Directors' Report

The Directors present the Annual Report and audited Consolidated Financial Statements of the Group for the year ended 28 February 2021.

Principal Activities

The Group's principal trading activity is the manufacturing, marketing and distribution of branded beer, cider, wine, spirits and soft drinks.

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	Diversity and Inclusion Health and Safety Speak Up Conflicts of Interest	Responsibility Report	For employee matters, retention and recruitment of staff is one of our principal risks. Please refer to page 36 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 24 to 27	
Non-Financial key performance indicators		Please refer to page 30	

Dividends

Due to the emergence of COVID-19 and the impact this has on global economies and on business generally, the Board concluded it was not appropriate, nor prudent, to pay an interim dividend or declare a final dividend for FY2021. For the previous financial year ending 29 February 2020, an interim dividend of 5.50 cent per share was paid on 13 December 2019. No final dividend was paid for FY2020 given the outbreak of COVID-19 and its impact.

Board of Directors

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

Director	Function	Appointment
Stewart Gilliland	Non-Executive Chair	2020
	Interim Executive Chair	2020*
	Non-Executive Chair	2018
	Non-Executive Director	2012
David Forde	Group Chief Executive Officer	2020
Patrick McMahon	Group Chief Financial Officer	2020
Andrea Pozzi	Chief Operating Officer	2017
Vineet Bhalla	Independent Non-executive Director	2021
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

* Stewart Gilliland was appointed as interim Executive Chair from 16 January 2020, following the retirement of Stephen Glancey, to 2 November 2020, when David Forde was appointed Group Chief Executive Officer.

Research and Development

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

Listing Arrangements

In order to facilitate 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 26 February 2021 (being the last working day) was £2.58 (29 February 2020: £3.28). The price of the Company's ordinary shares ranged between £1.45 and £3.36 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 CEO's Review on pages 10 to 21 and the Strategic Report on pages 2 to 67.
2. The principal risks and uncertainties which the Company and the Group faces are set out in the Strategic Report on pages 2 to 67 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 pages 30 to 31 and in the Group Chief Financial Officer's Review on pages 43 to 49; and further information in respect of environmental and employee matters is set out in the Responsibility Report on pages 50 to 67.
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 43 to 49 and note 24 to the financial statements.

The Group's Viability Statement is contained in the Strategic Report on pages 41 to 42.

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 76 to 85.

Directors' Report
(continued)

Substantial Interests

As at 28 February 2021 and 14 May 2021, being the latest practicable date, 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 28 February 2021	% at 28 February 2021	No. of ordinary shares held as notified at 14 May 2021	% at 14 May 2021
Artemis Investment Management LLP	46,564,845	14.95%	46,564,845	14.52%
FMR LLC	26,823,505	8.61%	26,823,505	8.37%
Silchester International Investors LLP	15,465,170	4.99%	15,465,170	4.82%
Investec Asset Management Limited	15,391,039	4.98%	15,391,039	4.80%
FIL Limited	13.051,606	4.19%	13,051,606	4.07%
BlackRock, Inc.	12,222,351	3.94%	14,829,887	4.76%
Brandes Investment Partners, L.P.	12,063,059	3.89%	12,063,059	3.76%
JNE Partners LLP	9,583,419	3.07%	9,583,419	2.99%

As far as the Company is aware, other than as stated in the table above, no other person or company had at 28 February 2021 or 14 May 2021, being the latest practicable date, 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 23 July 2020, 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 2021 Annual General Meeting 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 2022 and the date 18 months after the passing of the resolution, whichever is earlier.

At the Annual General Meeting held on 23 July 2020 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 had not purchased any ordinary shares pursuant to the Repurchase Authority from the start of the financial year.

Special resolutions will be proposed at the 2021 Annual General Meeting 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 2022 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 14 May 2021, being the latest practicable date, options to subscribe for a total of 2,730,762 ordinary shares (excluding Recruitment and Retention Awards) are outstanding, representing 0.88.% of the Company's total voting rights. If the authority to purchase ordinary shares were used in full, the options would represent 0.98% 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 14 May 2021, being the latest practicable date, the Company has an issued share capital of 320,626,375 ordinary shares of €0.01 each and an authorised share capital of 800,000,000 ordinary shares of €0.01 each.

At 28 February 2021, the trustee of the C&C Employee Trust held 1,766,325 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 28 February 2021, 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 102 to 132.

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 70.

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

Following the migration in March 2021 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, the ordinary shares can be held in certificated form (that is, represented by a share certificate) or indirectly through the Euroclear System or through CREST in CDI (CREST Depository Interest) form.

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.

The Articles contain provisions designed to facilitate the Company's participation in the Euroclear Bank settlement system and to facilitate the exercise of rights in the Company by holders of interests in ordinary shares that are held through the Euroclear Bank system. The holding and transfer of ordinary shares through the Euroclear Bank system is additionally subject to the rules and procedures of Euroclear Bank and applicable Belgian law and (for interests in ordinary shares held in CDI form) those of CREST.

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 a general meeting.

Directors' Report
(continued)

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

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 in providing shareholders with an advisory vote on the Group's Remuneration Policy. The 2021 Remuneration Policy ("policy") will be put to our shareholders on an advisory basis at this year's AGM. Details of the Policy are set out on pages 109 to 123.

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 auditor, 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 following a tender process. The Company is committed to mandatory tendering every ten years in line with best practice. Further details are set on page 90.

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 24 of the financial statements.

Post Balance Sheet Events

On 26 May 2021, the Group announced a rights issue. The rights issue is intended, alongside the other actions that the Group has already announced and implemented, to reduce leverage and improve the Group's overall liquidity position thereby providing the Group with the capital structure to both support the business during further potential disruptions from COVID-19 and to deliver on its strategy as normalised trading conditions return.

As a direct consequence of the impact of COVID-19, the Group successfully negotiated waivers on its debt covenants from its lending group for FY2021, and these have been extended up to, but not including, the August 2022 test date whether or not the rights issue is successful. Conditional on a Minimum Equity Raise being achieved, the debt covenants for 31 August 2022 were also renegotiated to increase the threshold of the Group's Net Debt/Adjusted EBITDA covenant to not exceed 4.5x and to reduce the Interest cover covenant to be not less than 2.5x. As part of the agreement reached to waive the debt covenants, a minimum liquidity requirement and a gross debt restriction have been put in place, both in the scenario of a Minimum Equity Raise being achieved or a Minimum Equity Raise not being achieved. Please refer to Note 20 for further details.

Post year end the Group announced that the outcome of a cost reduction programme it had undertaken would deliver annualised savings of €18m against its pre COVID-19 cost base.

On 2 April 2021, the Group completed the sale of its wholly owned US subsidiary, Vermont Hard Cider Company ("VHCC") to Northeast Kingdom Drinks Group, LLC for a total consideration of USD 20 million. VHCC was classified as a disposal group, held for sale, as at 28 February 2021.

In April 2021, the Group's wholly owned subsidiary, Matthew Clark Bibendum Limited ("MCB"), were the subject of a cybersecurity incident, which impacted both Matthew Clark and Bibendum. MCB responded quickly, enacting its cybersecurity response plan, and taking steps to protect its IT systems. Additionally, C&C engaged a leading forensic information technology firm and legal counsel to assist the Group in investigating the incident and restoring the IT systems as quickly and as safely as possible. As part of the cybersecurity response plan, the Group contacted all stakeholders on the actions the Group had taken and notified the relevant authorities, including the Information Commissioner's Office. This incident did not affect the IT systems of the wider C&C Group, which continued to operate as normal. The recent incident affecting Matthew Clark and Bibendum IT systems has emphasised the need for continued focus on information security. The Group has commenced a detailed review of its information security and cyber preparedness policies and processes.

There were no other events affecting the Group that have occurred since the year end which would require disclosure or amendment of the consolidated financial statements.

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 144 to 235.
Principal risks & uncertainties including risks associated with recent emergence of COVID-19	Principal Risks & Uncertainties – pages 32 to 42.
Directors' remuneration, including the interests of the directors and secretary in the share capital of the Company	Directors' Remuneration Report – pages 102 to 132.
Long-Term Incentive Plan, share options and equity settled incentive schemes	Directors' Remuneration Report – pages 102 to 132.
Significant subsidiary undertakings	Financial Statements – Note 29.
Director biographies and Board composition	Directors and Officers – pages 74 to 75.
Audit Committee Report	Pages 86 to 91.

