman of Newsbrands Ireland and a non-executive Director of Inner City Enterprise. Vincent brings considerable domestic and international business experience across a number of sectors to the Board.

Board Committees

Audit Committee

Emer Finnan (Chairman)
Vincent Crowley
Jim Thompson

Nomination Committee

Stewart Gilliland (Chairman)
Emer Finnan
Vincent Crowley
Helen Pitcher

Remuneration Committee

Helen Pitcher (Chairman)
Jill Caseberry
Jim Clerkin

Senior Independent Director

Vincent Crowley

Emer Finnan

Independent Non-executive Director



Emer Finnan (51) was appointed as a non-executive Director of the Company in May 2014 and became Chairman of the Audit Committee in July 2015 and is a member of the Nomination Committee. She is a Partner and Senior Managing Director of Kildare Partners, a private equity firm based in London and Dublin, where she is responsible for investment origination in certain countries. After qualifying as a chartered accountant with KPMG, she worked in investment banking at Citibank and ABN AMRO in London and then NCB Stockbrokers in Dublin. In 2005 she joined EBS Building Society in Ireland, becoming its Finance Director in early 2010. In September 2012, Emer re-joined NCB Stockbrokers to lead a financial services team in Ireland. She joined Kildare Partners in 2013. She brings considerable financial expertise to the Board.

Helen Pitcher OBE

Independent Non-executive Director



Helen Pitcher (62) was appointed a non-executive Director of the Company in February 2019 and Chairman of the Remuneration Committee in March 2019. Helen is currently Chair of leading board effectiveness consultancy Advanced Boardroom Excellence Ltd, Chair of the UK Criminal Cases Review Commission, a non-executive Director of a subsidiary of United Biscuits, and is President of KidsOut, a national UK charity for disadvantaged children, and of the INSEAD Global Directors Network. Helen also sits on the Advisory Board for Leeds University Law Faculty. Previously, Helen was Chair of the Advisory Board and Chair of the Remuneration Committee of Pladis Global and a board member of the CIPD (Chartered Institute of Personal Development). In 2015 Helen Pitcher was awarded an OBE for services to business. Helen bring a wealth of experience and knowledge of governance and board effectiveness in a variety of sectors, including the drinks industry, to the Board.

Jim Thompson

Independent Non-executive Director



Jim Thompson (59) was appointed a non-executive Director of the Company and a member of the Audit Committee in March 2019. Jim is a private investor of Kingfisher Single Family Office and serves on the board of Directors of Millicom International Cellular SA. He has been a Guest Lecturer at the MBA Programmes at the University of Virginia, Columbia University and George Washington University. He holds an MBA from the Darden School at the University of Virginia where he received the Faculty Award for academic excellence. He has previously worked at Southeastern Asset Management, Mackenzie and Bryant Asset Management. Jim brings substantial international investment management experience to the Company.

Mark Chilton

Company Secretary & Group General Counsel



Mark Chilton (57) joined the Group in January 2019 as Company Secretary and Group General Counsel. Mark was Company Secretary and General Counsel of Booker Group plc from 2006 until 2018. Mark qualified as a solicitor in 1987.

Board members skills overview

Financial expertise



Strategy



Drinks and consumer goods



Brand management



Leadership



International market experience



with skill without skill

Corporate Governance Report

Dear Shareholder,

On behalf of the Board I am pleased to present the FY2020 Corporate Governance Report. During the past year, the most significant change in terms of our approach to corporate governance was refining our framework to align it with the provisions of the new UK Corporate Governance Code (the "Code"), which was published in July 2018 and became effective for the Group on 1 March 2019.

The Board considers that it has complied with the provisions of the Code for FY2020, except in relation to Stewart Gilliland being appointed interim Executive Chairman with effect from 15 January 2020 and for a period up to the appointment of non-executive Directors responsible for engagement with the workforce.

Stephen Glancey stepped down as CEO and from the Board on 15 January 2020. On that date, Stewart Gilliland was appointed interim Executive Chairman. Upon the appointment of a new CEO, Stewart will revert to his position as Non-Executive Chairman of the Board. As Stewart is currently an interim Executive, the Board determined it appropriate that I would author the introduction to the Corporate Governance report for FY2020. Further details of this and the ongoing recruitment processes are set out within the Nomination Committee Report.

In relation to ensuring appropriate channels were in place for employee views to be considered by the Board, a non-executive Director has been assigned to each business segment during the second half of FY2020, details of which are set out on page 61.



Leadership

The Board has agreed an effective corporate governance model for the Group, based on the principles and provisions of the UK Corporate Governance Code 2018 ('the Code'). We welcome the Code's strengthened focus on companies generating long-term, sustainable value for shareholders, as well as consideration for other stakeholders and the impact of the business's operations on wider society. The Board oversees the Group's operations and strategy, and ensures that the Group's approach promotes transparency, accountability and challenge as the fundamental underlying principles for the Board's entrepreneurial and prudent approach to developing the business and delivering strategy.

During the year we have reviewed our matters reserved for the Board and the terms of reference of our key Committees and will continue to refine our approach in FY2021 to ensure each is aligned with the altered guidance on corporate governance.

COVID-19

As detailed in other parts of this report, COVID-19 will have a significant impact on the global and regional economy. Nonetheless, as a Board, we are satisfied that during the most disruptive times of the spread of the pandemic that our governance framework and individual Directors demonstrated resilience, including running ad hoc and regular Board meetings remotely in compliance with government guidelines. The Board and our company secretarial team during this time have worked tirelessly in order to ensure the best outcome for all stakeholders.

As progress is made by government and health authorities to tackle the pandemic and, ultimately, attempts are made to ease the current restrictions, the Board will play a central role in determining the pace at which our operations return to a level of normality. While as a Board we will be guided by the regulations and guidance put forward by the relevant authorities, the safety of our employees and wider stakeholders will be front and centre of all decisions and actions.

Board Effectiveness

Following significant change to the non-executive cohort of the Board, one of our priorities during FY2020 was Board development aimed at ensuring it continues to operate at a highly effective standard. The three Directors appointed in February 2019 have already demonstrated their value. Each has broadened the diversity of experience and background of the Board. In addition to their tailored induction, they have received regular training. For the first time, we have also included a skills matrix in the Directors Biographies on page 57, which we hope shareholders find useful and confirms the depth and range of experience of the Board as a whole.

Given the level of change to the Board over the past 18 months, the external evaluation carried out during the year was of increased importance. While the evaluation showed that the Board and each of its Committees continue to operate effectively, we were pleased that the external evaluator identified certain areas of improvement that could be made. The value of external evaluations lies in ensuring the Board consistently tests itself and always strives to improve. Further details of the evaluation process and its outcomes are set out on page 64.

Stakeholder Engagement

Stakeholder engagement has always been a priority for the Board and we welcome the increased focus on this area under the new Code. We take into account the interests of a wide range of stakeholders, including shareholders, customers, our employees and suppliers. In doing so, we place a clear emphasis on understanding the views of our stakeholders. We have effective mechanisms in place to achieve this aim and stakeholder feedback has always been elevated to Board discussion. During the past fiscal year, however, we used the revisions under the Code to conduct an evaluation of these channels of communication and engagement. As a result, we introduced new ways of engaging with our stakeholders, particularly employees.

We have opted for an approach that we believe is aligned with our business model most appropriately and will be most effective in ensuring the 'employee voice' plays a key role in Board decision-making. As we operate a decentralised business model where our employees' experience and engagement with the business mainly resides locally, we believe that the most meaningful way of adopting this provision is to assign responsibility for a business area to each of our Non-Executive Directors.

Through this alignment, each non-executive gains a more in depth understanding on the business area, the associated metrics and employees' issues and concerns. In turn, the Board believes this leads to a deeper and broader input from each Director, enhancing Board discussions and strategy development. In addition to the appointment of a Non-Executive to a business area, each member of the Board meets employees every year through functional updates at Board meetings and site visits. These encounters support and add richness to our annual employee surveys, which this year saw more than 76% of colleagues across the business share their thoughts about the Group. The Non-Executives Directors relish this opportunity to engage directly with the business areas. Recognising the focus on engagement needs to be continuous, the non-executives spend time in their business areas twice yearly as a minimum to hear colleagues' views and report back to the Board. A breakdown of the non-executives' areas of responsibility is set out on page 61. In next year's Annual Report, we will provide further details on the outcomes of the non-executive Directors two-way engagements with employees.

Vincent Crowley

Senior Independent Director

Corporate Governance Report (continued)

Compliance with the 2018 UK Corporate Governance Code

C&C Group plc (the “Company”) is incorporated in Ireland and is subject to Irish company law. Its shares are listed on the London Stock exchange and the Group is subject to the 2018 UK Corporate Governance Code (the “Code”). The Board considers that the Company has, throughout the accounting period complied with the provisions of the Code with the exception of the period when the Company was non-compliant with provision 9 of the Code whereby the roles of chair and chief executive should not be exercised by the same individual. This was due to the appointment of Stewart Gilliland as interim Executive Chairman following the retirement of Stephen Glancey as CEO, reflecting the circumstances of the CEO’s departure and the need to ensure an orderly and successful transition. The process to appoint a new CEO is ongoing and we have identified a number of potential candidates. There was a period up to the appointment of non-executive Directors responsible for engagement with the workforce whereby the Company was non-compliant with provision 5 of the Code. A Non-Executive Director was assigned to each business segment during the second half of FY2020 to ensure appropriate channels are in place for employee views to be considered by the Board. This Corporate Governance Report, which incorporates by reference the Responsibility Report, the Audit Committee Report, the Nomination Committee Report (which contains the Diversity Report) and the Remuneration Report, describes how the Company has complied with the provisions of the Code.

Leadership and Company Purpose

The Role of the Board

The Company is led and controlled by the Board of Directors (“the Board”) chaired by Stewart Gilliland.

The core responsibility of the Board is to ensure the Group is appropriately managed to achieve its long term objectives, generating value for shareholders and contributing to wider society. The Board’s objective is to do this in a way that is supported by the right culture and behaviours.

The Board has adopted a formal schedule of matters specifically reserved for decision by it, thus ensuring that it exercises control over appropriate strategic, financial, operational and regulatory issues (a copy of the schedule of reserved matters is available on our website). Matters not specifically reserved for the Board and its Committees under its schedule of matters and the Committees’ terms of reference, or for shareholders in general meeting, are delegated to members of the Executive Committee.

The balance of skills, background and diversity of the Board contributes to the effective leadership of the business and the development of strategy. The Board’s composition is central to ensuring all directors contribute to discussions. As a means to foster

challenge and director engagement, led by the Senior Independent Director, the Non-Executive Directors meet without the Chairman present at least annually. Likewise, the Chairman holds meetings with the non-executive Directors without the executives present. In each of these settings, there is a collegiate atmosphere that also lends itself to a level of scrutiny, discussion and challenge.

The Company has procedures whereby Directors (including Non-Executive Directors) receive formal induction and familiarisation with the Group’s business operations and systems on appointment, including trips to manufacturing sites with in-depth explanations of the processes involved at the site.

Attendance at Meetings

The Directors’ attendance at Board meetings during the year is shown below. The core activities of the Board and its Committees are covered in scheduled meetings held during the year. Additional ad hoc meetings are also held to consider and decide matters outside scheduled meetings. There were 13 Board meetings, 6 Audit Committee meetings, 4 Nomination Committee meetings and 7 Remuneration Committee meetings held in the year under review.

All Directors holding office at the time attended the 2019 AGM.

Director	Number of Meetings Attended*	Maximum Possible Meetings	% of Meetings Attended
Executive			
Stephen Glancey (retired 15 January 2020) ¹	9	9	100
Jonathan Solesbury	13	13	100
Andrea Pozzi	13	13	100
Non-Executive			
Stewart Gilliland	13	13	100
Jill Caseberry ²	12	13	92
Jim Clerkin ³	11	13	85
Vincent Crowley	13	13	100
Emer Finnan	13	13	100
Geoffrey Hemphill (retired 1 May 2019) ⁴	1	1	100
Richard Holroyd (retired 31 May 2019) ⁵	2	2	100
Helen Pitcher ⁶	12	13	92
Jim Thompson ⁷	12	13	92

- Meetings attended by Stephen Glancey until date of retirement.
- Jill Caseberry was unable to attend a meeting due to a prior commitment made before joining the Board.
- Jim Clerkin was unable to attend two unscheduled meetings due to the meetings being called at short notice and his inability to re-arrange his schedule.
- Meetings attended by Geoffrey Hemphill until date of retirement.
- Meetings attended by Richard Holroyd until date of retirement.
- Helen Pitcher was unable to attend a meeting due to a prior commitment made before joining the Board.
- Jim Thompson was unable to attend one unscheduled meeting due to the meeting being called at short notice and his inability to re-arrange his schedule.

Board activity during the financial year

Each Board meeting follows a carefully tailored agenda agreed in advance by the Chairman, Group Chief Executive Officer and Company Secretary. A typical meeting will comprise reports on current trading and financial performance from the CEO and CFO, investor relations updates, monitoring strategy, examining investment and acquisition opportunities and presentations/reports upon areas on specific subject areas. Further detail is set out in the table below.

Strategy, Operations and Finance

- Approved the Group's three year plan;
- Received presentations from the COO and management on brand marketing plans;
- Received presentations from the CEO and CFO and senior management on strategic initiatives and trading performance;
- Approved the annual budget plan and KPIs;
- Reviewed and approved the Group's full year 2019 and half year 2020 results (including the 2019 final dividend) as well as trading updates;
- Approved the Group's 2019 Annual Report (including a fair, balanced and understandable assessment) and 2019 AGM Notice;
- Approved the cancellation of the listing of the Company's shares on Dublin Euronext and the subsequent listing on the FTSE UK Index Series;
- Received updates from the COO and senior management on the Group's sustainability framework;
- Reviewed and approved the removal of plastic packaging from our products by FY2022;
- Reviewed the Group's debt, capital and funding arrangements and approved the private placement;

Leadership and People

- Appointed Spencer Stuart to lead the search for the recruitment of a new CEO;
- Reviewed and approved the proposals for the Chairman's and Non-Executive Directors' fees;
- Considered progress towards greater diversity in the workforce;
- Considered and approved the appointment of Non-Executive Directors to individual business units to facilitate greater workforce engagement;

Safety

- Received and discussed six monthly safety performance reports and updates presented by the COO and Group Health and Safety Manager;

Internal Control and Risk Management

- Reviewed the Group's risk management framework and principal risks and uncertainties;
- Reviewed and confirmed the Group's Viability Statement and going concern status;

- Reviewed and validated the effectiveness of the Group's systems of internal controls and risk management;
- Reviewed updates on the information and cyber security control environment;
- Reviewed updates on Brexit;

Governance and Legal

- Approved the Group's Modern Slavery Statement for publication;
- Received reports on engagement with institutional shareholders, investors and other stakeholders throughout the year;
- Conducted an externally facilitated Board evaluation covering the Board's effectiveness, with the outcome discussed by the Board;
- Reviewed and approved the terms of reference for the Board Committees;
- Received regular reports from the Chairs of the Audit, Nomination and Remuneration Committees; and
- Approved a Group anti-bribery/gifts and hospitality policy.