The Directors' Report for the year ended 28 February 2021 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

David Forde
Group Chief
Executive Officer

Patrick McMahon
Group Chief
Financial Officer

26 May 2021

Directors and Officers

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1. Stewart Gilliland

Chair

Stewart Gilliland (64) was appointed a Non-Executive Director of the Company in April 2012 and Chair in July 2018. Stewart is also Chair 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 a Non-Executive Director and member of the Audit Committee and Nomination Committee at Tesco plc, a Non-Executive Director and Chair of the Remuneration Committee at Natures Way Foods Limited and a Non-Executive Director of Chapel Down 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.

2. David Forde

Group Chief Executive Officer

David Forde (53) was appointed Group Chief Executive Officer in November 2020. Prior to joining the Company, David was the Managing Director of Heineken UK, a leading producer of beer and cider brands in the UK market, as well as a significant pub operator, with approximately 2,500 outlets in its estate. David worked with Heineken for 31 years and had extensive experience in senior leadership positions across the business. He started his career with the Sales and Marketing team at Heineken Ireland, before gaining international experience in the Netherlands and then Poland, where he was Marketing Director. Progressing to senior leadership, David was appointed General Manager of Heineken UK in 2007 and played a key role in Heineken's acquisition of Scottish & Newcastle in 2008 and the subsequent integration of the two businesses. In 2009, David returned to Heineken Ireland as Managing Director, before being appointed Managing Director of Heineken UK in 2013.

3. Patrick McMahon

Group Chief Financial Officer

Patrick McMahon (41) was appointed Group Chief Financial Officer in July 2020. He has held a number of senior management positions within the food and beverage sector across the UK, Ireland and North America over the past 15 years. Having originally joined C&C in 2005 his previous roles include Group Finance Director, Finance Director of a number of C&C's business units and most recently, Group Strategy Director prior to his appointment as Group CFO. Patrick is a Fellow of Chartered Accountants Ireland, having trained at KPMG.

4. Andrea Pozzi

Group Chief Operating Officer

Andrea Pozzi (49) 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 and the export business. 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 and GB). Before joining C&C, Andrea held various management positions with the Carlsberg Group, Scottish & Newcastle and Masterfoods.

5. Vineet Bhalla

Independent Non-Executive Director

Vineet Bhalla (48) was appointed a Non-Executive Director of the Company in April 2021. Vineet is a highly experienced digital professional, with over 25 years of experience across defence, consumer goods, health and retail sectors. Until March 2021, Vineet was Chief Technology Officer and a Senior Vice President at Burberry plc. He previously held global roles for Unilever as Head of IT for their digital marketing and research and development divisions and had led data-driven and digital transformations at scale. Prior to Unilever, Vineet held global technology positions at Diageo enabling data driven transformation of their UK and Ireland Customer Development Teams. Vineet also currently holds a Non-Executive Director at Moorfields Eye Hospital NHS Foundation Trust and serves as Chair of the Trust's People and Culture Committee. Vineet brings strong digital transformation skills to the Board.

Board Committees

Audit Committee
Emer Finnan (Chair)
Vincent Crowley
Jim Thompson

Nomination Committee
Stewart Gilliland (Chair)
Emer Finnan
Vincent Crowley
Helen Pitcher

Remuneration Committee
Helen Pitcher (Chair)
Jill Caseberry
Jim Clerkin

ESG Committee
Jim Thompson (Chair)
Jill Caseberry
Helen Pitcher
Patrick McMahon
Andrea Pozzi

Senior Independent Director
Vincent Crowley

6. Jill Caseberry

Independent Non-Executive Director

Jill Caseberry (56) was appointed a Non-Executive Director of the Company in February 2019, a member of the Remuneration Committee in March 2019 and a member of the ESG Committee in September 2020. 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 a member of the Remuneration Committee at Bakkavor plc and Senior Independent Director, Chair of the Remuneration Committee and member of the Audit and Nomination Committees of St. Austell Brewery Company Limited. Jill brings considerable experience of brand management and marketing to the Board.

7. Jim Clerkin

Independent Non-Executive Director

Jim Clerkin (66) was appointed as a Non-Executive Director of the Company in April 2017. Jim has over 40 years' experience in the beer, wines, champagne and spirits industry. He has worked in the industry in Ireland, UK, France, Canada, Mexico and the United States at senior levels including managing director and CEO roles. He brings a wealth of experience and knowledge of global drinks to the Board including by way of his roles at Guinness Ireland, Diageo and Allied Domecq for North America. In 2008, Jim was asked to take over the Moet Hennessy (LVMH) wine and spirits business in the US as President and CEO. In 2015, the territory was extended to include North America. In 2020, he was appointed to a new role as President of Strategic Development and advisor to the global CEO. Jim has also served on the Board of the Distilled Spirits Council USA for twelve years. In additional to his professional career, Jim has also been the Chair of Co Operation Ireland (USA) which is a renowned peace and reconciliation charity.

8. Vincent Crowley

Independent Non-Executive Director

Vincent Crowley (66) 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 Chair of Altas Investments plc and a Non-Executive Director of Grafton Group plc. Vincent brings considerable domestic and international business experience across a number of sectors to the Board.

9. Emer Finnan

Independent Non-Executive Director

Emer Finnan (52) was appointed as a Non-Executive Director of the Company in May 2014, became Chair of the Audit Committee in July 2015 and is a member of the Nomination Committee. She is President, Europe of Kildare Partners, a private equity firm based in London and Dublin, where she is responsible for investment origination in Europe. 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.

10. Helen Pitcher OBE

Independent Non-Executive Director

Helen Pitcher (63) was appointed a Non-Executive Director of the Company in February 2019, Chair of the Remuneration Committee in March 2019 and a member of the ESG Committee in September 2020. Helen is currently Chair of a leading board effectiveness consultancy, Advanced Boardroom Excellence Ltd, Chair of the Criminal Cases Review Commission, a Non-Executive Director at United Biscuits UK, Senior Independent Director at OneHealth Group Ltd and Chair of its Remuneration and Nominations Committees, President of INSEAD Directors Network Board (IDN) and a Chair of INSEAD Directors Club Limited. Helen is the President of KidsOut (a National Children's Charity) and sits on the Advisory Board for Leeds University Law Faculty. Helen was previously Chair of the Queens Counsel Selection Panel, and a Board member and Remuneration Chair for the CIPD. In Helen's earlier career she was part of Grand Metropolitan plc as a Divisional Director (Board Director, Clifton Inns Ltd). In 2015 Helen Pitcher was awarded an OBE for services to business. Helen brings a wealth of experience and knowledge of governance and board effectiveness in a variety of sectors, including the drinks industry, to the Board.

11. Jim Thompson

Independent Non-Executive Director

Jim Thompson (60) was appointed a Non-Executive Director of the Company, and a member of the Audit Committee in March 2019, and Chair of the ESG Committee in September 2020. Jim 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.

12. Mark Chilton

Company Secretary & Group General Counsel

Mark Chilton (58) 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.

For information on independence of the Directors, please see Directors' Statement of Corporate Governance on pages 76 to 85.

Corporate Governance Report

Dear Shareholder,

On behalf of the Board I am pleased to present the FY2021 Corporate Governance Report. This provides an overview of the Board's activities during the year, along with our governance arrangements.

Throughout FY2021, we have focused our efforts on implementing and delivering the strategy through Board agendas, cognisant of our purpose to play a role in every drinking occasion, delivering joy to our customers and consumers. For almost the whole of the year, the Group's key markets have been heavily impacted by the unprecedented impact of COVID-19. As a Board, we have been focused on taking the necessary steps to successfully guide the Company through this period of uncertainty and ensure we are well positioned for the recovery, work which has been underpinned by our robust governance framework.

Board Activities and Response to COVID-19

The COVID-19 pandemic has created one of the most challenging operating environments for the Group in its long history, with unprecedented levels of disruption across the Group's key markets. The duration of the pandemic's impact has been greater than initially expected. However, in these unpredictable conditions, the Group has been able to demonstrate its resilience, strength and agility. Since the pandemic emerged in early 2020, the Group has adapted quickly and taken significant, prudent actions to protect the business and its liquidity position, focusing on factors within its control with the aim of navigating the pandemic as safely as possible and positioning its business as well as possible for a future normalisation. Throughout this time, the Board's primary concern has been the welfare and health and safety of the Group's employees, their families and the communities in which the Group operates. To that end, the Group has followed the advice from the respective governments and relevant authorities and sought to comply with applicable regulations at all times and will continue to do so to protect its people and operations.

The Group has taken a series of proactive steps to mitigate, where possible, the negative financial and operational impacts of the COVID-19 pandemic, including:

- obtaining waivers of the existing financial covenants under its financing arrangements;
- cancelling all discretionary expenditure;
- placing a significant number of employees on a temporary furlough and reducing salaries across the Group including senior management and the Board in the first half of the financial year ended 28 February 2021;
- postponing the majority of non-committed capital expenditure;
- re-deployment of resources to capture growth opportunities in the off-trade channel;
- rationalising the Group structure, reflecting the Group's focus on its core brand-led distribution model, through the disposal of certain non-core assets, including the disposal of the Tipperary Water Cooler business in October 2020 for an initial cash consideration of €7.4 million and the disposal of the Vermont Hard Cider Company in April 2021 for a consideration of USD 20 million;
- implementing various working capital initiatives, including the negotiation of temporary extensions to supplier payments terms and agreeing tax deferrals with the UK and Irish tax authorities;
- continuing to progress with restructuring and optimisation of work streams across the Group, including the integration of the Group's distribution platforms in Scotland and England;
- pausing the payment of dividends; and
- further optimising its brand-led distribution model in the first quarter of the financial year ending 28 February 2022 by implementing significant cost reduction and optimisation programmes that will enhance margins post recovery.

We have needed to call on the extensive skills and experience of the entire Board when navigating the uncertain period and our robust governance framework has been fundamental to our ability to do this successfully. We have met more frequently than usual, both as a full Board, but also within our various Committees, and with the added challenge of doing so remotely. The Board and our company secretarial team during this time have worked tirelessly in order to ensure the best outcome for all stakeholders.

Stakeholders

We have sought to balance the needs of our numerous stakeholders throughout the year, be they employees, communities, consumers, customers, suppliers, shareholders or regulators, while taking steps to secure the Group's longer term success. There has been a constant dialogue with all of the main stakeholder groups, and on behalf of the Board, I would like to take this opportunity to thank them all for their partnership during this very challenging period. Working together has been vital and will continue to be so as we seek a sustainable future together.

Details of the methods we have used to engage with stakeholders to understand their views can be found on pages 8 to 9. A statement on how the Directors have had regard to the matters set out in section 172 of the Companies Act 2006 can be found on page 79.

Remuneration Policy

Our proposed Remuneration Policy, which is intended to apply for the coming three years, will be put to shareholders for their approval at this year's AGM. The proposed policy has been designed so that there continues to be close alignment between executive reward and the delivery of our business strategy. Details of the proposed policy, the outcome of the shareholder consultation process that has been undertaken and the implementation of the current policy during the year can be found in the Directors Remuneration Report on pages 102 to 132.

Diversity

As a people focused business, our strength comes from an inclusive and welcoming environment, where we recognise that the experiences and perspectives which make us unique come together in our shared values and vision. We strongly believe that the more our people reflect the diversity of our clients and consumers, the better equipped we are to service their needs.

As part of its remit the Nomination Committee ('the Committee') reviews the Group's policies on workforce diversity and inclusion, their objectives, and link to the Company's strategy. The Group has always operated open and inclusive hiring and staff management practices.

During the year, the Committee recommended, and the Board endorsed, the adoption of a new Diversity and Inclusion Policy, which is published on the Company's website. In reviewing the Group's policy, the Committee was satisfied it supported the development of a more diverse workforce within the business and were consistent with the Group's inclusive and welcoming culture. The policy equally applies to our Board members and all of our employees, regardless of their contract, location or role in the business. We aim to ensure our inclusivity applies to all aspects of their careers, including recruitment, selection, benefits and opportunities for training and promotion. More details on workforce diversity can be found on pages 99 to 100.

At the fiscal year-end, 30% of the Board's membership was female. The Committee was fully aware, however, that this level reduced with the appointment of Vineet Bhalla, which was an important step to deepen the skills and diversify the ethnicity of the Board. While at the date of this report, we have a stronger and more diverse Board overall, we recognise that the gender composition of the Board is below the level expected and it is our intention to address that as soon as practicable and by no later than the end of February 2022. Further details can be found in the Nomination Committee Report on page 100.

Changes to the Board

The Board plans for its own succession, with the support of the Nomination 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 9 July 2020, we announced that David Forde would be joining the Company as our new CEO and that Patrick McMahon would become CFO in succession to Jonathan Solesbury, who informed the Board of his intention to retire. We are very grateful to Jonathan for his significant contribution to C&C, particularly his support in helping manage the Company through the unparalleled challenges of COVID-19, in which he played a critical role. I am delighted that we have been able to attract a candidate of the calibre of David Forde to the role of CEO and that through succession planning, we had a candidate of the quality of Patrick McMahon internally for the role of CFO. These appointments represent an exciting new era for C&C, which we believe will deliver long term value for all of our stakeholders.

We also announced that Vineet Bhalla would be joining the Board on 26 April 2021. The result is a strengthened Board, with broader and more diverse skills, ethnicity and gender.

Board Evaluation

To ensure that the Board and its Committees continue to operate effectively, we evaluate the performance of the Board on an annual basis. During FY2020, an external evaluation was carried out, meaning that the evaluation in FY2021 was carried out on an internal basis as part of the FY2021 internal Board evaluation process. An explanation of how this process was conducted, the conclusions arising from it and the outcome of that review can be found on page 84.

UK Corporate Governance Code

The 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. Further details on the Company's compliance with the Code during FY2021 can be found on page 78.

As Stewart was an interim Executive Chair for a large part of the year, the Board determined it appropriate that I would author the introduction to the Corporate Governance report for FY2021.

Vincent Crowley
Senior Independent Director

Corporate Governance Report
(continued)

Compliance with the UK Corporate Governance Code

The Board considers that the Company has, throughout FY2021 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 Chair 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. Upon David Forde joining the Company on 2 November 2020, Stewart Gilliland reverted to the role of Non-Executive Chair. At that time of the announcement of David Forde's appointment, the Board extended Stewart Gilliland's role as Non-Executive Chair by an additional 12 months until the AGM in 2022. At the date of publication of this Report, Stewart Gilliland will have been in post as a Director longer than nine years from the date of his appointment in April 2012, resulting in a non-compliance with provision 19 of the Code. Further details can be found on page 98 of the Nomination Committee Report.

Leadership and Company Purpose

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 Chair present at least annually. Likewise, the Chair 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.

Our Purpose and Strategy

C&C is a leading, vertically integrated premium drinks company, which manufactures, markets and distributes branded beer, cider, wine, spirits and soft drinks across the UK and Ireland. The Board considers C&C's purpose is to play a role in every drinking occasion, delivering joy to our customers and consumers with remarkable brands and service. Further detail on the Group's purpose can be found on page 6. Information on our strategy on pages 22 to 23.

Our Culture and Values

C&C has an open, humble, respectful, but competitive culture, underpinned by certain values and behaviours, namely:-

Our Values
- We respect people and the planet
- We bring joy to life
- Quality is at our core

Our Behaviours
- We put safety first
- We are customer centric
- We collaborate through trust
- We keep it simple and remain agile
- We are fact based, data and insight driven
- We learn to improve

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. The Board has appointed a Non-Executive Director to each business unit to provide a link between the Board and the Company's workforce, so that employees' views are heard in the boardroom, as well as facilitating a better understanding of business units and functions, within the organisation.

During FY2021, the engagement of the Non-Executive Directors with employees from each business area through a series of forum meetings has provided invaluable insight into the evolution of our culture and values, and their link to strategy. The assignment between each Non-Executive Director and their corresponding business area can be found on page 81. Employee surveys formed the basis of questions raised with the Non-Executive Directors, including the Company's response to the COVID-19 pandemic, and views on what the Company could improve in its response to help the business and its employees. Participants were also invited to raise matters for direct feedback to and from Non-Executive Directors. The format of engagement proved successful and was endorsed by the Board as an extremely useful feedback mechanism.