Company Purpose, Values and Strategy

Further detail on the Group's purpose to deploy our brand led distributor model as an asset to the market for suppliers and customers alike, along with information on our core values and strategy is available on pages 3 to 11.

Objectives and Controls

The Group's strategic objectives are set out on pages 10 to 11 and a summary of performance against the Group's KPIs is at pages 12. The Board also receives regular updates across a broad range of internal KPIs and performance metrics. The Group has a clear risk management framework in place as set out on page 13 to manage the key risks to the Group's business.

Workforce Engagement

The Board has established structures to provide for effective engagement by the Board with the wider workforce. These include confidential colleague feedback surveys to all businesses with results presented annually to the Board, and the appointment of a Non-Executive Director to each business unit to understand employee's views. The following are the areas assigned to each of the Non-Executive Directors:

Business Area	Non-Executive Director
Matthew Clark	Jim Thompson
Commercial Scotland	Jill Caseberry
Commercial Ireland	Helen Pitcher
HR	
Commercial International	Emer Finnan
Finance	
Bibendum	Jim Clerkin
Operations	Vincent Crowley

Corporate Governance Report (continued)

Business Model and Risks

The Group's Business model is set out on pages 6 to 9. The Risk Management Report on pages 13 to 21 contains an overview of the principal risks facing the Group and a description of how they are managed.

Assessing and Monitoring Culture

The Board recognises the importance of communication and engagement with the wider workforce as a means of assessing and monitoring culture. The role and effectiveness of the Board and the culture it promotes are essential to a successfully run company. During the year the Board met with senior management from across the Group on a number of occasions. In addition, the Board visited our Wellpark Brewery in Glasgow in September 2019 and met with senior management, who provided an overview of the regional business including their business plan, customer service levels, employee engagement and diversity and other operational matters. These contacts enabled the Board to interact with employees to gain an understanding of any issues they might be facing. During FY2021, the engagement of the Non-Executive Directors with a range of employees from each business area will provide further invaluable insight into the evolution of our culture and values, and their link to strategy.

Stakeholder Views

The Code provides that the Board should understand the views of the Company's key stakeholders other than shareholders and describe how their interests and the matters set out in section 172 of the UK Companies Act 2006 (s.172) have been considered in Board discussions and decision making.

Whilst s.172 is a provision of UK company law, the Board acknowledges that as a premium listed issuer, it is important to address the spirit intended by these provisions. An overview of how the Group engages with all of its stakeholders is set out on page 3.

Whistleblowing

All employees have access to a confidential whistleblowing service which provides an effective channel to raise concerns. The Audit Committee and the Board receives updates detailing all notifications and subsequent action taken.

Division of Responsibilities

It is the Company's policy that the roles of the Chairman and Group Chief Executive Officer are separate, with their roles and responsibilities clearly divided and set out in writing (available on our website). In January 2020, the Chairman became the interim Executive Chairman for a temporary period. Upon the appointment of a new Chief Executive Officer, the Chairman will revert to a Non-Executive role.

Chairman

The Chairman, Stewart Gilliland is responsible for the leadership of the Board and ensuring effectiveness in all aspects of its role. The Chairman is responsible for ensuring, through the Company Secretary that Directors receive accurate, timely and clear information. He is responsible for setting the Board's agenda and ensuring adequate time is available for Board discussion and to enable informed decision making. He is responsible for encouraging and facilitating the effective contribution of Non-Executive Directors and constructive relations between Executive and Non-Executive Directors.

Senior Independent Director

Vincent Crowley is the Senior Independent Non-Executive Director. In addition to his role and responsibilities as an Independent Non-Executive Director, the Senior Independent Director is available to shareholders where concerns have not been resolved through the normal channels of communication and for when such contact would be inappropriate, which is of particular importance during the period that the Non-Executive Chairman is serving as interim Executive Chairman. He acts as a sounding board for the Chairman and acts as an intermediary for the Directors when necessary. He is responsible for annually evaluating the performance of the Chairman in consultation with the other Non-Executive Directors.

Non-Executive Directors

The Non-Executive Directors provide an external perspective, sound judgement and objectivity to the Board's deliberations and decision making. With their diverse range of skills and expertise, they support and constructively challenge the Executive Directors and monitor and scrutinise the Group's performance against agreed goals and objectives. The Non-Executive Directors together with the Chairman meet regularly without any Executive Directors being present. The Non-Executive Directors provide a conduit from the workforce to the Board for workforce engagement and have sufficient time to meet their board responsibilities.

Chief Executive Officer

The Group Chief Executive Officer is responsible for the leadership and day-to-day management of the Group. This includes formulating and recommending the Group's strategy for Board approval in addition to executing the approved strategy.

Company Secretary

Mark Chilton as Company Secretary supports the Chairman, the Group Chief Executive Officer and the Board Committee Chairs in setting agendas for meetings of the Board and its Committees. He is available to all Directors for advice and support. He is responsible for information flows to and from the Board and the Board Committees and between Directors and senior management. In addition, he

supports the Chairman in respect of training and the Board and Committee performance evaluations. He also advises the Board on regulatory compliance and corporate governance matters.

Board Committees

The Board has established an Audit Committee, a Nomination Committee and a Remuneration Committee to oversee and debate relevant issues and policies outside main Board meetings. Throughout the year, the Chairman of each Committee provided the Board with a summary of key issues considered at the Committee meetings. Board Committees are authorised to make enquiries of the Executive Directors and other executives across the Group as they feel appropriate and to engage the services of external advisers as they deem necessary in the furtherance of their duties at the Company's expense.

The Audit Committee Report is on pages 67 to 72, the Nomination Committee Report is on pages 73 to 76 and the Remuneration Report is on pages 77 to 92.

Composition, Succession and Evaluation

For the majority of the FY2020 financial year, the Board consisted of the Chair, three Executive Directors and six Independent non-executive Directors. Following the retirement of Stephen Glancey, and the appointment of Stewart Gilliland as interim Executive Chairman, there are currently three Executive Directors on the Board. Upon the appointment of a Group Chief Executive Officer, the interim Executive Chairman will revert back to a Non-Executive role.

Over half of the Board comprises independent Non-Executive Directors and the composition of all Board Committees complies with the Code. Additionally, the Chairman was considered independent on his appointment. Details of the skills and experience of the Directors are contained in the Directors' biographies on pages 56 and 57.

The independence of Non-Executive Directors is considered by the Board and reviewed at least annually, based on the criteria suggested in the Code. Non-Executive Directors do not participate in any of the Company's share option or bonus schemes.

Following this year's review, the Board concluded that all the Non-Executive Directors continue to remain independent in character and judgement and are free from any business or other relationship that could materially interfere with the exercise of their independent judgement in accordance with the Code.

Appointments to the Board

Recommendations for appointments to the Board are made by the Nomination Committee. The Committee follows Board approved procedures (available on our website together with a copy of the terms of reference for the Nomination Committee) which provide a framework for the different types of Board appointments on which the Committee may be expected to make recommendations. Appointments are made on merit and against objective criteria with due regard to diversity (including skills, knowledge, experience and gender).

All Board appointments are subject to continued satisfactory performance followings the Board's annual effectiveness review. The Nomination Committee leads the process for Board appointments and makes recommendations to the Board. The activities of the Nomination Committee and a description of the Board's policy on diversity are on page 76.

Time Commitment

Following the Board evaluation process, detailed further on page 64, the Board has considered the individual Directors attendance, their contribution and their external appointments and is satisfied that each of the Directors is able to allocate sufficient time to devote to the role.

Development

On appointment, a comprehensive tailored induction programme is arranged for each new Director. The aim of the programme is to provide the Director with a detailed insight into the Group. The programme involves meetings with the Chairman, Group Chief Executive Officer, Group Chief Financial Officer, Group Chief Operating Officer, Company Secretary and key senior executives as appropriate. It covers areas such as:

- the business of the Group;
- their legal and regulatory responsibilities as Directors of the Company;
- briefings and presentations from Executive Directors and other senior executives; and
- opportunities to visit business operations.

To update the Directors' skills, knowledge and familiarity with the Group and its stakeholders, visits to Group business locations are organised for the Board periodically, as well as trade visits with members of senior management to assist Directors' understanding of the operational issues that the business faces. Non-executive Directors are also encouraged to visit Group operations throughout their tenure to increase their exposure to the business. Directors are continually updated on the Group's businesses, the markets in

Corporate Governance Report (continued)

which they operate and changes to the competitive and regulatory environment through briefings to the Board and meetings with senior executives.

Training opportunities are provided through internal meetings, presentations and briefings by internal advisers and business heads, as well as external advisers.

Information and Support

All members of the Board are supplied with appropriate, clear and accurate information in a timely manner covering matters which are to be considered at forthcoming Board and Committee meetings.

Should Directors judge it necessary to seek independent legal advice about the performance of their duties with the Group, they are entitled to do so at the Group's expense. Directors also have access to the advice and services of the Company Secretary, who is responsible for advising the Board on all governance matters and ensuring that Board procedures are followed.

The appointment and removal of the Company Secretary is a matter requiring Board approval.

Re-election of Directors

All Directors are required by the Company's Articles of Association to submit themselves to shareholders for re-election at the first Annual General Meeting after their appointment and thereafter by rotation at least once every three years. In accordance with the Code, all Directors will, however, stand for re-election annually.

External Evaluation

The Board's independent external evaluation for the year under review was facilitated by Independent Audit, supported by the Chairman and Company Secretary. The Company nor any of its Directors have a connection with Independent Audit.

Board and Committee Evaluation Process

Online questionnaires were issued to the Board and Committee members and to the Company Secretary. The questionnaire was designed by Independent Audit, based on an initial conversation with the Chairman and Company Secretary. It looked at a variety of matters including, among other matters, the composition of the Board and Committees, understanding stakeholders, Board dynamics, strategic oversight, risk management and internal control, succession planning, the advice and support provided, the focus of meetings and priorities for change.

The results of the questionnaires were collated and a summary provided to the Chairman and the Chairs of each of the Committees. The results were presented and discussed by the Board and each of its committees at their respective meetings in May 2020.

FY2020 External Board effectiveness evaluation outcomes

Overall the results of the evaluation were positive and showed that the Board is running effectively. The Board is seen as being cohesive and comprising the appropriate balance of experience, skills and knowledge. Board meetings operate in a spirit of openness, fostered by the Chairman, in which Directors are able to challenge and discuss openly ideas of importance to the Group, its strategy and risk.

While the outcome of the evaluation clearly indicated that the Board and individual Directors continue to operate to a high standard, the Board is currently developing an action plan based on the feedback from the evaluation, designed to further enhance Board effectiveness. At an important juncture for the Company, and the economy as a whole, ensuring the Board maintains the high standards it has always set is of significant importance.

The key areas identified by this year's external evaluation for increased focus and development during FY2021 are set out below:

Area of Focus	Detailed Feedback
Culture	The evaluation found a strong desire from the Board to develop a deeper understanding of organisational culture. As part of this focus Directors are eager to develop workforce engagement and greater oversight of reward practices throughout the organisation.
Board logistics and information	In light of the challenges of remote Board meetings, Directors communicated that there may need to be refinement to Board agendas, including ensuring there is a balance struck between insight and excessive detail.
Risk Picture	The Directors voiced satisfaction with the strength of work done on developing and communicating the updated risk framework in recent years. Feedback indicated that this risk picture needs to be further developed, particularly in relation to emerging non-financial risks and wider economic developments.

Progress against these areas will be reviewed as part of the 2021 internal evaluation and will be reported on in next year's Annual Report. Outside of payment for the external performance evaluation of the Board and its Committees, Independent Audit has no connection to the Group.

Evaluation of the Chairman and Non-Executive Directors

The evaluation of the effectiveness of the Chairman was also conducted by Independent Audit. A questionnaire was issued to each Board member (excluding the Chairman) and the result was unanimous support for the Chairman. Of particular note was how supportive the Chairman is of other Directors and his willingness to listen to all contributions during the course of a debate. In addition, Board members found him engaging and encouraging of building Board cohesion through activities outside of formal Board meetings. The Directors were complimentary of the way in which the Chairman managed his other commitments, always ensuring sufficient time is given to his role with the Company. The Senior Independent Director shared the feedback with the Chairman.

The Chairman held one to one meetings with each Director to assess their effectiveness and to agree any areas of improvement or training and development, including on environmental, social and governance matters based on the outcomes of the questionnaires each of them had completed on themselves. There were no issues of any substance arising from this review.

Audit, Risk and Internal Control

Financial and Business Reporting

The Strategic Report on pages 2 to 49 explains the Group's business model and the strategy for delivering the objectives of the Group.

A Statement on Directors' Responsibilities on the Annual Report and Accounts being fair, balanced and understandable can be found on page 93 and a statement on the Group as a going concern and the Viability Statement are set out on pages 20 to 21.

Risk Management

Please refer to pages 13 to 21 for information on the risk management process and the Group's principal risks and uncertainties.

Internal Control

Details on the Group's internal control systems are set out on pages 70.

Internal Audit

Details of the Internal Audit function are provided within the Audit Committee report on pages 70.

Audit Committee and Auditors

For further information on the Group's compliance with the Code and provisions relating to the Audit Committee and auditors, please refer to the Audit Committee Report on pages 67 to 72.

Remuneration

For further information on the Group's compliance with the Code provisions relating to remuneration, please refer to the Directors' remuneration report on pages 77 to 92 for the level and components of remuneration. Shareholders approved the Group's current Remuneration Policy at the 2018 AGM. The Policy is designed to promote the long term success of the Group. No changes are proposed to the Policy for FY2021.

The following is a table of reference that provides an overview of where to find disclosures relating to the sections of the 2018 UK Code:

Section	Disclosure Locations
Board Leadership and Purpose	Details on how the Board promotes the long-term success of the Company are set out in our Strategic Report on pages 2 to 49 and throughout this Corporate Governance Report on pages 58 to 66. Our purpose and values are set out on pages 2 to 3. Relations with shareholders are described on page 66. Our whistleblowing programme is described on page 72.
Division of Responsibilities	Pages 56 to 57 gives details of the Board and Management Team. The Board governance structure is detailed on pages 58 to 66.
Composition, Succession and Evaluation	Details on appointments and our approach to succession are set out in the Nomination Committee report on pages 73 to 76. Details on the external evaluation are set out on pages 64 to 65.
Audit, Risk and Internal Control	The Audit Committee Report can be found on pages 67 to 72, with further detail on the principal risks to the business in the Risk Report on pages 13 to 21.
Remuneration	The Company's Remuneration Policy can be found in the 2018 Annual Report. The Remuneration Committee Report can be found on pages 77 to 92.

Corporate Governance Report (continued)

Engaging with Investors

Information on relations with shareholders is provided as part of the Stakeholder engagement section of the Strategic Report on pages 37 to 49.

In fulfilling their responsibilities, the Directors believe that they govern the Group in the best interests of shareholders, whilst having due regard to the interests of other stakeholders in the Group including customers, employees and suppliers.

The Code encourages a dialogue with institutional shareholders with a view to ensuring a mutual understanding of objectives. The Executive Directors have regular and ongoing communication with major shareholders throughout the year, by participating in investor roadshows and presentations to shareholders. Feedback from these visits is reported to the Board. The Executive Directors also have regular contact with analysts and brokers. The Chairman, Senior Independent Non-Executive Director and other non-executive Directors receive feedback on matters raised at the meetings with shareholders and are offered the opportunity to attend meetings with major shareholders. As a result of these procedures, the Non-Executive Directors believe that they are aware of shareholders' views. In addition, Vincent Crowley, the Senior Independent Non-Executive Director, is available to meet with major shareholders.

Arrangements can also be made through the Company Secretary for major shareholders to meet with newly appointed Directors.

The Group maintains a website at www.candcgroup.com which is regularly updated and contains information about the Group.

Constructive Use of the Annual General Meeting

The Code encourages boards to use the Annual General Meeting to communicate with investors and to encourage their participation. In compliance with the Code, under normal circumstances, the Board welcomes as many shareholders as possible to attend the Annual General Meeting to discuss any interest or concern, including performance, governance or strategy, with the Directors. All Directors are also usually expected to attend the Annual General Meeting. The Chairs of the Audit, Nomination and Remuneration Committees would be expected to be available at the Annual General Meeting to answer shareholder questions, through the Chairman of the Board, on the responsibilities and activities of their Committees. Shareholders also have the opportunity to meet with the Directors following the conclusion of the formal part of the meeting.

For the 2020 Annual General Meeting, your attention is drawn to details set out in the notice of meeting. Given government and health authority guidance on COVID-19 is still evolving, shareholders are encouraged to monitor the Company's website and regulatory news for updates in relation to the AGM.

In compliance with the Code, at the Annual General Meeting, the Chairman of the meeting will announce the level of proxies lodged on each resolution, the balance for and against and abstentions, and such details will be placed on the Group's website following the meeting. A separate resolution will be proposed at the Annual General Meeting in respect of each substantially separate issue.

This report was approved by the Board of Directors on 3 June 2020.

Mark Chilton

Company Secretary

Audit Committee Report



Chairman's Introduction to the Audit Committee Report

I am pleased to report on the work of the Committee for the year ended 29 February 2020.

During the year the Committee continued to play a key role in assisting the Board in fulfilling its oversight responsibility. Its activities included reviewing and monitoring the integrity of financial information, the Group's system of internal controls and risk management, the internal and external audit process and recommending appointment of the external auditor and determining their remuneration.

We have considered the processes underpinning the production and approval of this year's Annual Report to enable the Board to confirm that the Annual Report taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. The Committee also assessed the viability of the Group over a three-year period, in particular, considering the potential impact of COVID-19 on the business and its prospects. Further details on the outcome of this assessment can be found on pages 20 to 21.

There were six meetings during the year and after each Committee meeting I provided an update to the Board on the key issues discussed during our meetings. I also met separately with the external audit partner and senior management on a number of occasions during the year.

This report sets out details of the role of the Committee and how it has discharged its duties and responsibilities during the year.

I would like to thank my colleagues for their contribution and counsel over the past 12 months. For the 2020 Annual General Meeting, your attention is drawn to details set out in the notice of meeting. Given government and health authority guidance on COVID-19 is still evolving, shareholders are encouraged to monitor the Company's website and regulatory news for updates in relation to the AGM.

On behalf of the Board.

Emer Finnan

Chairman of the Audit Committee
3 June 2020

Role and Responsibilities of the Committee

The Committee supports the Board in fulfilling its responsibilities in relation to financial reporting, monitoring the integrity of the financial statements and other announcements of financial results published by the Group; and reviewing and challenging any significant financial reporting issues, judgements and actions of management in relation to the financial statements. The Committee reviews the effectiveness of the Group's internal controls and risk management systems and the effectiveness of the Group's Internal Audit function. On behalf of the Board, the Committee manages the appointment and remuneration of the External Auditor and monitors its performance and independence. The Group supports an independent and confidential whistleblowing procedure and the Committee monitors the operation of this facility.

In accordance with the Code, the Board requested that the Committee advise it whether it believes the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

The Committee's Terms of Reference reflect this requirement and can be found in the Investor Centre section of the Group's website. A copy may be obtained from the Company Secretary.

Membership and Meeting Attendance

The following non-executive Directors served on the Committee during the year:

Member	Member Since	Number of Meetings Attended	Maximum Possible Meetings	% of Meetings Attended
Emer Finnan (Chairman)	2 July 2014	6	6	100
Vincent Crowley	22 March 2016	6	6	100
Jim Thompson	1 March 2019	6	6	100

All members of the Committee are, and were considered by the Board to be throughout the year under review, independent.

Audit Committee Report (continued)

The Committee members have been selected to provide the wide range of financial and commercial expertise necessary to fulfil the Committee's duties and responsibilities. As a qualified chartered accountant, I am considered by the Board to have recent and relevant financial experience, as required by the Code. The Committee is considered by the Board as a whole to have competence relevant to the sector in which the Group operates. Details of the skills and experience of the Directors are contained in the Directors' biographies on pages 56 and 57 of the Annual Report and Accounts.

The Committee has access to the Group's finance team, to its Internal Audit function and to its External Auditor and can seek further professional training and advice, at the Group's cost, as appropriate.

The quorum necessary for the transaction of business by the Committee is two, each of whom must be a Non-executive Director. Only members of the Committee have the right to attend Committee meetings, however, during the year, Stewart Gilliland (in his capacity as Chairman), Stephen Glancey, Group Chief Executive Officer, Jonathan Solesbury, Group Chief Financial Officer, the Head of Internal Audit together with members of her team, Group Finance Director, and representatives from Ernst & Young ("EY"), the External Auditor, were invited to attend meetings. The Committee also meets separately with the Head of Internal Audit and the External Auditor without management being present.

The Company Secretary is Secretary to the Committee.

Meeting Frequency and Main Activities in the Year

The Committee met on five scheduled occasions during the year ended 29 February 2020. In addition there was one meeting by conference call to review a trading statement for recommendation to the Board. All members of the Committee attended every meeting.

During the year ended 29 February 2020, the Committee reviewed and made recommendations to the Board on the Preliminary Results Announcement for the period to 28 February 2019, the 2019 Annual Report and Accounts, the Interim Results Announcement for the period to 31 August 2019, the trading update for the four months to 31 December 2019, and updating the Committee's Terms of Reference.

Since 29 February 2020, the Committee has met seven times. These meetings were to review and make recommendations to the Board on the pre-close trading update for the period to 29 February 2020; the COVID-19 Update Announcement; the Preliminary Results Announcement for the period to 29 February 2020, to review and assess the impact of COVID-19 on the business; and to review the 2020 Annual Report and Accounts.

In carrying out its reviews during the year, the Committee considered:

- whether the Group had applied appropriate accounting policies and practices both on a year on year basis and across the Group;
- the significant areas in which judgement had been applied in preparation of the financial statements in accordance with the accounting policies set out on pages 111 to 126 of the Annual Report and Accounts;
- reports from the Group Chief Financial Officer and the External Auditor;
- the clarity and completeness of disclosures and compliance with relevant financial reporting standards and corporate governance and regulatory requirements; and
- whether the Annual Report and Accounts, taken as a whole, was fair, balanced and understandable and provided the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

The Committee also:

- approved the Internal Audit plan and agreed the External Auditor's work plans for the Group;
- considered regular reports from the Head of Internal Audit on their findings;
- reviewed and recommended revisions to the Board to the Group Risk Register and the Principal Risks and Uncertainties; and
- reviewed the External Auditor's independence and objectivity, the effectiveness of the audit process, the re-appointment of the External Auditor and approved the External Auditor's remuneration.

Significant Judgemental Areas

The significant areas of judgement considered by the Committee in relation to the accounts for the year ended 29 February 2020 and how these were addressed are outlined below. Each of these areas received particular focus from the External Auditor, who provided detailed analysis and assessment of the matters in their report to the Committee.

Going Concern

In conjunction with the Company's other external advisers, the Committee and the Board reviewed and assessed the work undertaken to support the adoption of the going concern basis for the FY2020 financial statements.

The Committee has also considered the impact of the COVID-19 pandemic on the business. The Committee reviewed the draft Going Concern Statement, Viability Statement and Directors Compliance Statement prior to recommending them to the Board for their review and approval. These statements are included in the Directors' Report on page 55 and the Risk Report on pages 20 to 21.

The reviews included assessing the effectiveness of the actions undertaken by the Group's management team to evaluate going concern, including the analysis supporting the Going Concern Statement and disclosures in the financial statements. In particular, the Committee and the Board reviewed the Group's short-term cash flow forecasts, the cash flow forecasts for the period ending 28 February 2021 which were revised post year end in light of COVID-19 and the updated three year strategic plan, the assumptions relating to the profitability and cash generation of the business, the achievement of cost saving measures, the Group's financing facilities and future funding plans. In addition to the base case scenario forecast, which included an estimate of the impact of COVID-19, the Group examined the impact on cash flows of a change in the assumptions in respect of the extent and timing of the recovery in the on-trade business from the pandemic, and benchmarked the impact against the new monthly liquidity and gross debt covenant waiver tests for FY2021 and through the going concern assessment period.

The Committee and the Board consider it appropriate to adopt the going concern basis of accounting with no material uncertainties as to the Group's ability to continue to do so. The Committee also reviewed the Viability Statement scenario workings assessing the ability of the Group to continue trading for at least three years. In making this assessment, the Committee and Board have also considered the impact of COVID-19. While there will be a negative impact on the business, the Committee and the Board do not expect any reasonably anticipated COVID-19 outcomes to impact the Group's ability to continue as a going concern.

For further information on the work undertaken by the Committee, the Board and management in relation to the going concern basis of preparation for the 2020 financial statements, please see 'Going Concern' on page 20 and 'Viability Statement' on pages 20 to 21. The Directors' Going Concern statement is set out on page 20.

Trade Receivables and Trade Loans recoverability

The Group has a risk through exposure to on-trade receivable balances and advances to customers who may experience financial difficulties. Given the uniqueness of the COVID-19 outbreak, the assessment of the impact of the outbreak on the Group's expected credit loss model required significant judgement by the Committee. In particular, the Committee considered the basis used by management in calculating the expected credit losses, whether it adequately captured the additional risks in the current environment and the level of security in respect of those loans. As a result of the review process, the Committee concluded that the expected credit loss on trade receivables and loans was prudent but appropriate and were properly reflected in the consolidated financial statements.

Goodwill and intangible assets impairment testing

The Committee considered the carrying value of goodwill and intangible assets as at the year-end date to assess whether or not it exceeded the expected recoverable amounts for these assets. In particular, the Committee considered the value-in-use financial models, including sensitivity analysis, used to support the valuation and the key assumptions and judgements used by management underlying these models including consideration for COVID-19. The key assumptions used in the financial models and consequently the key focus areas for the Committee relate to future volume, net revenue and operating profit, the growth rate in perpetuity and the discount rate applied to the resulting cash flows. The Committee considered the outcome of the financial models and found the methodology to be robust, and in all instances concluded that the outcome was appropriate. This included the recognition of an impairment with respect to the Group's Woodchuck brand of €34.1 million.

Valuation of property, plant and equipment

The Group values its land and buildings and plant and machinery at market value/depreciated replacement cost ('DCR') and consequently carries out an annual valuation. The Group engages external valuers to value the Group's property, plant and machinery at a minimum every three years or as at the date of acquisition for assets acquired as part of a business combination. An external valuation was conducted at 29 February 2020 by PricewaterhouseCoopers LLP to value the land and buildings and plant and machinery at the Group's Clonmel (Tipperary), Wellpark (Glasgow), Vermont (USA) and Portugal sites, along with the Group's various Depots. Following a review of PwC's valuation report, the Committee is satisfied that the adjustments posted were reasonable and that the carrying values at 29 February 2020 are appropriate.

Audit Committee Report (continued)

Revenue recognition

The Committee considered the Group's revenue recognition policy and is satisfied it is appropriate and in line with IFRS 15 Revenue from Contracts with Customers.

IFRS 16 Leases Implementation

The Committee considered the assumptions, calculations and assessment of the impact on the accounts of the new lease accounting standard, IFRS16, which the Group adopted on 1 March 2019. The Committee concluded that the approach adopted and the disclosures in the financial statements were appropriate.