The Company's culture is based upon being open, humble, respectful, but competitive. The Board with support from its committees, monitors the alignment of the Group's culture with our purpose, values and strategy, through a variety of mechanisms, cultural indicators and reporting lines, including those summarised below:-

Cultural Indicators

Health and Safety	Employees	Ethics and Compliance	Customers and Suppliers	Sustainability
• Lost time frequency rates • Workplace safety accident rates • Riddors	• Results of employee engagement surveys • Employee turnover rates • Gender pay gap disclosures • Reports on progress on diversity and inclusion • Training investment per head	• Internal audit reports and findings • Fraud and misconduct statistics • Annual confirmation of compliance with our anti-financial crime policies • Whistle blower statistics	• Compliance with supply chain standards • Customer retention rates • Supplier audits • Brand satisfaction ratings	• Greenhouse gas emissions • Waste reduction rates

Engagement with Shareholders

Information on relations with shareholders is provided as part of the Stakeholder engagement section of the Strategic Report on pages 8 to 9.

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 Chair, 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.

Stakeholders

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.

Section 172 Statement

A director of a company must act in a way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole, taking into account the factors as listed in s. 172. This is not a new requirement, and the Board has always considered the impact of its decisions on stakeholders. We set out below some examples of how the Board has done so in relation to four decisions during the year. Details of who the Board considers the main stakeholders are, how we have engaged with them during the year and the outcomes of the process are set out on pages 8 to 9 and forms part of the s.172 statement.

Corporate Governance Report
(continued)

Key decision	Stakeholders
Dividend	
In May 2020, the Company announced that the Board had decided not to recommend an interim or a final dividend for the year under review. In reaching this decision, the Board considered the importance of a dividend to the Company's shareholders, the need to preserve the Company's liquidity and the exceptional circumstances that COVID-19 represented. The Board will keep future dividends under review and will restart payments when it is appropriate to do so.	• Shareholders • Governments and regulators
Board Director and Executive Committee salary reduction	
During the year, a range of actions to mitigate risks was implemented. As a result of the COVID-19 pandemic, a significant proportion of the workforce was affected by a range of cost mitigation measures, which included reduced salary, reduced working hours, furloughing arrangements and, in some cases, redundancy. Mindful of the wider employee context and in support of the Company's culture, which is rooted in fair and equitable treatment for all stakeholders, the interim Executive Chair, the Executive and Non-Executive Directors and the Executive Committee all agreed to take temporary reductions in their fees and base salaries. Reductions remained in place for a period of 5 months.	• Employees • Shareholders
Disposal of the Tipperary Water Cooler business	
In October 2020, the Board approved the sale of our Tipperary Water Cooler business, receiving an initial €7.4 million in respect of disposal proceeds. In deciding whether the disposal supported the long term success of the Company, and with due regard to the interests of the Company's stakeholders, the Board evaluated the contribution of the business, its growth prospects and fit with the overall strategy of the Group. In consideration of these matters, the Board considered the potential impact of the sale on the Company's stakeholders, and in particular, the impact on the employees of the Tipperary Water Cooler business. It was determined, at the time the decision was made, that the employees of the Tipperary Water Cooler business would not be materially disadvantaged by the change in ownership, and jobs would be protected as part of the sale. Following evaluation of these factors, it was determined that the sale of the business was in the best interests of the Company and its stakeholders as a whole.	• Employees • Shareholders
Rights Issue	
As part of risk mitigation measures in response to COVID-19, the Board approved the decision to fundraise through a rights issue. In formulating its decision, the directors took into account the views of the investor community regarding potential investment, the short and long term requirements of the business which could impact on employees and suppliers, and the protection of the interests of stakeholders as a whole. The merits of the rights issue were considered, including that it would reduce leverage, enhance liquidity and strengthen the Company's position, ensuring that C&C remains resilient in the event of further negative developments in COVID-19. Recognising the value C&C places on its retail investors and providing them with an opportunity to participate in the equity raise alongside institutional investors, the Board concluded that it was in the best interests of shareholders, as well as the Company's wider stakeholder community and was accordingly approved by the Board.	• Employees • Customers • Suppliers • Shareholders • Governments and regulators

Division of Responsibilities

It is the Company's policy that the roles of the Chair 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 Chair became the interim Executive Chair for a temporary period. Upon the appointment of a new Chief Executive Officer, David Forde on 2 November 2020, the Chair, Stewart Gilliland reverted back to a Non-Executive role.

Chair

The Chair, Stewart Gilliland is responsible for the leadership of the Board and ensuring effectiveness in all aspects of its role. The Chair 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 Chair is serving as interim Executive Chair. He acts as a sounding board for the Chair and acts as an intermediary for the Directors when necessary. He is responsible for annually evaluating the performance of the Chair 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 Chair 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 Chair, 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 Chair 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, an ESG Committee, a Nomination Committee and a Remuneration Committee to oversee and debate relevant issues and policies outside main Board meetings. Throughout the year, the Chair 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 86 to 91, the Nomination Committee Report is on pages 94 to 101 and the Remuneration Report is on pages 102 to 132.

Workforce Engagement

The Board has appointed 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:

<table>
<tr><th>Business Area</th><th>Non-Executive Director</th></tr>
<tr><td>Matthew Clark</td><td>Jim Thompson</td></tr>
<tr><td>Commercial Scotland</td><td>Jill Caseberry</td></tr>
<tr><td>Commercial Ireland</td><td rowspan="2">Helen Pitcher</td></tr>
<tr><td>HR</td></tr>
<tr><td>Commercial International</td><td rowspan="2">Emer Finnan</td></tr>
<tr><td>Finance</td></tr>
<tr><td>Bibendum</td><td>Jim Clerkin</td></tr>
<tr><td>Operations</td><td>Vincent Crowley</td></tr>
</table>

Corporate Governance Report (continued)

Board Meetings in FY2021

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 16 Board meetings, 11 Audit Committee meetings, 11 Nomination Committee meetings and 10 Remuneration Committee meetings held in the year under review.

All Directors holding office at the time attended the 2020 AGM.

Director	Number of Meetings Attended*	Maximum Possible Meetings	% of Meetings Attended
Executive			
David Forde[1]	4	4	100
Patrick McMahon[1]	6	6	100
Jonathan Solesbury	10	10	100
Andrea Pozzi[2]	15	16	94
Non-Executive			
Stewart Gilliland	16	16	100
Jill Caseberry	16	16	100
Jim Clerkin[3]	15	16	94
Vincent Crowley	16	16	100
Emer Finnan	16	16	100
Helen Pitcher[4]	15	16	94
Jim Thompson[5]	15	16	94

1. Meetings attended by David Forde and Patrick McMahon from date of their appointment.
2. Andrea Pozzi was unable to attend a meeting due to a urgent business meeting.
3. Jim Clerkin was unable to attend one unscheduled meeting due to the meetings being called at short notice and his inability to re-arrange his schedule.
4. Helen Pitcher was unable to attend a meeting due to a prior commitment made before joining the Board.
5. 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 FY2021

Each Board meeting follows a carefully tailored agenda agreed in advance by the Chair, 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. A summary of the key activities covered during FY2021 is set out in the table below.

Strategy, Operations and Finance

- Approved the Group's Viability Statement;
- 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 FY2020 and half year FY2021 results as well as trading updates;
- Approved the Group's 2020 Annual Report (including a fair, balanced and understandable assessment) and 2020 AGM Notice;
- Received updates from the COO and senior management on the Group's sustainability framework;
- Reviewed the Group's debt, capital and funding arrangements and approved the private placement;

Leadership and People

- Continued to focus on the composition, balance and effectiveness of the Board, including the appointment of a new CEO, CFO and Independent Non-Executive Director.
- Appointed Spencer Stuart to lead the search for the recruitment of a new Chair;
- Considered progress towards greater diversity in the workforce;

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 in light of incident in April 2021;

Governance and Legal

- Reviewed regular briefings on corporate governance developments and legal and regulatory issues;
- Approved the Group's Modern Slavery Statement for publication;
- Received reports on engagement with institutional shareholders, investors and other stakeholders throughout the year;
- Reviewed progress against the 2020 Board evaluation action plan;
- Conducted an internal Board evaluation covering the Board's effectiveness, with the outcome discussed by the Board;

- Received regular reports from the Chairs of the Audit, Nomination, Remuneration and ESG Committees; and
- Approved the Group's updated competition policy.

Objectives and Controls

The Group's strategic objectives are set out on pages 22 to 23 and a summary of performance against the Group's KPIs is at pages 30 to 31. 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 pages 32 to 42, to manage the key risks to the Group's business.