Following discussions with the External Auditor, and the deliberations set out above, we were satisfied that the financial statements dealt appropriately with each of the areas of significant judgement.

The External Auditor also reported to the Committee on any misstatements that they had found in the course of their work.

Fair, Balanced and Understandable Assessment

One of the key compliance requirements of a group's financial statements is for the Annual Report and Accounts to be fair, balanced and understandable. The coordination and review of Group wide contributions into the Annual Report and Accounts follows a well established and documented process, which is performed in parallel with the formal process undertaken by the External Auditor.

The Committee received a summary of the approach taken by management in the preparation of the 2020 Annual Report and Accounts to ensure that it met the requirements of the Code. This, and our own scrutiny of the document, enabled the Committee, and then the Board, to confirm that the 2020 Annual Report and Accounts taken as a whole, was fair, balanced and understandable and provided the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Internal Controls and Risk Management Systems

The Committee is responsible, on behalf of the Board, for reviewing the effectiveness of the Group's internal controls and risk management systems, including financial, operational and compliance controls.

In order to keep the Committee abreast with latest developments, the Head of Internal Audit reported to each meeting on developments and emerging risks to internal control systems and on the evolution of our principal risks. The Committee reviewed the updated principal risks, their evolution during the year, and the associated risk appetites and metrics in light of business changes and performance, challenging and confirming their alignment to the achievement of the Group's strategic objectives. At each meeting, the Committee considered the ongoing overall assessment of each risk, their associated metrics and management actions and mitigations in place and planned. This review was supported through consideration of risk dashboards outlining both principal risks and any escalated or emerging risks resulting in the addition of new risk regarding COVID-19, and the reclassification of two risks, namely Sustainability and Brand and Reputation. Those changes to our risk profile were then approved by the Board.

In addition, the Committee reviewed reports issued by both Internal Audit and the External Auditor and held regular discussions with the Group Chief Financial Officer, the Head of Internal Audit and representatives of the External Auditor. During the course of these reviews, the Committee has not identified nor been advised of any failings or weaknesses which it has determined to be significant.

Internal Audit

The Committee is responsible for monitoring and reviewing the operation and effectiveness of the Internal Audit function including its focus, work plan, activities and resources.

At the beginning of the financial year, the Committee reviewed and approved the Internal Audit plan for the year having considered the principal areas of risk in the business and the adequacy of staffing levels and expertise within the function. During the year, the Committee received regular verbal and written reports from the Head of Internal Audit summarising findings from the work of Internal Audit and the responses from management to deal with the findings.

The Committee monitors progress on the implementation of any action plans arising on significant findings to ensure these are completed satisfactorily and meets with the Head of Internal Audit in the absence of management.

External Audit

It is the responsibility of the Committee to monitor the performance, objectivity and independence of EY, the External Auditor. In December 2019, we met with EY to agree the audit plan for the year end, highlighting the key financial statement and audit risks, to ensure that the audit was appropriately focused. In addition, EY's letter of engagement and independence was reviewed by the Committee in advance of the audit.

In May 2020, in advance of the finalisation of the financial statements, we received a report from EY on their key audit findings, which included the key areas of risk and significant judgements referred to above, and discussed the issues with them in order for the Committee to form a judgement on the financial statements. In addition, we considered the Letter of Representation that the External Auditor requires from the Board.

The Committee meets with the External Auditor privately at least once a year to discuss any matters they may wish to raise without management being present.

Assessment of Effectiveness of External Audit

The Committee obtained feedback on the effectiveness and efficiency of the external audit process from completion of a short questionnaire by each member of the Committee, the Group Chief Financial Officer, the Director of Group Finance, the Group Strategy and Finance Director and applicable senior finance executives across the business. The results were reviewed by the Committee and the Committee concluded that the external audit process as a whole had been conducted robustly and the team selected to undertake the audit had done so thoroughly and professionally. EY's performance as auditor to the Company during FY2020 was therefore considered to be satisfactory.

Audit Tender

The current External Auditor was first appointed for the year ended 28 February 2018 and the external audit had not been tendered since then.

There are no contractual obligations restricting the Company's choice of External Auditor. The Committee will continue to review the auditor appointment and the need to tender the audit, ensuring the Group's compliance with the Code and any related regulations.

Non-Audit Services

The Group has a policy in place governing the provision of non-audit services by the External Auditor in order to ensure that the External Auditor's objectivity and independence is safeguarded.

Under this policy the auditor is prohibited from providing non-audit services if the auditor:

- may, as a result, be required to audit its own firm's work;
- would participate in activities that would normally be undertaken by management;
- would be remunerated through a "success fee" structure or have some other mutual financial interest with the Group; and
- would be acting in an advocacy role for the Group.

Other than above, the Company does not impose an automatic ban on the External Auditor providing non-audit services. However, the External Auditor is only permitted to provide non-audit services that are not, or are not perceived to be, in conflict with auditor independence and objectivity, if it has the skill, competence and integrity to carry out the work and it is considered by the Audit Committee to be the most appropriate to undertake such work in the best interests of the Group. The engagement of the External Auditor to provide non-audit services must be approved in advance by the Audit Committee or entered into pursuant to pre-approved policies and procedures established by the Audit Committee and approved by the Board.

The nature, extent and scope of non-audit services provided to the Group by the External Auditor and the economic importance of the Group to the External Auditor are also monitored to ensure that the external auditor's independence and objectivity is not impaired. The Audit Committee has adopted a policy that, except in exceptional circumstances with the prior approval of the Audit Committee, non-audit fees paid to the Group's auditor should not exceed 100% of audit fees in any one financial year.

EY did not provide any other services other than audit services. Details of the amounts paid during the year for audit services are set out in note 2 to the financial statements.

Audit Committee Report (continued)

Confidential Reporting Programme

In line with best practice, the Group has an independent and confidential reporting programme in all of its operations whereby employees can, in confidence, report on matters where they feel a malpractice has taken or is taking place, or if health and safety standards have been or are being compromised. Additional areas that are addressed by this procedure include criminal activities, improper or unethical behaviour and risks to the environment.

The programme allows employees to raise their concerns with their line manager or, if that is inappropriate, to raise them on a confidential basis. An externally facilitated confidential helpline and confidential email facility are provided to protect the identity of employees in these circumstances. Any concerns are investigated on a confidential basis by the Human Resources Department and/or the Company Secretary and Group General Counsel and feedback is given to the person making the complaint as appropriate via the confidential email facility. An official written record is kept of each stage of the procedure and results are summarised for the Committee.

The Audit Committee is also responsible for ensuring that arrangements are in place for the proportionate independent investigation and appropriate follow up of any concerns which might be raised. The Committee receives regular reports on all whistleblowing incidents. The Board also receives a report on whistleblowing in the Company Secretary and Group General Counsel's regular report to Board meetings. In FY2020, no incidences of concern were uncovered.

We encourage employees to report genuine issues and concerns as they arise. Those concerns are taken seriously. They are investigated where appropriate and confidentiality is respected.

Evaluation of the Committee

The evaluation of the Committee was completed as part of the 2020 external board evaluation process conducted by Independent Audit. An explanation of how this process was conducted, the conclusions arising from it and the action items identified is set out on pages 64 and 65. The Committee has considered this in the context of the matters that are applicable to the Committee.

This report was approved by the Board of Directors on 3 June 2020.

Emer Finnan

Chairman of the Audit Committee

Nomination Committee Report

I am pleased to present the Nomination Committee ('the Committee') report covering the work of the Committee during the 2020 financial year. This has been a busy year for the Committee with a keen focus on Board and Committee composition. From 1 March 2019, the new UK Corporate Governance Code ('the Code') came into effect for C&C, which has several material implications for Nomination Committees. The review and adoption of principles of the new Code also formed part of the Committee's activity during the year.

The primary role of the Committee is to monitor and maintain an appropriate balance of skills, experience, independence and diversity on the Board while regularly reviewing its structure, size and composition. It is also responsible for ensuring there is a formal, rigorous and transparent process for the appointment of new Directors to the Board.

Succession planning is a fundamental aspect of the Committee's work and encompasses a number of factors:

- contingency planning – for sudden and unforeseen departures;
- medium-term planning – the orderly replacement of current Board members and senior executives; and
- long-term planning – the relationship between the delivery of the Company strategy and objectives to the skills needed on the Board and the profile of senior management now and in the future.

During the year, the Committee oversaw a number of changes to the Board and Committee composition:

- March 2019 – Helen Pitcher succeeded Vincent Crowley as Chairman of the Remuneration Committee and Jim Thompson joined the Board as a Non-Executive Director;
- May 2019 – Richard Holroyd resigned as Senior Independent Director and Non-Executive Director and Geoffrey Hemphill resigned as a non-executive Director;
- June 2019 – Vincent Crowley was appointed Senior Independent Director and a member of the Committee;
- October 2019 – Helen Pitcher was appointed as a member of the Nomination Committee and Jim Clerkin replaced Vincent Crowley as a member of the Remuneration Committee;
- January 2020 – Stephen Glancey announced that he wished to retire as Group Chief Executive Officer ('CEO'). Stewart Gilliland was appointed interim Executive Chairman.



As noted above, on 16 January 2020, we announced that Stephen Glancey had informed the Board that he would retire and would stand down as CEO and from the Board. Pending the appointment of his successor, I agreed to take on the role of interim Executive Chairman to ensure continuity of executive leadership and an orderly process of succession. I would like to thank Stephen for his significant contribution to the Company over many years. The Company is well positioned to continue to implement its established strategy to deliver value for shareholders. We wish him the very best in his retirement. As detailed later in this report, the process to appoint his successor is ongoing and we have identified a number of excellent potential candidates.

In the year ahead, the Committee will place a priority on supporting the orderly succession of a new Group CEO and ensuring the actions developed as part of the external evaluation are carried out.

I would like to thank my colleagues for their contribution and counsel over the past 12 months. For the 2020 Annual General Meeting, your attention is drawn to details set out in the notice of meeting. Given government and health authority guidance on COVID-19 is still evolving, shareholders are encouraged to monitor the Company's website and regulatory news for updates in relation to the AGM.

On behalf of the Board

Stewart Gilliland

Chairman of the Nomination Committee

3 June 2020

Nomination Committee Report (continued)

Roles and Responsibilities of the Committee

Role of the Committee

The Committee is responsible for Board recruitment and conducts a continuous and proactive process of planning and assessment, taking into account the Board's composition against the Company's strategic priorities and the main trends and factors affecting the long-term success and future viability of the Company. The Committee's key objective is to ensure that the Board comprises individuals with the necessary skills, knowledge, experience and diversity to ensure that the Board is effective in discharging its responsibilities. The Committee has defined Terms of Reference which can be found in the Investor Centre section of the Group's website at www.candcgroupplc.com.

Membership and Meeting Attendance

The following Non-Executive Directors served on the Committee during the year.

Member	Member Since	Number of Meetings Attended	Maximum Possible Meetings	% of Meetings Attended
Stewart Gilliland (Chairman)	24 October 2017	4	4	100
Vincent Crowley	1 June 2019	2	2	100
Richard Holroyd (Retired 31 May 2019)	28 October 2013	2	2	100
Emer Finnan	5 July 2018	4	4	100
Helen Pitcher	23 October 2019	1	1	100

Except for the interim Executive Chairman, all members of the Committee are and were, throughout the year under review, considered by the Board to be independent. Given that the Chairman is carrying out an executive function on an interim basis, it was determined that he should remain on the Committee. This is particularly important as he plays a leading role in ensuring an orderly transition to a new Group CEO.

No member of the Committee nor any other Director participates in discussions concerning or votes on his or her own re-election or evaluation of his own performance. Details of the skills and experience of the Directors are contained in the Directors' biographies on pages 50 and 51. Their remuneration is set out in the Remuneration Report.

The quorum necessary for the transaction of business by the Committee is two, each of whom must be a non-executive Director. Only members of the Committee have the right to attend Committee meetings, however, during the year, Stephen Glancey (Group CEO) and the Group Director of Human Resources were invited to attend meetings.

The Company Secretary is Secretary to the Committee.

Meeting Frequency and Main Activities during the year

The Committee met on five occasions during the year ended 29 February 2020. All members of the Committee attended each meeting.

During the year ended 29 February 2020, the Committee:

- recommended revisions to the Board to the Committee's Terms of Reference;
- approved the Board Diversity Policy;
- recommended to the Board that Vincent Crowley be appointed as the Senior Independent Director and a member of the Committee from 1 June 2019;
- recommended to the Board that Helen Pitcher be appointed as a member of the Committee from 23 October 2019;
- commenced the search, for a candidate to succeed Stephen Glancey as Group CEO;
- recommended to the Board that workforce engagement best be undertaken through the appointment of a Non-Executive Director to specific business areas; and
- reviewed the size, structure and composition of the Board.

Since 29 February 2020, the Committee met on six occasions to:

- recommend to the Board that all of the Directors who have indicated their willingness to stand for re-election be proposed for re-election as Directors at the forthcoming AGM;
- review the Committee's report within the 2020 Annual Report and Accounts and recommend its approval to the Board; and
- Review the interviews the Committee members had held with potential appointees to the role of Group CEO.

Board Composition/Succession Planning

The Board plans for its own succession, with the support of the Committee. The Committee remains focused, on behalf of the Board, on Board succession planning for both Executive and Non-Executive Directors.

The Committee aims to ensure that:

- the succession pipeline for senior executive and business critical roles in the organisation is strong and diverse;
- processes are in place to identify potential successors and manage succession actively;
- there is a structured approach to developing and preparing possible successors; and
- processes are in place to identify "at risk" posts.

On at least an annual basis each Director's intentions are discussed with regard to continued service on the Board and their succession is considered in the context of the composition of the overall Board and the corporate governance guidance on non-executive tenure. This transparency allows for an open discussion about succession for each individual, both for short term emergency absences as well as longer terms plans.

As in previous years, we conducted an analysis of the balance of experience, skills, gender and diversity on the Board as a whole, taking account of the future needs of the business in the light of the business strategy, the Board changes set out above, and the knowledge, experience, length of service and performance of the Directors, including their ability to continue to contribute effectively to the Board. In accordance with our policy, we also had regard to the requirement to achieve a diversity of characters, backgrounds, experience and gender amongst Board members.