Business Model and Risks

The Group's Business model is set out on pages 24 to 27. The Risk Management Report on pages 32 to 42 contains an overview of the principal risks facing the Group and a description of how they are managed.

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.

Composition, Succession and Evaluation

Following the appointment of David Forde as Group Chief Executive Officer and Patrick McMahon as Group Chief Financial Officer, the Board consists of the Chair, three Executive Directors and seven independent Non-Executive Directors.

Over half of the Board comprises independent Non-Executive Directors and the composition of all Board Committees complies with the Code. Additionally, the Chair was considered independent on his appointment. Details of the skills and experience of the Directors are contained in the Directors' biographies on pages 74 and 75.

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 pages 99 to 100.

Time Commitment

Following the Board evaluation process, detailed further on page 84, 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 Chair, 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 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.

Corporate Governance Report (continued)

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.

Board Evaluation

FY2020 Board and Committee external evaluation

As reported in the FY2020 Annual Report, an external evaluation was undertaken in 2020. Overall the results of the evaluation were positive and showed that the Board was running effectively. The Board was seen as being cohesive and comprising the appropriate balance of experience, skills and knowledge. Board meetings operated in a spirit of openness, fostered by the Chair, in which Directors were 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 continued to operate to a high standard, the Board developed an action plan based on the feedback from the evaluation, designed to further enhance Board effectiveness. Ensuring the Board maintains the high standards it has always set was and is of significant importance.

The key areas identified in the 2020 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.

FY2021 Board and Committee internal evaluation

As set out earlier in this report, the Board's activities during the year were dominated by the unique challenges posed by the pandemic. As a result, a shorter and more targeted evaluation was undertaken for 2021, seeking feedback from Board members on how they felt the Board had collectively responded to these challenges and how it should evolve its approach in future, in addition to consideration of progress against the Board action plan.

Board and Committee Evaluation Process

The review was conducted through a questionnaire, which sought Directors feedback on a variety of matters including COVID-19, 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 Chair 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 April/May 2021.

FY2020 External Board Effectiveness Evaluation Outcomes

Evaluation of the Chair and Non-Executive Directors

A questionnaire was issued to each Board member (excluding the Chair) and the result was unanimous support for the Chair. The Senior Independent Director shared the feedback with the Chair.

The Chair 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 67 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 133 and a statement on the Group as a going concern and the Viability Statement are set out on pages 41 to 42.

Risk Management

Please refer to pages 32 to 42 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 89 to 90.

Internal Audit

Details of the Internal Audit function are provided within the Audit Committee report on page 90.

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 86 to 91.

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 102 to 132 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.

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 67 and throughout this Corporate Governance Report on pages 76 to 85. Our purpose and values are set out on pages 6 to 7. Relations with shareholders are described on page 9. Our whistleblowing programme is described on page 66.
Division of Responsibilities	Pages 74 to 75 gives details of the Board and Management Team. The Board governance structure is detailed on pages 76 to 85.
Composition, Succession and Evaluation	Details on appointments and our approach to succession are set out in the Nomination Committee report on pages 94 to 101. Details on the external evaluation are set out on page 84.
Audit, Risk and Internal Control	The Audit Committee Report can be found on pages 86 to 91, with further detail on the principal risks to the business in the Risk Report on pages 32 to 42.
Remuneration	The Company's Remuneration Policy can be found in the FY2018 Annual Report. The Remuneration Committee Report can be found on pages 102 to 132.

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 Chair 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 2021 Annual General Meeting, your attention is drawn to details set out in the notice of meeting. While the company was obliged to hold a virtual AGM in 2020, it is hoped that Government and Public Health restrictions will allow the hosting of an in-person AGM this year. The Company believes an in-person AGM is important to allow shareholders meet with and engagement with the Board and other shareholders. 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 Chair 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 26 May 2021.

Mark Chilton
Company Secretary

Audit Committee Report

Dear Shareholder

I am pleased to present the Audit Committee (the "Committee") report covering the work of the Committee during FY2021. This provides an overview of the Committee's activities in the year under review and looks ahead to our anticipated activities in the coming year.

Year in Review

The Committee throughout the year 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, key accounting judgements and related disclosures, audit quality and the robustness of the Group's risk management and system of internal controls. In discharging its duties, the Committee works to a structured agenda closely linked to the events in the Company's reporting cycle.

The Committee's work was supported by the Group's well established risk and financial management structures. The exceptional and unprecedented challenges posed by the COVID-19 pandemic and the impact on the Group's businesses has tested the robustness of those structures and the established working processes between management and the Committee.

I am pleased to report that the Group's risk and financial management structures have operated effectively during the year under review. I would like to thank my colleagues and fellow Board members for their contribution and counsel over the past 12 months, which enabled the Committee to fulfil its role in providing effective scrutiny and challenge.

As in previous years, the Committee's primary focus was on the integrity of the Group's financial reporting processes. In considering the financial statements, the Committee concentrated on the accounting judgements and disclosures relating to the impact of COVID-19 on the Group's businesses, including government support and tax deferral initiatives, liquidity and the impact on financial covenants, cost control and cost saving measures. Other focus areas included going concern, recoverability of trade receivables and advances to customers, asset impairment testing, the valuation of property, plant and equipment and revenue recognition. Careful consideration was given to the Group's viability disclosures and its ability to continue as a going concern, with particular scrutiny being given to the reports prepared and assumptions used by management to support those statements.

There were eleven 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.

More information about the Committee's activities during the year can be found in the pages which follow.

The Year Ahead

COVID-19 has had a profound impact on the sectors in which we operate, and on the Group, and we continue to respond to the challenges and opportunities that this brings. The Committee fulfils a key role in assisting the Board in ensuring that the integrity of the Group's financial statements and the effectiveness of the Group's internal financial controls and risk management systems are maintained. Through the Committee's composition, resources and the commitment of its members, I believe that it remains well placed to meet those challenges and to discharge its duties in the year ahead.

On behalf of the Board.

Emer Finnan
Chair of the Audit Committee
26 May 2021

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.

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

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 and provide effective governance. 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 74 and 75 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.

Meeting Frequency and Main Activities in the Year

The Committee met on five scheduled occasions during FY2021. In addition there were six ad hoc meetings. All members of the Committee attended every meeting. 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 Chair), David Forde, Group Chief Executive Officer, Jonathan Solesbury, Group Chief Financial Officer and his successor as Group Chief Financial Officer, Patrick McMahon, the Head of Internal Audit together with members of the Internal Audit team, Director of Group Finance, and representatives from Ernst & Young, 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 and Group General Counsel is Secretary to the Committee.

Membership and Attendance

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

Member	Member Since	Number of Meetings Attended	Maximum Possible Meetings
Emer Finnan (Chair)	2 July 2014	11	11
Vincent Crowley	22 March 2016	11	11
Jim Thompson	1 March 2019	11	11

Significant Judgemental Areas

The key matters reviewed and evaluated by the Committee during the year are set out 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

The Committee and the Board reviewed and challenged the evidence and assumptions supporting the adoption of the going concern basis for the FY2021 financial statements.

In assessing the impact of the COVID-19 pandemic on the Going Concern Statement and Viability Statement, the Committee considered a base case scenario, along with a reasonable worse case scenario, both of which exclude any upside from the potential rights issue. The Committee assessed the Group's cash flow forecasts for the period ending 31 August 2022 (the going concern "assessment period"). It also assessed the assumptions relating to the profitability and cash generation of the business. The key assumption in the assessment is the phased reopening of the on-trade business in the Company's main markets of England, Scotland and Ireland based on available Government advice and roadmaps.

Audit Committee Report
(continued)

The Group's scenarios are outlined below:

- The base case projection assumes on-trade recovery in England and Scotland continuing from April and May 2021 respectively, Ireland's on-trade recovery commencing from June 2021.
- The pace of recovery is assumed to be similar across each territory once on-trade restrictions are eased, with gradual improvement to volumes.
- In aggregate on-trade volumes over the assessment period are projected to be approximately 79% of FY2020 in the base case scenario over the assessment period.
- The reasonable worst case projection assumes the same timeline for re-opening of on-trade as the base case; however volumes are projected to hold flat at modest levels for the remainder of the summer as many on-trade restrictions are assumed to remain in place over that period and then build more gradually from that point.
- The reasonable worst case projection contains linked working capital assumptions reflecting a more challenged supplier credit environment.

The going concern base case and reasonable worse case scenarios also consider the achievement of cost saving measures, the Group's financing facilities, the use of temporary government supports and projected dividend payments. The Group benchmarked the impacts of both scenarios against the monthly liquidity and gross debt covenant waiver tests through the going concern assessment period. The Group has obtained waivers on its original covenant requirements up to, but not including, the August 2022 test date whether or not the rights issue is successful. The headroom on the covenants within the financing facilities have been reviewed in detail by management and assessed by the Committee. Refinancing activities, including the extension of facilities, and the covenant waivers obtained on the Group's debt, have been reviewed by the Committee, in addition to Going Concern and Viability Statement reports which include details of the projected revenue and profitability and the related impact on projected cash flows.

Having considered these factors, the Committee and the Board have concluded that monthly liquidity and gross debt covenant waiver tests will be satisfied under both the base case and reasonable worse cast scenarios (without any benefit of the proposed rights issue) and therefore 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.

In making this assessment, the Committee and Board considered the continued impact of COVID-19 and in particular the assumptions in respect of forecasted level of the on-trade business in each of the Group's main trading locations. While it was recognised that COVID-19 continues to have a negative impact on the on-trade business, given the actions available to management, the Committee and the Board do not expect any reasonably anticipated deterioration in the forecasted revenues to impact the Group's ability to continue as a going concern.

The Committee also reviewed the Viability Statement. The viability period has been reduced from previous reports, from a three-year period, to a two-year period to align with the working capital statement prepared in contemplation of the proposed rights issue. This two-year period to February 2023 was considered appropriate for this year only given the continued uncertainty of COVID-19. The scenario workings assessing the ability of the Group to continue trading for this two-year period are consistent with the going concern assumptions above, projected out to February 2023 and assume that the Group will seek to have the necessary financing requirements in place in the absence of the potential rights issue throughout the viability period.

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 FY2021 financial statements, please see 'Going Concern' on page 41 and 'Viability Statement' on pages 41 to 42. The Directors' Going Concern statement is set out on page 41.

Recoverability of Trade Receivables and Advances to Customers

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.

Asset impairment testing

The Committee considered the carrying value of goodwill, intangible assets and equity accounted investments 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 and challenged the valuation 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 carrying value of its investment in Admiral Taverns of €8.9 million and an impairment of €0.2 million with respect to its carrying value of its investment in Drygate Brewing Company Limited.

Valuation of property, plant and equipment

The Group values its land and buildings and plant, machinery and equipment at market value/depreciated replacement cost 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 28 February 2021 by PricewaterhouseCoopers LLP to value the land and buildings and plant, machinery and equipment at the Group's Clonmel (Tipperary), Wellpark (Glasgow) and Portugal sites. Following a review of PwC's valuation report, the Committee is satisfied that the adjustments posted were reasonable and that the carrying values at 28 February 2021 are appropriate.

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.

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.

Other Areas of Focus

The Committee also during the year:
- 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.

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 FY 2021 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 2021 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. This included consideration of the impact of COVID-19 and Brexit. On a regular and ongoing basis, 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 reclassification of two risks, namely Information Technology, and Cyber and Information Security and Data Protection. Those changes to our risk profile were then approved by the Board. The Group's principal risks and uncertainties are set out on pages 32 to 42.

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.

Audit Committee Report
(continued)

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. The Committee also reviewed those plans again during the year in light of COVID-19, which resulted in the Internal Audit function changing direction and focus having regard to imposed working restrictions and the placing on furlough of a number of our colleagues. As national lockdowns were imposed, the team took a risk based approach to the rest of the year, while at the same time establishing new ways of working. A number of high risk audits were conducted remotely and others were deferred into FY2022 where appropriate. This was a position endorsed by the Committee in recognition of the operational challenges being experienced at the time by the business and to the businesses of our customers, which required immediate prioritisation and focus. The FY2022 audit plan has considered all existing and emerging risks and what was deferred from FY2021, incorporating both elements where appropriate. The ability to achieve the FY2022 Internal Audit plan in spite of continued lockdown and social distancing restrictions has also been considered, with additional resources deployed when able.

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 Ernst and Young ("EY"), the External Auditor. In December 2020, 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 2021, 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

During the year, the Committee reviewed EY's fees for its services performed, its effectiveness and whether the agreed audit plan had been fulfilled and the reasons for any variation from the plan. The review included a formal evaluation process including the completion of a short questionnaire by each member of the Committee, the Group Chief Financial Officer, the Director of Group Finance and applicable senior finance executives across the business.

The Committee also considered the robustness of the FY2021 audit, the degree to which EY was able to assess key accounting and audit judgements and the content of the audit committee report issued by the External Auditor. Due to governmental advice and restrictions regarding social distancing and travel, EY's audit teams have followed different levels of remote working in the locations where the Group operates. The Committee is satisfied that this has not impacted the effectiveness of the audit or the audit process. On the basis of the Committee's evaluation and taking into account the views of other key internal stakeholders, the Committee concluded that both the audit and the audit process were effective.

Audit Tender

Following a tender process, the current External Auditor was first appointed for the year ended 28 February 2018. The Group's lead audit engagement partner has been the same since that date. 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.

The Committee confirmed compliance with the Statutory Audit Services for Large Companies Market Investigation (mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014, having last carried out a competitive tender for audit services in 2017.

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 firm 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 provided no non-audit services in FY2021.

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 FY2021, 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 2021 internal board evaluation process. An explanation of how this process was conducted, the conclusions arising from it and the action items identified is set out on page 84. 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 26 May 2021.

Emer Finnan
Chair of the Audit Committee

Environmental, Social and Governance Committee Report

Dear Shareholder

I am pleased to present the first Environmental, Social and Governance ("ESG") Committee report covering the work of the Committee during FY2021. This provides an overview of the Committee's activities in the year under review and looks ahead to our anticipated activities in the coming year.

Year in Review

Corporate responsibility is central to the Company's strategy and forms an integral part of how C&C operates. To reflect C&C's ongoing commitment to operating a sustainable business, the Board has established a new committee, the ESG Committee. The Terms of Reference of the Committee was constituted by resolution of the Board of Directors of the Company in July 2020 to assist the Board in defining the Group's strategy relating to ESG matters.

Following the Board's decision to establish the Committee, a Head of ESG was appointed to lead the Company towards our vision relating to ESG targets. To support the Head of ESG, applications were sought internally for ESG Champions from each business unit who were passionate about ESG and how our business influences these areas.

Interviews were then held by the Company Secretary and Head of ESG, with the first ESG Champions appointed in September 2020, when the ESG Committee was established. The ESG Champions have attended both Committee meetings held during FY2021. Our vision is for the ESG Champions to be appointed on an 18 month term, allowing them to be involved in the setting of long term and meaningful targets and providing an opportunity to help shape the future of the business at a strategic level through ESG matters. The Committee has been delighted by the Champions' energy, enthusiasm and, moreover, input as we continue to define the ESG strategy.

Since appointment, the Head of ESG, with the support of the Champions and in collaboration with the Board, has worked to establish the Company's purpose, vision and values, KPIs and timelines that follow legal and regulatory requirements.

Furthermore and as part of our commitment to continual improvement, a review of material ESG factors relevant to the beverages and distribution sectors was undertaken in the year. The purpose of the review was to calibrate our existing position and ensure that any new and material issues of importance to those sectors are captured. Moreover, to provide a basis for strategy formulation, we reviewed international guidance and non-financial standards published by the UN Sustainable Development Goals ('UN SDGs'), the Sustainability Accounting Standards Board ('SASB') and the World Economic Forum ('WEF'). The results of the work were then discussed and used to form opinion, recognise best practice and provide clear direction on our ESG strategy in FY2022. ESG objectives, which relate to the six pillars of our Sustainability Framework as detailed on pages 50 to 51, are defined annually and reviewed on an ongoing basis.

A key element of our ESG strategy is to raise the voice of employees in the boardroom. 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 FY2021, the engagement of the Non-Executive Directors with a range of employees from each business area has provided invaluable insight into the evolution of our culture and values, and their link to strategy, through a series of 'Our Forum' meetings. The meetings, hosted by the ESG Champions, allowed employees to raise, with the Non-Executive Directors and business units Managing Directors, a variety of issues that were of importance to them, including the Company's response to the COVID-19 pandemic, and views on what the Company could improve in its response to help the business and its employees.