CEO Recruitment

The Committee appointed Spencer Stuart to conduct a search for candidates for the role of the new Group CEO. Spencer Stuart did not and does not have any connection to the Company other than in respect of provision of these services.

The Company did not use open advertising to search for suitable candidates for the role as we believe that the optimal way of recruiting for this position is to use targeted recruitment based on the skills and experience required.

As an initial step, the Committee agreed a role profile with Spencer Stuart, which referred to the following key characteristics and experience:

- Previous experience of the public company environment;
- Experience of operating within the beverage industry;
- A reputation for delivering shareholder value; and
- A positive match with the culture of the Group and the members of the Board.

The search from Spencer Stuart was rigorous and international in its scope. The Committee considered in all instances a list of potential candidates, both internally and externally, with the skills, knowledge and experience. The candidates included in the initial list for the Committee were of diverse backgrounds in its widest sense (gender, nationality, age, experience, ethnicity and social backgrounds). The process for appointing a successor is ongoing. We are committed to ensuring the appointment of a candidate as early as practicable; however, the Committee is keenly aware of balancing this imperative with ensuring the process is as comprehensive as possible. While the Committee has progressed the interviewing of candidates remotely, the recruitment process has been slowed by travel restrictions associated with COVID-19.

Workforce Engagement

In relation to workforce engagement, the Board has opted to follow an approach that it considers best aligns with the Group's business model and will be most effective in ensuring the 'employee voice' plays a key role in Board decision-making. Having reviewed how best to align the workforce engagement framework with that of the

Group's operations, during the year the Committee recommended that a Non-Executive Director be appointed with specific responsibility for a different segment of the business.

A Non-Executive was appointed with responsibility for workforce engagement at each of the eight different business areas/segments. Each Non-Executive Director will provide updates to the Board on a twice-yearly basis. Details of the role and the non-executive Directors' activities are set out on page 61. The Board and Committee are satisfied that the Group's approach meets the underlying principle of the revised provision, which is ensuring the employee voice is heard and considered by the Board when making decisions.

Skills Balance and Directors' Performance Evaluation

During the year, the Committee also considered the composition of the Board and each of its Committees. The Committee continues to actively review the long term succession planning process for Directors to ensure the structure, size and composition (including the balance of skills, experience, independence, knowledge and diversity (including gender, ethnic and social backgrounds)) of the Board and its Committees continues to be effective, promoting the Company's ability to deliver its strategy.

As part of its review, the Committee considered the performance and independence of Stewart Gilliland, Jill Caseberry, Jim Clerkin, Vincent Crowley, Emer Finnan, Helen Pitcher and Jim Thompson, each of them having confirmed their willingness to stand for re-election at the forthcoming AGM.

Having undertaken a performance evaluation of both the Board and individual Directors, the Committee considered that the independence of each of the non-executive Directors, being Jill Caseberry, Jim Clerkin, Vincent Crowley, Emer Finnan, Helen Pitcher and Jim Thompson. In assessing their independence, the Committee has had due regard to various matters which might affect, or appear to affect, the independence of certain of the directors. The Committee was fully satisfied that each remained fully independent in both character and judgement.

In determining the independence of Helen Pitcher, the Committee had particular regard to her position as a Chair of Advanced Boardroom Excellence Ltd, which provided services to the Company during FY2019. Likewise the Company had regard to the products sold to Tesco plc, of which Stewart Gilliland is a Non-Executive Director, and the products purchased from St Austell Brewery Company Limited, of which Jill Caseberry is a Non-Executive Director. Note 27 to the Accounts on page 188 sets out further details and the Committee remains fully satisfied these relationships have in no way impaired their independence.

Nomination Committee Report (continued)

The Committee had also undertaken a review of each of the Non-Executive Directors' other interests, external time commitments and tenure, such review being particularly rigorous in the case of Emer Finnian and Stewart Gilliland as they had served six and eight years respectively on the Board, and has concluded that each of them is independent in character and judgement and that there are no relationships or circumstances likely to affect (or which appear to affect) his or her judgement. The Committee is also satisfied that each of them continues to be able to devote sufficient time to their role.

No Director participated in the evaluation of his/her own performance, independence or time commitments.

The Committee was satisfied that the Board has the appropriate balance of relevant skills, experience, independence and knowledge of the Company to enable it to discharge its duties to lead and steward the business.

Diversity Policy

The Committee reviewed the Board Diversity Policy during the year. We also ensured that the Board considered whether diversity and inclusion across the wider business was being progressed, including discussions with management at site visits during the year. The Board recognises the benefits of diversity. Our Directors come from different backgrounds, nationalities, a wide range of professions and each brings unique capabilities and perspectives to our Board discussions.

We are committed to maintaining a diverse Board. Appointments to the Board and throughout the Company will continue to be made on merit and overall suitability for the role against objective criteria with due regard to the benefits of diversity (including, but not limited to, ethnicity, experience, gender, nationality, age and educational and social backgrounds as well as individual characteristics such as broad life experience).

When recruiting, we require any search agency to have signed up to the "Enhanced Voluntary Code of Conduct for Executive Search Firms" covering Board appointments, as accredited by the Hampton-Alexander Steering Group.

The Board monitors progress against this policy. In terms of Board diversity, an analysis of Directors by gender as at 29 February 2020 is as follows:

	Male Number/ Percentage	Female Number /Percentage
Directors	6/67%	3/33%

Any future appointments will continue to be made to the Board on merit and with the aim of recruiting Directors who offer the right skills and who can complement the rest of the Board with a view to achieving effective diversity, in its widest sense.

The Committee and the Board recognise the importance and benefit of diversity beyond the Board and in this regard seek to ensure that all recruitment decisions are fair and non-discriminatory and that all employees get an equal opportunity to achieve their full potential. During the year, the Group commenced working with The Pipeline who provide targeted development for women in senior positions to support them in making the transition into Executive Committee roles.

Statistical gender diversity employment data for the Company as at 29 February 2020 is as follows:

	Male Number/ Percentage	Female Number/ Percentage
Senior Managers	60/68%	28/32%
Other employees	2,220/75%	753/25%

The Committee and the Board are committed to greater diversity throughout the Company and recognise this will require continued focus on an inclusive culture and a systematic review of existing recruitment, retention and promotion practices during the forthcoming year.

The Responsibility section of the Annual Report on pages 37 to 49 provides further detail on the approach being taken to better understand our diversity and employees' views on inclusion and the implementation of the Policy across the Group.

Evaluation of the Committee

The evaluation of the Committee was completed as part of the FY2020 external Board evaluation process conducted by Independent Audit. An explanation of how this process was conducted, the conclusions arising from it and the outcome of that review can be found on pages 64 and 65.

This report was approved by the Board of Directors on 3 June 2020.

Stewart Gilliland

Chairman of the Nomination Committee

Directors' Remuneration Committee Report

Dear Shareholder

On behalf of my colleagues on the Committee and the Board, I am pleased to present the Directors' Remuneration Report ('Report') for the year ended 29 February 2020.

The Company is incorporated in Ireland and is therefore not subject to the UK company law requirement to submit its Directors' Remuneration Policy ('Policy') to a binding vote. Nonetheless, in line with our commitment to best practice, at the AGM in July 2018, our revised Policy was approved by our shareholders on an advisory basis. As no changes to the Policy are proposed this year, the Policy will not be subject to a vote at the 2020 AGM. In the interests of succinct reporting the Policy is not reproduced in this Report but can be found on our website and in our 2018 Annual Report.

Last year, the Report received the support of over 99% of the votes cast. We hope that shareholders will demonstrate their support again this year.

Executive Remuneration for FY2020

Salary

Executive directors received increases of 2% from March 2019, this being the same or less than the increase awarded to all employees across the Group that were effective at the same time.

Incentive out-turns

Annual bonus targets were set by reference to challenging financial and personal performance measures, as set out below. For the year to 29 February 2020, the financial performance of the Group resulted in an actual bonus achievement (as a percentage of their maximum opportunity) of 12.5% for Andrea Pozzi and 25% for Jonathan Solesbury.

As he was employed for the entirety of FY2020, Stephen Glancey was eligible to earn a bonus in respect of the year calculated by reference to the ordinary performance targets. The financial performance of the Group resulted in an actual bonus achievement (as a percentage of his maximum opportunity) of 25%.

The Committee believes the bonus outcomes appropriately reflect the overall performance in FY2020. Although the bonuses earned are disclosed in the Single Total Figure of Remuneration table on page 83, the Committee is mindful of the current circumstances affecting the wider economy and the Company's commitment to preserve cash and lower operating expenses. Consequently, final approval of the amount of any bonuses based on performance during FY2020 will be deferred until after the end of the FY2021 half year in August. This deferral will apply to all continuing Executives as well as former Group CEO, Stephen Glancey.

For the LTIP and ESOS, which vested in 2020, the targets we set in 2017 - based on EPS growth, free cash flow conversion and growth



in ROCE - were demanding and were met in full over the three year performance period ended 29 February 2020.

This has led to an overall outcome for both the LTIP and ESOS of 100% of the maximum opportunity. The Committee considered this outcome and determined that it was a fair reflection of the performance of the Company as a whole over the performance period, which concluded on 29 February 2020. In determining the appropriateness of the vesting of awards to Executives, the Committee was cognisant of the impact of COVID-19 on the company's share price and the economy.

In evaluating whether the final outcomes were a fair reflection of Company performance and individual contribution, the Committee noted the significant reduction in the value of vested awards to participants and did not deem it necessary to exercise discretion over vesting levels. While the ESOS awards technically vested, the share price on the vesting date was below that of the grant date and as such, no value is yet capable of realisation by participants.

When determining executive director and senior management remuneration, the remuneration committee addresses the following:

- clarity – remuneration arrangements will be transparent and promote effective engagement with shareholders and the workforce;
- simplicity – remuneration structures will avoid complexity and their rationale and operation should be easy to understand;
- risk – remuneration arrangements will ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated;
- predictability – the range of possible values of rewards to individuals and other limits or discretions will be identified and explained;
- proportionality – the link between individual awards, the delivery of strategy and the long-term performance of the company will be clear; and,
- alignment to culture – incentive schemes will drive behaviours consistent with company purpose, values and strategy.

Engagement with our key investors during our last policy review in 2018 was constructive and insightful. We look forward to engaging with them on the Policy again in the coming year.

Directors' Remuneration Committee Report (continued)

In accordance with the Policy approved at the 2018 AGM, the executive Directors' remuneration framework for FY2020 was as follows:

	Opportunity	Performance Measures	Out-turn
Annual Bonus	100% of salary	<p>Andrea Pozzi 37.5% of the opportunity: Adjusted operating profit. 12.5% of the opportunity: cash conversion. 50% of the opportunity: increased distribution/volume for our branded cider portfolio.</p> <p>Jonathan Solesbury 75% of the opportunity: Adjusted operating profit. 25% of the opportunity: cash conversion Personal underpin applying to 100% of the opportunity of restructuring finance and reducing the fixed cost of the finance structure.</p> <p>Stephen Glancey 75% of the opportunity: Adjusted operating profit. 25% of the opportunity: cash conversion.</p>	<p>Detail as to the performance against the relevant measures is set out on page 84.</p> <p>The cash conversion element of the bonus was achieved at 100%.</p> <p>The Adjusted operating profit element of the bonus was below the threshold level of performance and therefore no bonus will be payable in relation to this element.</p> <p>The cider target element of the bonus, using our extended route to market in order to gain incremental distribution/volume for our branded cider portfolio, was below the threshold level of performance and therefore no bonus will be payable in relation to this element.</p> <p>Overall bonuses earned are as follows: Andrea Pozzi: 12.5% of salary Jonathan Solesbury: 25% of salary Stephen Glancey: 25% of salary</p> <p>The Committee considers the level of achievement is reflective of the overall performance of the Group in the year and is appropriate.</p>
Long-Term Incentives awarded in the year	LTIP: 150% of salary	<p>As set out below:</p> <ul style="list-style-type: none"> • EPS growth (33.3% of the opportunity) • Free Cash Flow Conversion (33.3% of the opportunity) • Return on Capital Employed (33.3% of the opportunity) 	Performance will be assessed over the three year period ending with FY2022 and then be subject to a two year holding period.

LTIP Performance Conditions

Performance condition	Weighting	Performance target	% of element vesting
Compound annual growth in Underlying EPS over the three year performance period FY2020, FY2021 and FY2022	33%		
Threshold		3%	25%
Maximum		8%	100%
Free cash flow Conversion – average over the three year period	33%		
Threshold		65%	25%
Maximum		75%	100%
Return on Capital Employed	33%		
Threshold		9.3%	25%
Maximum		10%	100%

Notwithstanding the extent to which the performance conditions set out above are satisfied, an award or option will only vest to the extent the Committee is satisfied that the improvement in the underlying financial performance of the Company over the performance period warrants the degree of vesting. The Committee retains the discretion to reduce (but not increase) awards should it see fit to do so on the basis of the wider business performance or other factors.

	Opportunity	Performance Measures	Out-turn
Long term incentives vesting in respect of performance in FY2020	LTIP: 100% of salary	As set out below: EPS growth (33.3% of the opportunity) Free Cash Flow Conversion (33.3% of the opportunity) Return on Capital Employed (33.3% of the opportunity)	The performance measures for the awards granted in June 2017 were met in full and the awards vested at maximum as set out below:- <ul style="list-style-type: none"> • EPS growth achieved – 8.0% Award Vested – 100% of target, 33.3% of total award; • FCF Conversion achieved – 84.9% Award Vested – 100% of target, 33.3% of total award; • ROCE achieved – 11.9% Award Vested - 100% of target, 33.3% of total award Total Vested 100%.
	ESOS: 150% of salary	As set out below and note 4 to the financial statements, EPS growth.	The performance measures for the awards granted in June 2017 were met and the awards vested in full as set out below:- <ul style="list-style-type: none"> • EPS growth achieved – 8.0% Award Vested – 100% of target, 100% of total award

ESOS Performance Conditions

Performance condition	Performance target	% of element vesting
Compound annual growth in Underlying EPS over the three year performance period FY2018, FY2019 and FY2020		
Threshold	2%	25%
Maximum	6%	100%

LTIP Performance Conditions

Performance condition	Weighting	Performance target	% of element vesting
Compound annual growth in Underlying EPS over the three year performance period FY2018, FY2019 and FY2020	33.3%		
Threshold		3%	25%
Maximum		8%	100%
Free cash flow Conversion – average over the three year period	33.3%		
Threshold		65%	25%
Maximum		75%	100%
Return on Capital Employed	33.3%		
Threshold		9.3%	25%
Maximum		10%	100%

Notwithstanding the extent to which the performance targets set out above are satisfied, an award or option will only vest to the extent the Committee is satisfied that the improvement in the underlying financial performance of the Company over the performance period warrants the degree of vesting. The Committee considered the vesting outcomes of the LTIP and ESOS awards during the year to be appropriate. Again, the Committee retains the discretion to reduce (but not increase) awards should it see fit to do so on the basis of the wider business performance or other factors.

Directors' Remuneration Committee Report (continued)

Director Changes

As announced on 16 January 2020, Stephen Glancey stepped down from the Board on 15 January 2020 and left the Company on 29 February 2020. As he was employed for the entirety of FY2020, Stephen Glancey remains eligible to receive a bonus in respect of the year ending 29 February 2020, calculated by reference to the performance targets that applied to the FY2020 bonus plan.

In relation to outstanding awards under the two long-term incentive schemes, Stephen retained awards granted to him in June 2017 under the ESOS and LTIP 2015 under the terms of the respective schemes. As with the bonus, the Committee was of the view that due to his working the entire performance period, and informing the Board of his intention to retire just six weeks prior to the conclusion of FY2020, Stephen should be entitled to the entire portion of the 2017 awards. In line with the outcome for continuing Executives, these awards vested in full and will be released on their normal vesting date.

As Stephen informed the Board of his intention to retire, all other unvested share awards under the Company's share plans lapsed in full on his departure.

Full detail of the terms of his departure are set out on page 86.

Stewart Gilliland was appointed as interim Executive Chairman from 16 January 2020 to ensure continuity of executive leadership while the Group recruits Stephen's Glancey's successor.

Gender Pay Gap Disclosure

In April 2020 we published our second Gender Pay Gap report for those entities with more than 250 UK employees, namely, Matthew Clark Bibendum Limited and Tennent Caledonian Breweries Limited. Details can be found on each business's respective website.

We are committed to promoting equality, diversity and inclusion as we build a culture where everyone can progress. This includes ensuring that our colleagues are paid a fair and equitable rate for the work they do regardless of gender or other differences. Going forward we will continue to focus on areas that improve our gender pay gap.

Wider Workforce Remuneration and Employee Engagement

In line with the Code, the Company takes a fully aligned approach to remuneration throughout the organisation to support succession, as well as a culture of performance and ownership. The Company regularly engages directly with the workforce through a number of channels and on a wide range of topics, including pay. The Company's annual engagement survey places a focus on employee satisfaction, and seeks details on a number of areas including competitive pay and benefits.

It is an important part of our values that all employees, not just management, have the opportunity to become shareholders in the Group. All employees with at least one month's continuous service have the opportunity to participate in our Share Incentive Plan.

An aspect of the new Code that we believe will enhance business is the greater linkage between companies' corporate governance and remuneration frameworks. The widening of the remit of Remuneration Committees to oversee employee rewards and ensure incentives are aligned with culture while simultaneously promoting greater consideration of the 'employee voice' in Board decision-making is a particularly positive step. My role as the non-executive Director responsible for engaging with HR will be an invaluable resource when reviewing wider employee incentive arrangements.

Review of the Remuneration Policy during 2020

The Committee will be undertaking a full review of its Policy during 2020, ahead of a vote at the 2021 AGM. As always, that review will take account of market practice, shareholder expectations and best practice governance developments since our last review. These matters will be given careful consideration during the Policy review process. In particular, we will take into account the Code provisions in relation to the alignment of executive director pensions with those of the wider workforce and the requirement to adopt a formal policy on post-employment shareholding requirements. While we determine our formal policy on post-employment shareholding, we will, where relevant, rely on the existing 'leaver' provisions in the plan rules, deferring to the ordinary vesting date the vesting of awards retained on cessation ensuring awards are only released on the original vesting date for departing executives.

In addition to the post-employment holdings, the Committee is fully aware of the focus on Executive Director pensions and, more specifically, any difference between contributions for Executive Directors and those of the workforce. As part of the policy that will be put to shareholders at the 2021 AGM, there will be a cap on contributions for all future Executive Directors. The Committee is also aware of the expectation that contributions for incumbent Executive Directors are aligned with the majority of the workforce by the end of 2022, and will set out a clear plan to achieve this for all current Executive Directors in the 2021 Annual Report.

The policy will be proposed in the new Group CEO's first full year since appointment, being an opportune time to put in place a new three-year Policy designed to continue to drive the delivery of strategy and generate value for all stakeholders. The new Group CEO will be provided time to review the Group's existing incentive framework and input into the Committee's proposals prior to our consultation with shareholders in 2020 and 2021.

COVID-19

As detailed in other areas of the Annual Report, COVID-19 has had a significant impact on our business. In response to the rapid emergence of the pandemic, on 30 April, the Company announced actions to preserve cash and reduce costs. As part of those actions, there was an average reduction in salary of approximately 20% across the workforce, with management and Board remuneration reduced by 30% and 40% respectively for at least a three-month period until the end of June, at which point the Board and management will review the decision.

While the final level of that impact is yet unclear, the Committee also considered it prudent to delay certain key decisions in the first half of FY2021. Consequently, all decisions on salary, bonuses and share awards for FY2021 have been deferred until at least September, following the completion of our half year. In practice, this means that the targets relating to bonuses for FY2021 and performance ranges for the FY2021 LTIP awards will not be set until the second half of the financial year.

This decision was made to ensure that the Committee has a clear line of sight over expected performance and the full impact of COVID-19 on the business prior to implementing any decisions and setting performance targets. In implementing the decision, the Committee had the full support of Executive Management.

Once the Committee confirms the granting of the LTIP awards, the targets for those awards will immediately be communicated to shareholders through the stock exchange announcement detailing the number of awards to Executive Directors. Bonus targets will be detailed in the FY2021 Annual Report, the year of any potential payment, in line with market best-practice.

Committee Evaluation

The evaluation of the Committee was completed as part of the 2020 external board evaluation process conducted by Independent Audit. An explanation of how this process was conducted, the conclusions arising from it and the action items identified is set out on pages 64 and 65. The Committee has considered this in the context of the matters that are applicable to the Committee.

Conclusion

I would like to thank my colleagues for their invaluable contribution and counsel over the past 12 months. I also thank our shareholders for their continued support and trust you will find the Report useful and informative. For the 2020 Annual General Meeting, your attention is drawn to details set out in the notice of meeting. Given government and health authority guidance on COVID-19 is still evolving, shareholders are encouraged to monitor the Company's website and regulatory news for updates in relation to the AGM.

Helen Pitcher OBE

Chairman of the Remuneration Committee

Directors' Remuneration Committee Report (continued)

Annual report on remuneration for the year ended 29 February 2020

Implementation of the Policy

This section of the report sets out how the Policy, which was approved by shareholders at the 2018 AGM has been applied in the financial year.

Governance

The Committee has defined Terms of Reference which can be found in the Investor Centre section of the Group's website. A copy may be obtained from the Company Secretary.

Remuneration Committee Membership and Meeting Attendance

The following non-executive Directors served on the Committee during the year:

Member	Member since	Number of Meetings Attended	Maximum Possible Meetings	% of Meetings Attended
Helen Pitcher (Chairman)	1 March 2019	7	7	100
Jill Caseberry*	1 March 2019	6	7	86
Vincent Crowley**	21 March 2018	2	2	100
	24 October			
Jim Clerkin	2019	5	5	100

* Jill Caseberry was unable to attend the meeting on 9 May 2019 due to a prior engagement.

** Vincent Crowley was a member of the Committee until 23 October 2019.

All members of the Committee are and were considered by the Board to be independent.

Details of the skills and experience of the Directors are contained in the Directors' biographies on pages 50 and 51. Their remuneration is set out earlier in this Report. The quorum necessary for the transaction of business is two, each of whom must be a Non-Executive Director. Only members of the Committee have the right to attend committee meetings, however, during the year, Stewart Gilliland (Chairman), Stephen Glancey (CEO) and the Group Director of Human Resources were invited to attend meetings (although never during the discussion of any item affecting their own remuneration or employment).

The Company Secretary is Secretary to the Committee.

Meeting Frequency and Main Activities in the Year

The Committee met seven times during the year ended 29 February 2020 to:

- Approve the 2019 bonus;
- Approve the Report for the financial year ended 28 February 2019;
- Approve the Policy for the financial year ended 28 February 2019;
- Approve the 2019/20 Pay Award Strategy;
- Approve the 2019/20 bonus scheme;
- Review achievement of the target set for the 2020 bonus;
- Review the Report for the 2020 financial year;
- Recommend to the Board revisions to the Committee's Terms of Reference
- Consider the 2020/21 Pay Award Strategy;
- Review Executive Directors' and other executives' remuneration packages;
- Approve salary increases for the Executive Directors;
- Approve the size of LTIP awards to Executive Directors;
- Consider, approve and adopt the performance conditions for 2019/22 and future PSP awards;
- Approve the terms of the CEO, Stephen Glancey's departure
- Approve the terms of Stewart Gilliland's appointment as interim Executive Chairman; and,
- Consider the bonus scheme for 2020/21.

Since 29 February 2020, the Remuneration Committee met on three occasions to:

- Agree the 2020 bonus subject to final approval later in FY2021; and
- Approve the Report for the financial year ended 29 February 2020.

External Advisers

The Committee seeks and considers advice from independent remuneration advisers where appropriate. During the year ended 29 February 2020, the Committee obtained advice from Deloitte LLP. Deloitte's fees for this advice amounted to £6,050 charged on a time or fixed fee basis. Deloitte is one of the founding members of the Remuneration Consultants' Code of Conduct and adheres to this Code in its dealings. The Committee is satisfied that the advice provided by Deloitte is objective and independent. The Committee is comfortable that the Deloitte engagement team that provide remuneration advice to the Committee do not have connections with the Company that may impair their independence.

Statement of Shareholder Voting

The Company is committed to ongoing shareholder dialogue and takes shareholder views into consideration when formulating remuneration policy and practice. To the extent there are substantial numbers of votes against resolutions in relation to directors' remuneration, the Company will seek to understand the reasons for any such vote and will provide details of any actions in response to such a vote.

The following table sets out the votes at our most recent AGMs in respect of the Report and the votes at the 2018 AGM in relation to the Policy.

Directors' Remuneration Report

AGM	For	Against	withheld
2019	212,409,822	1,181,109	4,047

Directors' Remuneration Policy

AGM	FOR	Against	Withheld
2018	230,550,915	46,281	557,974

Directors' Remuneration (Audited)

The following table sets out the total remuneration for directors for the year ended 29 February 2020 and the prior year.

Single Total Figure of Remuneration – Executive Directors (Audited)

The table below reports the total remuneration receivable in respect of qualifying services by each executive Director during the year ended 29 February 2020 and the prior year. Stewart Gilliland was non-executive Chairman from 1 March 2019 until 16 January 2020, at which point he was appointed as interim Executive Chairman; given the proportion of the year for which he was a non-executive, his remuneration for the whole year is included in the Single Total Figure of Remuneration Table for non-executive Directors on page 88.

Year ended February	Salary/fees (a)		Taxable benefits (b)		Annual Bonus (c)		Long term incentives (d)		Pension related benefits (e)		Termination Payments (f)		Miscellaneous (g)		Total	
	2020 €'000	2019 €'000	2020 €'000	2019 €'000	2020 €'000	2019 €'000	2020 €'000	2019 €'000	2020 €'000	2019 €'000	2020 €'000	2019 €'000	2020 €'000	2019 €'000	2020 €'000	2019 €'000
Executive Directors																
Joris Brams	-	374	-	28	-	338	-	169	-	-	-	474	-	-	-	1,383
Stephen Glancey*	698	675	52	51	174	540	1,120	342	175	169	698	-	56	2,973	1,777	
Andrea Pozzi	368	340	28	26	46	262	544	-	92	85	-	-	-	1,078	713	
Jonathan Solesbury	497	481	37	96	124	385	1,020	-	124	120	-	-	-	1,802	1,082	
Total	1,563	1,870	117	201	344	1,525	2,684	511	391	374	698	474	56	5,853	4,955	

The remuneration for Stephen Glancey, Jonathan Solesbury and Andrea Pozzi was translated from Sterling using the average exchange rate for the relevant year. For Executive Directors who joined or left in the year, salary, taxable benefits, annual bonus, long term incentives and pension relates to the period in which they served as an Executive Director

* Stephen Glancey left the Board on 15 January and the Group on 29 February 2020. The remuneration referred to in the table above for 2020 is the remuneration he earned for the full year. Further information in relation to the remuneration arrangements in connection with his leaving the Board and Group is set out below.

Details on the valuation methodologies applied are set out in Notes (a) to (g) below. The valuation methodologies are as required by the Regulations and are different from those applied within the financial statements, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Directors' Remuneration Committee Report (continued)

Notes to Directors' Remuneration Table

(a) Salaries and fees

1. The amounts shown are the amounts earned in respect of the financial year.

(b) Benefits

1. The Executive Directors received a cash allowance of 7.5% of base salary. The Group provided death-in-service cover of four times annual base salary and permanent health insurance (or reimbursement of premiums paid into a personal policy). Stephen Glancey also availed of medical insurance under a Group policy.

(c) Annual Bonus

- The amounts shown are the total bonus achieved under the annual bonus scheme in respect of the financial year under review (subject to final approval).
- For the year ended 29 February 2020, the maximum bonus opportunity was 100% of salary.

Details of how the bonuses achieved relate to performance are provided below.