Our colleagues remain our most valuable asset and we are committed to creating an open and inclusive culture, which enables all of our people to thrive, and to promote diversity and inclusion to ensure we have a balanced pipeline of talent for the future. The Champions, at the request of the Nomination Committee, reviewed the Board's policy on diversity and inclusion, which was subsequently recommended to the Board and approved during the year with the aim of continuing to encourage diversity within the Group.

In terms of corporate responsibility and community engagement, the Board is committed to treating all stakeholders in every area of operations with honesty, fairness, openness, engagement and respect, and to conducting all business ethically and safely. The Group will only work with parties that share these values. Our Code of Conduct ('our Code') sets out our expectations for how we do business, clarifying our commitments to ethical, social and environmental performance. Our ESG policies support our Code.

I would like to thank my colleagues for their contribution and counsel since the formation of the Committee, during what has been a challenging period for the Group.

On behalf of the Board

Jim Thompson
Chair of the ESG Committee
26 May 2021

Roles and Responsibilities of the Committee

Role of the Committee

The Committee is required to:-

- Assist the Board in defining the Group's strategy relating to ESG matters;
- Review the policies, programmes, practices and initiatives of the Group relating to ESG matters ensuring they remain effective and up to date;
- Provide oversight of the Group's management of ESG matters and compliance with legal and regulatory requirements, including applicable rules and principles of corporate governance, and applicable industry standards;
- Report on these matters to the Board and, where appropriate, make recommendations to the Board; and
- Report as required to shareholders of the Company on the activities and remit of the Committee.

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 Attendance

The following directors served on the Committee during the year.

Member	Member Since	Number of Meetings Attended	Maximum Possible Meetings
Jim Thompson (Chair)	24 September 2020	2	2
Jill Caseberry	24 September 2020	2	2
Patrick McMahon	24 September 2020	2	2
Helen Pitcher	24 September 2020	2	2
Andrea Pozzi	24 September 2020	2	2

No member of the Committee nor any other Director participates in discussions or votes concerning his or her own re-election or evaluation of his or her own performance. Details of the skills and experience of the Directors are contained in the Directors' biographies on pages 74 and 75. 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. The Committee Secretary is the Assistant Company Secretary.

Meeting Frequency and Main Activities during the year

The Committee met on two occasions during the year ended 28 February 2021. All members of the Committee attended each meeting. At the invitation of the Committee, the Chair, the Group CEO, the Company Secretary and General Counsel, the Head of ESG and the ESG Champions were invited to attend both meetings.

Evaluation of the Committee

During FY2020, an external evaluation was carried out of the Board, meaning that the evaluation in FY2021 was carried out internally as part of the FY2021 internal Board evaluation process. An explanation of how this process was conducted, the conclusions arising from it and the outcome of that review can be found on page 84.

This report was approved by the Board of Directors on 26 May 2021.

Jim Thompson
Chair of the ESG Committee

Nomination Committee Report

Dear Shareholder

I am pleased to present the Nomination Committee ('the Committee') report covering the work of the Committee during FY2021. This provides an overview of the Committee's activities in the year under review and looks ahead to our anticipated activities in the coming year.

Year in Review

Succession planning continued to be the primary focus of the Committee's work.

During the year, the Committee engaged in a thorough process to consider the appointment of a new Group Chief Executive Officer (CEO) and Group Chief Financial Officer (CFO). Following a rigorous process, which considered internal and external candidates, the Committee recommended the appointment of David Forde as CEO and Patrick McMahon as CFO. I am happy to report that in each case, the Committee's recommendations were subsequently endorsed unanimously by the Board.

For the role of CEO, following a thorough evaluation of exceptional candidates for the position, the Committee was unanimously of the view that David Forde had the requisite blend of brand, distribution and hospitality sector expertise to maximise the potential of our iconic brands and optimise the potential of our distribution capabilities.

In Patrick McMahon we have a CFO with an inimitable understanding and experience of our business. His progression through senior leadership positions within the business and integral role in the transformative Matthew Clark and Bibendum transaction make him an ideal fit for this position and the natural successor to Jonathan Solesbury, who informed the Board of his intention to retire during the year. The Board would like to thank Jonathan for his significant contribution to C&C and we wish him well for the future.

As we navigate the current challenges and uncertainty of COVID-19, these appointments represent an exciting new era for C&C, which we believe will deliver long term value for all our stakeholders.

In addition, the Committee continued to review the skills and composition of the Board. Following this review, the Board identified the necessity of having more digital and technology experience, which is increasingly important in a digitalised world. To enhance the Board's collective capability and aid us as we seek to deliver our strategic objectives, the Committee recommended, and the Board endorsed the appointment of Vineet Bhalla. The Board was particularly satisfied that the appointment would bring strong digital experience as an experienced IT professional, latterly with Burberry as Chief Technology Officer and previously as Head of IT for Unilever for their digital marketing and research and development divisions.

With each review of its composition, and when considering any appointment, the Board has particular regard for diversity of gender, social and ethnic backgrounds, nationality, and cognitive and personal strengths. Diversity at Board level – and throughout the organisation – is key to ensure that we incorporate a wider range of perspective in deliberations and decision making. While incorporating all aspects of diversity, we have placed a particular focus on gender and ethnic diversity in light of the Hampton Alexander and Parker Reviews, which act as guidance for the Committee. The Committee was pleased that Vineet Bhalla's further broadened the diversity of the Board, which now has a broader and more diverse skill set, as well as ethnicity and gender.

At the financial year-end, 30% of the Board's membership was female. The Committee was fully aware, however, that this level reduced with the appointment of Vineet Bhalla, which was an important step to deepen the skills and diversify the ethnicity of the Board. While at the date of this report, we have a stronger and more diverse Board overall, we recognise that the gender composition of the Board is below the level expected and it is our intention to address that as soon as practicable and by no later than the end of February 2022.

Following the announcement of David's appointment as CEO in July 2020, and to allow an orderly process of succession, the Board requested that I continue in my role as interim Executive Chair until David joined C&C in November 2020, at which time I reverted to the role of Non-Executive Chair. In addition, the Board asked that I extend my role as Non-Executive Chair by an additional 12 months until the AGM in 2022. This will provide continuity of leadership for C&C following the appointment of a new CEO and CFO.

The Committee will continue to monitor the composition and balance of the Board to ensure that a broad range of expertise is available from the existing members and will recommend further appointments as and when appropriate to assure the long term success of the Company. I intend to retire from my role as Chair and step down from the Board in July 2022, by which time I will have served on the Board for over 10 years, including four years as Chair. The Committee, led by Vincent Crowley, Senior Independent Director (SID) has established a process to identify and appoint my successor and we will communicate with you as appropriate.

Our colleagues remain our most valuable asset and we are committed to creating an open and inclusive culture, which enables all of our people to thrive, and to leverage diversity and inclusion to ensure we have a balanced pipeline of talent for the future. The Committee will continue its work to ensure the Board maintains a balance of individuals representing a wide cross section of experience, cultural backgrounds and specialisms. With the aim of continuing to promote diversity on the Board and within the Group as a whole, the Committee reviewed the Board's policy on diversity and inclusion, which was recommended to the Board and approved during the year.

As part of our annual Board and committee evaluation process, further details of which are set out on page 84, the Committee assessed the time commitment needed from Non-Executive Directors to ensure that each individual has sufficient time to devote to their duties for C&C. The impact of the pandemic on business has required the Board and its committees to devote additional time to Board business and to providing leadership oversight, and each of our Directors remain fully committed to promoting the success of the Company in a way that ensures that the interests of shareholders and other stakeholders are protected. I would like to thank my colleagues for their contribution and counsel over the past 12 months, for what has been a challenging period for the Group.

In the coming year, the Committee will continue to focus on succession planning and on furthering our diversity and inclusion agenda.

On behalf of the Board

Stewart Gilliland
Chair of the Nomination Committee
26 May 2021

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 and that appropriate succession arrangements are in place. 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.

The Committee is responsible for leading a formal, rigorous and transparent process for the appointment of new Directors to the Board and ensuring that plans are in place for orderly succession to the Board and senior management positions.

Except for the Chair, all members of the Committee are and were, throughout the year under review, considered by the Board to be wholly independent. Given that the Chair was carrying out an executive function on an interim basis, it was determined that he should remain on the Committee. This was particularly important as he played a leading role in ensuring an orderly transition to David Forde as the Group's new 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 74 and 75. 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. The Company Secretary is Secretary to the Committee.