Measure	Weighting	Performance Targets		Actual Performance	Bonuses outturn	Bonuses achieved (percentage of salary)
		'Target' (37.5% outturn)	'Maximum' (100% outturn)			
Adjusted Operating Profit	Andrea Pozzi: 37.5%	€117-€120 million	10% above target	2% below target	Nil	For FY2020, Adjusted Operating Profit was below the minimum target resulting in no bonus being paid.
	Jonathan Solesbury: 75%	(excluding impact of IFRS 16 Leases)				
	Stephen Glancey: 75%					
Cash Conversion	Andrea Pozzi: 12.5%	65% (excluding impact of IFRS 16 Leases)	75%	103.5%	Achieved	For FY2020, cash conversion exceeded the maximum target resulting in bonuses of: 12.5% of salary for Andrea Pozzi 25% of salary for Jonathan Solesbury 25% of salary for Stephen Glancey
	Jonathan Solesbury: 25%					
	Stephen Glancey: 25%					
Cider Target	Andrea Pozzi: 50%	35.3khl	58.3khl	13% below target	Nil	The Cider target element was below the minimum threshold therefore no bonus will be payable in relation to this element.

Jonathan Solesbury's bonus opportunity was also subject to a personal underpin of restructuring finance and reducing the fixed cost of the finance structure. The Committee considered the underpin was satisfied as the restructuring of account services was delivered on time and to plan.

Accordingly, overall bonuses achieved by the executive Directors were:

- Andrea Pozzi: 12.5% of salary
- Jonathan Solesbury: 25% of salary
- Stephen Glancey: 25% of salary

The Committee considers the level of achievement is reflective of the overall performance of the Group in the year and appropriate.

(d) Long term incentives

- The amounts shown in respect of long term incentives are the values of awards where final vesting is determined as a result of the achievement of performance measures or targets relating to the financial year and is not subject to achievement of further measures or targets in future financial years.
- The awards granted in June 2017 in respect of the LTIP and ESOS, the performance conditions for these awards are detailed above on page 79 and in note 4 (Share-Based Payments). Details of the extent to which the performance measures were met are set out below.

LTIP

The performance measures for the measures granted in June 2017 were met and the awards vested between threshold and maximum as set out below:-

- EPS growth achieved – 8.0%
Award Vested – 100% of target, 33.3% of total award;
 - FCF Conversion achieved – 84.9%
Award Vested – 100% of target, 33.3% of total award;
 - ROCE achieved – 11.9%
Award Vested - 100% of target, 33.3% of total award
- Total Award Vested 100%.

ESOS

The performance measures for the awards granted in June 2017 were met in full and the awards vested at maximum as set out below:-

- EPS growth achieved – 100%; Award Vested – 100%;

Executive Director	Award	Shares under award	Vested shares	Value*	Value attributable to share price at grant**	Value attributable to share price growth***	Value attributable to dividends****	Total value for single total figure
Stephen Glancey	LTIP	201,434	201,434	€830,270	€684,876	€145,394	€71,287	€901,557.05
	ESOS	302,152	302,152	€218,092	€1,027,317	€218,092	€0	€218,091.66
Andrea Pozzi	LTIP	97,888	97,888	€403,474	€332,819	€70,655	€34,643	€438,116.79
	ESOS	146,833	146,833	€105,983	€499,232	€105,983	€0	€105,983.25
Jonathan Solesbury	LTIP	164,140	164,140	€676,551	€480,930	€195,621	€49,537	€726,088.80
	ESOS	246,211	246,211	€293,433	€721,398	€293,433	€0	€293,432.92

* Based on a share price at vesting of €4.122 (representing the average closing price between 24 February 2020 and 28 February 2020. Converted to Euro equivalent. Pricing data sourced from Bloomberg.) The LTIP awards are structured as nil cost options however the ESOS awards have an option price of €3.40 (€2.93 in respect of Jonathan Solesbury). Therefore, the value of the ESOS awards have been calculated by the difference between the option price and vesting price.

** Based on a share price at grant of €3.40 (€2.93 in respect of Jonathan Solesbury) for the LTIP awards. ESOS were awarded at grant price so no differential.

*** Based on the increase in the share price from €3.40 (or €2.93 in respect of Jonathan Solesbury) at grant to €4.122 at vesting.

**** No dividends accrue for ESOS awards.

(e) Pensions related benefits

No Executive Director accrued any benefits under a defined benefit pension scheme. Under their service contracts, Executive Directors received a cash payment of 25% of base salary in order to provide their own pension benefits as disclosed in column (e) of the table.

(f) Termination Payments

Stephen Glancey stepped down as Group Chief Executive Officer with effect from 15 January 2020 and left the Company on 29 February 2020. Details of payments made to Stephen Glancey in connection with his leaving the Company are set on page 86.

(g) Miscellaneous

Stephen Glancey received a payment in relation to holiday entitlement that was not taken at the time of stepping down from the Board as Group Chief Executive Officer on 15 January 2020 and leaving the Company on 29 February 2020.

Directors' Remuneration Committee Report (continued)

Additional Information

Fees from external appointments

None

Payments to Former Directors

Joris Brams stepped down as Managing Director, International Division with effect from 28 February 2019 and both his employment and appointment as a Director of the Company terminated on that date. Pursuant to a contract for services effective as of 1 March 2019 between C&C IP Sàrl ('CCIP') and Joris Brams BVBA ('JBB'), (a company wholly owned by Joris Brams and family), CCIP paid fees in FY2020 of €94,240 to JBB in respect of brand development services provided by JBB to CCIP in relation to Belgian products.

Payments for Loss of Office

Stephen Glancey stepped down as Group Chief Executive Officer with effect from 15 January 2020 and left the Company 29 February 2020.

The arrangements made in respect of Stephen Glancey leaving the Company are in line with the Remuneration Policy approved by shareholders at the 2018 AGM.

Stephen Glancey's remuneration for the whole of 2020 is disclosed in the Single Total Figure of Remuneration table on page 83.

Stephen Glancey received a payment of €698,000 in lieu of his notice period, which is included in the "termination payments" in the Single Total Figure of Remuneration Table on page 77.

As he was employed for the entirety of FY2020, Stephen Glancey was eligible to receive a bonus in respect of the year ending 29 February 2020, calculated by reference to the performance targets that applied to the FY2020 bonus plan. Any bonus will be paid (subject to final approval) in the normal way and is included in the Single Total Figure of Remuneration Table on page 83.

Stephen Glancey retained awards granted to him in June 2017 under the ESOS and LTIP 2015 under the terms of the respective schemes. The targets were met in full over the three year performance period ended 29 February 2020 which led to an overall vesting for both the LTIP and ESOS of 100% of the maximum opportunity. These awards are included in the Single Total Figure of Remuneration Table on page 83. All other unvested share awards under the Company's share plans lapsed in full on Stephen leaving.

Directors' Shareholdings and Share Interests

Shareholding guidelines

Executive Directors are required to build up (and maintain) a minimum holding of shares in the Company. The CEO is expected to maintain a personal shareholding of at least two times' salary. For the other Executive Directors, this has been set at one times' salary. Executive Directors are expected to retain 50% of the after tax value of vested share awards until at least the shareholding guideline has been met.

Executive Directors' Interests in Share Capital of the Company (Audited)

The beneficial interests, including family interests, of the Directors and the Company Secretary in office at 29 February 2020 in the share capital of the Company are detailed below:

	29 February 2020 (or date of retirement from the Board if earlier) Total	1 March 2019 (or date of appointment if later) Total
Directors		
Stephen Glancey	4,223,586	4,223,586
Andrea Pozzi*	66,465	66,460
Jonathan Solesbury	50,000	50,000
Total	4,340,051	4,340,046

Company Secretary

Mark Chilton **	17,587	-
-----------------	--------	---

* Andrea Pozzi continued his participation in the Share Incentive Plan during the period. The SIP scheme is made available to all employees. The SIP allows for the grant of a number of "free" shares which are allocated to employees equally, as permitted by the relevant legislation.

** Mark Chilton elected to participate in the SIP during the year, where he was granted a number of free shares, as permitted by the legislation.

For more details on the SIP, please see page 132.

There were no other changes in the above Directors' or the Company Secretary's interests between 29 February 2020 and 3 June 2020.

The Directors and Company Secretary have no beneficial interests in any Group subsidiary or joint venture undertakings.

Share incentive scheme interests awarded during year (Audited)

LTIP

The table below sets out the scheme interests awarded to Executive Directors' during the year ended 29 February 2020, each of which is subject to performance conditions as set out on page 78 measured over a performance period from 1 March 2019 to 28 February 2022.

Executive Director	Type of award	Maximum opportunity	Number of shares	Face value (at date of grant in Euros) ³	% of maximum opportunity vesting at threshold
Stephen Glancey ¹	LTIP ²	150% of base salary	270,033	1,013,974	25%
Andrea Pozzi	LTIP ²	150% of base salary	142,904	536,605	25%
Jonathan Solesbury	LTIP ²	150% of base salary	192,312	722,132	25%

1. Stephen Glancey's award lapsed on 29 February 2020 when he left the Group

2. The LTIP awards were granted in the form of nil cost options over €0.01 ordinary shares in the Company.

3. The face value of awards is based on the number of shares under award multiplied by the closing share price on the date of grant being €3.755 for Stephen Glancey, Andrea Pozzi and Jonathan Solesbury.

Directors' Interests in Options (Audited)

Interests in options over ordinary shares of €0.01 each in the Company

Directors	Date of grant	Exercise price	Scheme	Exercise period	Total at 1 March 2019 (or date of appointment if later)	Awarded in year	Exercised in year	Lapsed in year	Total at 29 February 2020
Stephen Glancey	12/5/16	€0.00	LTIP	28/02/20–28/08/20	111,807*				111,807
	12/5/16	€4.18	ESOS	28/02/20–28/08/20	175,492*				175,492
	1/6/17	€0.00	LTIP	1/6/20–1/12/20	201,434				201,434
	1/6/17	€3.40	ESOS	1/6/20–1/12/20	302,152				302,152
	31/5/18	€0.00	LTIP	31/5/21–30/5/28	228,097			228,097	0
	31/5/18	€2.99	ESOS	31/5/21–30/5/28	342,145			342,145	0
	31/1/19	€0.00	LTIP	31/1/24–30/1/29	207,991			207,991	0
	23/5/19	€0.00	LTIP	23/5/22 - 31/5/29		270,033		270,033	0
			Total		1,569,118	270,033		1,048,266	790,885
Andrea Pozzi	21/5/14	€0.00	R&R	21/5/17–20/5/21	4,360				4,360
	29/10/15	€0.00	R&R	17/5/17–28/10/22	7,128				7,128
	1/6/17	€0.00	LTIP	1/6/20–31/5/27	97,888				97,888
	1/6/17	€3.40	ESOS	1/6/20–31/5/27	146,833				146,833
	31/5/18	€0.00	LTIP	31/5/21–30/5/28	110,845				110,845
	31/5/18	€2.99	ESOS	31/5/21–30/5/28	166,268				166,268
	23/5/19	€0.00	LTIP	23/5/22 - 31/5/29		142,904			142,904
			Total		533,322	142,904			676,226
Jonathan Solesbury	13/11/17	€0.00	LTIP	13/6/20–12/6/27	164,140				164,140
	13/11/17	€2.93	ESOS	13/6/20–12/6/27	246,211				246,211
	31/5/18	€2.99	ESOS	31/5/21–30/5/28	243,669				243,669
	31/5/18	€0.00	LTIP	31/5/21–30/5/28	162,446				162,446
	23/5/19	€0.00	LTIP	23/5/22 - 31/5/29		192,312			192,312
			Total		816,466	192,312			1,008,778
Mark Chilton	11/2/19	€0.00	LTIP	11/2/24–10/2/29	86,334				86,334
			Total		86,334				86,334

Key: ESOS – Executive Share Option Scheme; LTIP – Long Term Incentive Plan approved in 2015

*Stephen Glancey's 2016 LTIP award and 2016 ESOS award vested at 62.4% and 65.4% respectively in May 2019. The rest of the awards lapsed at the point of vesting.

Directors' Remuneration Committee Report (continued)

Nominal price was paid for any award of options. The price of the Company's ordinary shares as quoted on the London Stock Exchange at the close of business on 28 February 2020 (being the last working day) was £3.28 (28 February 2019 £2.63, which has been converted from its Euro equivalent at year end rate). The price of the Company's ordinary shares ranged between £3.28 and £4.11 during the year.

There was no movement in the interests of the Directors in options over the Company ordinary shares between 29 February 2020 and 3 June 2020.

Single Total Figure of Remuneration – Non - Executive Directors (Audited)

The table below reports the total fees receivable in respect of qualifying services by each non-executive Director during the year ended 29 February 2020 and the prior year. Fees are the only element of the non-executive directors' remuneration. Stewart Gilliland was non-executive Chairman from 1 March 2019 until 15 January 2020, at which point he was appointed as interim Executive Chairman; given the proportion of the year for which he was a non-executive, his remuneration for the whole year is included in the following Single Total Figure of Remuneration Table.

Year ended February	Salary/fees	
	2020 €'000	2019 €'000
Non-Executive Directors		
Jill Caseberry ¹	69	4
Jim Clerkin	65	65
Vincent Crowley ²	86	78
Emer Finnan	92	90
Stewart Gilliland ³	278	179
Geoffrey Hemphill ⁴	11	65
Richard Holroyd ⁵	19	75
Helen Pitcher ⁶	85	4
Jim Thompson ⁷	69	-
Sir Brian Stewart	-	80
Total	774	640

1. Jill Caseberry and Helen Pitcher were appointed non-executive Directors on 7 February 2019.

2. Vincent Crowley was Chairman of the Remuneration Committee from 5 July 2018 to 28 February 2019 and was appointed as Senior Independent Director from 1 June 2019.

3. The fees paid to Stewart Gilliland for the year ending 28 February 2019 reflect his appointment as Chairman from July 2018 and his retirement as Chairman of the Remuneration Committee from that date. The fees paid to Stewart Gilliland for the year ending 29 February 2020 reflect his appointment as Interim Executive Chairman from 16 January 2020.

4. Geoffrey Hemphill stepped down from the Board on 1 May 2019; the figures reflect his remuneration until his departure.

5. Richard Holroyd stepped down from the Board on 31 May 2019; the figures reflect his remuneration until his departure.

6. Advanced Boardroom Excellence, of which Helen Pitcher is chair, were contracted to provide consultancy services to the Company. These were contracted prior to Helen Pitcher's appointment date and were performed predominantly in FY2019, for which the sum of €170k was received during FY2020. The Company has not contracted, nor would it contract for any such services in the future.

7. Jim Thompson was appointed to the Board on 1 March 2019, the figures reflect his remuneration for the year from appointment.

Fees paid to non-executive Directors are determined and approved by the Board as a whole. The Committee recommends the remuneration of the Chairman to the Board.

Fees are reviewed from time to time and adjusted to reflect market positioning and any change in responsibilities.

Non-executive Directors receive a base fee and an additional fee for further duties as set out on in the following table:

Non-Executive Role / Position	Fees €
Base fee	65,000
Senior Independent Director	15,000
Audit Committee Chair	25,000
Remuneration Committee Chair	20,000
Audit Committee member	5,000
Remuneration Committee member	5,000
Nomination Committee member	3,000
Stakeholder engagement - one segment of business	3,000
Stakeholder engagement - two segments of business	5,000

Non-Executive Directors' Interests in Share Capital of the Company (Audited)

The beneficial interests, including family interests, of the Non-Executive Directors who served during the year in the share capital of the Company are detailed below:

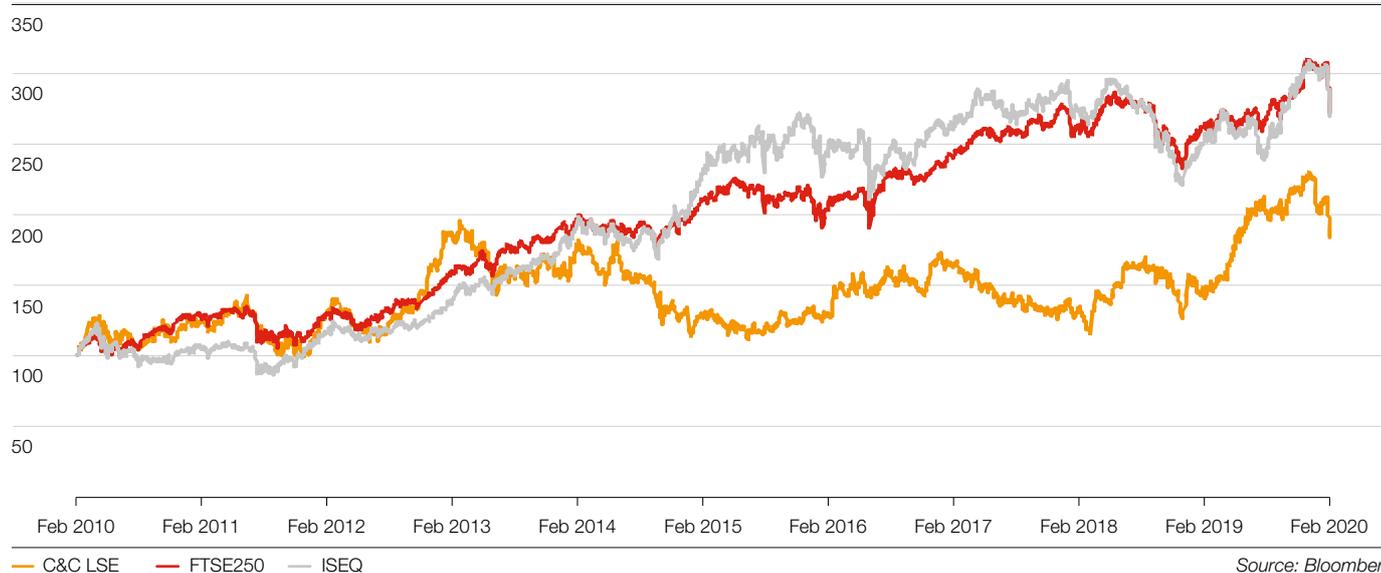
	29 February 2020 (or date of retirement from the board if earlier) Total	1 March 2019 (or date of appointment if later) Total
Directors		
Jill Caseberry	5,000	-
Jim Clerkin	40,000	33,000
Vincent Crowley	20,000	10,000
Emer Finnan	7,954	5,191
Stewart Gilliland	89,165	57,000
Geoffrey Hemphill	-	-
Richard Holroyd	68,241	68,241
Helen Pitcher	-	-
Jim Thompson	157,780	136,780
Total	388,140	310,212

There were no other changes in the above Directors' or the Company Secretary's interests between 29 February 2020 and 3 June 2020.

Performance graph and table

This graph shows the value, at 29 February 2020, of £100 invested in the Company on 28 February 2010 compared to the value of £100 invested in the FTSE 250 Index. The Company became a member of the FTSE 250 Index on the London Stock Exchange on 23 December 2019 and the Committee believes that this is the most appropriate index against which to compare the performance of the Company (prior to this the Company had its primary listing on the Irish Stock Exchange).

Total shareholder return



Directors' Remuneration Committee Report (continued)

Chief Executive Officer

The following table sets out information on the remuneration of the Chief Executive Officer for the ten years to 29 February 2020:

		Total Remuneration €'000	Annual Bonus (as % of maximum opportunity)	Long term incentives vesting (as % of maximum number of shares)
FY2012	John Dunsmore (to 31/12/11)	1,126	75%	100%
FY2012	Stephen Glancey (from 1/1/12)	956	75%	100%
FY2013	Stephen Glancey	1,321	Nil	100%
FY2014	Stephen Glancey	1,152	18.75%	7%
FY2015	Stephen Glancey	980	Nil	Nil
FY2016	Stephen Glancey	1,230	25%	Nil
FY2017	Stephen Glancey	1,052	Nil	Nil
FY2018	Stephen Glancey	994	18%	Nil
FY2019	Stephen Glancey	1,777	100%	Nil
FY2020	Stephen Glancey (to 15/01/20)	2,219	25%	100%
FY2020	Stewart Gilliland (from 16/01/20)	71	N/A	N/A

The amounts set out in the above table were translated from Sterling based on the average exchange rate for the relevant year.

John Dunsmore retired as Chief Executive Officer on 31 December 2011 and Stephen Glancey was appointed with effect from 1 January 2012, having previously been Chief Operating Officer. The salary, taxable benefits, annual bonus, long term incentives and pension figures are calculated for the period in office.

Stephen Glancey retired as Group Chief Executive Officer on 15 January 2020 and Stewart Gilliland was appointed with effect from 16 January 2020 as interim Executive Chairman. The salary, taxable benefits, annual bonus, long term incentives and pension figures are calculated for the period in office, and in the case of the annual bonus, is subject to final approval.

Ratio of the pay of the CEO to that of the UK lower quartile, median and upper quartile employees

To reflect the most recent UK regulations in relation to remuneration reporting, this year we are reporting our CEO Pay Ratio. The table below shows the ratio of the pay of the CEO to that of the UK lower quartile, median and upper quartile full-time equivalent employees in FY2020. Stephen Glancey was Chief Executive Officer until 15 January 2020, at which point he stepped down from the Board before leaving the Group on 29 February; given the proportion of the year for which he was Chief Executive Officer, his remuneration for the whole year is used for the purposes of these calculations. As Stephen Glancey's termination payment reflects a payment in lieu of notice otherwise attributable to FY2021 it is excluded for the purposes of these calculations. Also excluded is a payment in respect of annual leave accrued but not taken.

The UK regulations provide three methods for the calculation of the CEO Pay Ratio, A, B and C with Option A (modified) being the preferred method as it is the most statistically accurate one. Remuneration for other employees for the purposes of the calculation is for the financial year FY2020. In calculating the ratio, the Company determined full time equivalent annual remuneration for UK employees, employed in the business as at 29 February 2020. Set out below is the remuneration and salary component of that remuneration for the CEO and for employees in the 25th, 50th (median) and 75th quartiles.

Year	CEO total remuneration* (salary) €	25th percentile employee remuneration (salary) €	Median employee remuneration (salary) €	75th percentile employee remuneration (salary) €
2020	2,218,941	26,146	32,257	45,075
	697,964	24,080	30,024	39,232

* As Stephen Glancey's termination payment reflects a payment in lieu of notice otherwise attributable to FY2021 it is excluded for the purposes of these calculations. Also excluded is a payment in respect of annual leave accrued but not taken.

Salary Only Ratios

Year	Method	25th percentile ratio	Median ratio	75th percentile ratio
2020	Option A	29.0:1	23.2:1	17.8:1

Total Remuneration Ratios

Year	Method	25th percentile ratio	Median ratio	75th percentile ratio
2020	Option A	92.3:1	74.9:1	53.6:1

The Company believes that the median pay ratio for 2020 is consistent with the pay, reward and progression policies for the UK employees.

Implementation of Remuneration Policy for FY2021

There will be no material changes to the Policy for FY2021. However, as outlined in the statement of the Committee Chair, all decisions on salary, bonuses and share awards for FY2021 have been deferred until at least September, following the completion of our half year. This decision was made to ensure that the Committee will have a clear line of sight over expected performance and the full impact of COVID-19 on the business prior to implementing any decisions.

We have set out below a summary of our remuneration arrangements for FY2021.

Executive Directors

Salary	Benefits and Pensions	Bonus*
As at the date of this Report, the Committee has not reviewed the salaries for the Executive Directors' for FY2021.	No changes are proposed to the type of benefits provided. No changes will be made to the level of pension provision.	The maximum bonus opportunity will be 100% of salary, with all bonus earned in excess of 80% of salary deferred into shares for a period of up to two years. Bonus payouts will be based on stretching performance conditions based on Adjusted operating profit (75%) and cash conversion (25%).

* The Company is not disclosing the actual Group bonus profit and cash conversion targets prospectively as, in the opinion of the Board, these targets are commercially sensitive. The Board believes that disclosure of this commercially sensitive information could adversely impact the Company's competitive position by providing competitors with insight into the Company's business plans and expectations. However, the Company will disclose how the bonus pay out delivered relates to performance against targets on a retrospective basis if a bonus is earned by reference to the target.

Directors' Remuneration Committee Report (continued)

Long term incentives

Awards will be granted in the form of LTIP (150% of base salary). The targets relating to the awards will be communicated to shareholders at the time of their grant, following the completion of our half year.

LTIP Performance Conditions

Performance condition	Weighting	Performance target	% of element vesting
Compound annual growth in Underlying EPS over the three year performance period FY2020, FY2021 and FY2022	33%		
Threshold		3%	25%
Maximum		8%	100%
Free cash flow Conversion – average over the three year period	33%		
Threshold		65%	25%
Maximum		75%	100%
Return on Capital Employed	33%		
Threshold		9.3%	25%
Maximum		10%	100%

Notwithstanding the extent to which the performance targets set out above are satisfied, an award or option will only vest to the extent the Committee is satisfied that the improvement in the underlying financial performance of the Company over the performance period warrants the degree of vesting.

Vesting will be subject to performance measures based on EPS, ROCE and cash conversion, and subject to an additional performance underpin. All awards will be subject to a two-year holding period after vesting.

Targets are set by reference to challenging internal budgets and external forecasts.

Malus and clawback provisions

Malus and clawback provisions apply to all elements of performance-based variable remuneration (i.e. annual bonus, ESOS 2015 and LTIP 2015) for the executive Directors with effect from 1 March 2016. The circumstances in which malus and clawback will be applied are if there has been in the opinion of the Committee a material mis-statement of the Group's published accounts; or the Committee reasonably determines that a participant has been guilty of gross misconduct. The clawback provisions will apply for a period of two years following the end of the performance period; in the case of any deferred bonus award or LTIP 2015 award which is not released until the end of a holding period, clawback may be implemented by cancelling the award before it vests/is released.

Non-Executive Director Fees

The Non-Executive Director's fees will increase in recognition of their increased role and the time commitment required to effectively carry out workforce engagement. The Non-Executive Directors responsible for engaging with one segment of the business will receive an additional fee of €3,000 while those Non-Executive Directors responsible for engaging with two segments will receive an additional fee of €5,000. Having determined the level of fees, the Board considered it appropriate for the fees to be granted in the form of shares in the company. The shares will vest immediately upon grant and will not be subject to any performance or vesting restrictions.

This report was approved by the Board and signed on its behalf by

Helen Pitcher OBE

Chairman of the Remuneration Committee
3 June 2020

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare Group and Company financial statements for each financial year. Under that law, the Directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU, and have elected to prepare the Company financial statements in accordance with Irish Law (Irish Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101').

Under Irish Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the group and parent company as at the end of the financial year, and the profit or loss for the Group for the financial year, and otherwise comply with Companies Act 2014.

In preparing each of the Group and Company financial statements the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the Group financial statements comply with IFRS as adopted by the EU and as regards the Company, comply with FRS 101 together with the requirements of Irish Company Law; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group and Company will continue in business.

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

The Directors are responsible for adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company, and which will enable them to ensure that the financial statements of the Group are prepared in accordance with applicable IFRS as adopted by the European Union and comply with the provisions of Irish Company Law, and, as regards to the Group financial statements, Article 4 of the European Communities (International Financial Reporting Standards and Miscellaneous Amendments) Regulations 2005 (the 'IAS Regulation'). They are also responsible for safeguarding the assets of the Company and the Group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors have appointed appropriate accounting personnel, including a professionally qualified Finance Director, in order to ensure that those requirements are met.

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

Responsibility Statement As Required By The Transparency Directive And UK Corporate Governance Code

Each of the Directors, whose names and functions are listed on pages 50 and 51 of this Annual Report, confirm that, to the best of each person's knowledge and belief:

- So far as they are aware, there is no relevant audit information of which the company's statutory auditors are unaware;
- They have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.
- The Group Financial Statements, prepared in accordance with IFRS as adopted by the European Union and the Company financial statements prepared in accordance with FRS 101 give a true and fair view of the assets, liabilities, financial position of the Group and Company at 29 February 2020 and of the profit or loss of the Group for the year then ended;
- The Directors' report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face; and
- The annual report and financial statements, taken as a whole, provides the information necessary to assess the Group's performance, business model and strategy and is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's position and performance, business model and strategy.

Signed
On behalf of the Board

Stewart Gilliland
Interim Executive Chairman
3 June 2020

Jonathan Solesbury
Group Chief Financial Officer