Membership and Attendance

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

Member	Member Since	Number of Meetings Attended	Maximum Possible Meetings
Stewart Gilliland (Chair)	24 October 2017	11	11
Vincent Crowley	1 June 2019	11	11
Emer Finnan	5 July 2018	11	11
Helen Pitcher	23 October 2019	11	11

Nomination Committee Report
(continued)

Meeting Frequency and Main Activities during the year

The Committee met on eleven occasions during the year ended 28 February 2021. All members of the Committee attended each meeting. At the invitation of the Committee, the Group CEO, the Group Director of Human Resources, the Group Head of Employee Engagement, and Independent Audit were invited to attend meetings from time to time.

Set out below is a summary of the main activities of the Committee in the year.

CEO Appointment

As reported in last year's Annual Report, following the retirement of Stephen Glancey in January 2020, Stewart Gilliland was appointed as interim Executive Chair pending the appointment of his successor, to ensure continuity of executive leadership and an orderly process of succession.

The Committee appointed Spencer Stuart to conduct a search for candidates for the role of the new Group Chief Executive Officer. 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 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 an extensive list of potential candidates, both internally and externally, with the skills, knowledge and experience required. 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 Committee unanimously selected David Forde as its preferred candidate. David, having started his career with the sales and marketing team at Heineken Ireland, was the Managing Director of Heineken UK, a position he had held since 2013. Heineken UK is a leading producer of beer and cider brands in the UK market, as well as a significant pub operator, with approximately 2,500 outlets. David worked with Heineken for 31 years and has extensive experience in senior leadership positions across the business and has an intimate knowledge of our industry.

Following the Committee's recommendation and due consideration by the Board, David Forde was appointed our new Group Chief Executive Officer on 8 July 2020. The Board is pleased to have recruited an individual of his calibre to lead the Group through its next stage of development.

Induction of Group CEO

David Forde took up the position of Group Chief Executive Officer on 2 November 2020 and is bringing a fresh perspective to the Board and its committees. As set out on page 83, when a new Board member joins the Company they receive a formal, comprehensive and tailored induction designed to suit their individual needs and their role. The induction programme includes activities and meetings with key personnel, technical meetings and site visits. This is an effective way of introducing them to the Group's culture and of ensuring that they have the information and support they need to understand the business and to enable them to be productive in their role.

Group CEO Induction

A comprehensive induction programme was arranged for David Forde to help him settle into his new role. This included meetings with senior management and operational and functional teams around the Group and was structured to help David gain an insight into how the business works on a day to day basis and to understand its strategic priorities, purpose, culture, values and people.

Since joining, David has attended business and budget reviews in each business unit. Visits were arranged, subject to COVID-19 restrictions, which included key locations in the Group. These visits gave David an opportunity to meet with local management teams and other colleagues and to speak with them first hand and to listen to their views.

David has also spent time meeting with a number of the Group's investors, as well as suppliers, customers and consumers. He has also had one to one meetings with his Board colleagues and has met with business unit heads, senior management and members of the Company's governance and control functions.

Details of some of the activities undertaken by David are set out below:

Area	Provided by	Subjects covered and discussed
Business Units	**Executive Management**	• Ireland, Great Britain, Matthew Clark and Bibendum and International business reviews; • Ireland, Great Britain, Matthew Clark and Bibendum and International business budget reviews; • various site visits;
Governance legal and compliance	**Company Secretary and Group General Counsel**	• review of the governance framework and landscape; Board and committee matters; overview of the Group's legal and compliance framework and material litigation;
Health and Safety	**Group Health & Safety Manager**	• execution of safety strategies, priorities and initiatives and their alignment to the Performance, People and Purpose strategy;
Finance, Strategic plan and business model	**Group Chief Financial Officer**	• financial control framework and governance processes; • internal and external reporting of the Company's results; • overview of the Group's businesses and business model, two year business plan and strategic aims; • review of the Group's M&A strategy;
Tax	**Group Chief Financial Officer**	• review of the Group's tax strategy and profile, principal uncertain tax positions and areas requiring the exercise of judgement; • tax governance procedures and control framework;
People	**Group HR Director**	• review of the Group's People strategy including succession planning, diversity and inclusion and engagement initiatives; • Group remuneration philosophy, executive remuneration and annual cycle; long term incentive plan;
Investor Relations	**Group Chief Financial Officer**	• C&Cs' investment case, key areas of investor focus and IR annual programme;
Treasury	**Group Chief Financial Officer**	• overview of the Group's treasury operations, governance, funding, credit ratings, liquidity management, foreign exchange and interest rate risk management;
IT	**Group IT Director**	• overview of the digital and technology function including in-depth reviews on strategy, operating model, initiatives and cyber security;
Internal Audit	**Head of Internal Audit**	• review of Group Internal Audit plan, internal control framework, key financial controls, whistleblowing programme and the biannual major risk assessment process; and
Environmental, Social and Governance	**Head of ESG**	• Overview of the ESG framework, strategy and KPI's.

Group CFO Appointment

Jonathan Solesbury who served as the Group's CFO since 2017 informed the Board of his intention to retire during FY2020. Accordingly, Jonathan stepped down from the Board at the AGM on 23 July 2020, but remained with C&C until 1 September to facilitate an orderly transition.

Patrick McMahon, Group Strategy Director, and designated successor to Jonathan was appointed as Group Chief Financial Officer and an Executive Director with effect from 23 July 2020.

A Fellow Chartered Accountant, Patrick originally joined C&C in 2005 from KPMG.

Throughout his career with C&C he has held a number of senior leadership positions including, Financial Director of individual business units and overall Group Finance Director. As Group Strategy Director, Patrick was central to the integration and turnaround of Matthew Clark and Bibendum since their acquisition in 2018.

Nomination Committee Report
(continued)

New Non-Executive Director

During the year, the Committee continued to review the skills and composition of the Board and identified an opportunity to bring more digital and technology experience into its deliberations. A thorough process was undertaken by the Committee to identify and assess a number of potential candidates. A boutique executive search firm, Audeliss was instructed to assist with the search for the new appointment. The search firm signed up to the Voluntary Code of Conduct and does not have any other connection to the Company or with any individual Directors, other than to provide recruitment services. Open advertising was not used for this position.

To enhance the Board's collective capability and aid us on our journey to meet our strategic objectives, the Committee recommended the appointment of Vineet Bhalla, noting, in particular, that the appointment would bring strong digital experience as an experienced IT professional, latterly with Burberry as Chief Technology Officer and previously as Head of IT for Unilever for their digital marketing and research and development divisions. The Committee also noted that this appointment would demonstrate the Company's broader commitment to diversity. In making this recommendation, the Committee also satisfied itself that Vineet Bhalla met the independence criteria of the Code and took into account his other significant commitments and the time involved, as disclosed to the Committee. The Committee's recommendation resulted in Vineet Bhalla's appointment to the Board as a Non-Executive Director with effect from 26 April 2021.

Re-appointment of Directors

The Committee considers the selection and reappointment of directors carefully before making a recommendation to the Board. The Board is conscious of the length of tenure of non-executives when formulating its succession planning process. Non-Executive Directors and the Chair are generally appointed for a period of three years, which may be renewed for a further two terms. Notwithstanding the appointment of three years, in line with good governance practice, all Directors are put forward for re-election by shareholders annually at the AGM providing shareholders with the opportunity to express their confidence and support for the Board as a whole and each Director individually.

Appointment of a new Chair

As outlined in his introductory letter, the Chair will step down from his role in July 2022 following 10 years on the Board and four years as Chair. A selection process for a new Chair is being led by the Senior Independent Director ('SID'), Vincent Crowley, and the Committee, with assistance from the Company Secretary and Group General Counsel and the Group Director of Human Resources. The current Chair is not involved in the selection process.

As part of the external search process, the services of an executive search firm are being used to identify potential candidates. The Committee considered the credentials of a number of search consultants before recommending the appointment of Spencer Stuart, which is a signatory to the voluntary code of conduct for executive search firms. Spencer Stuart is used from time to time by the Company for the recruitment of senior executives, but does not have any other connection to the Company or with individual directors.

The Company has not used 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 has agreed a role profile with Spencer Stuart, which referred to the following characteristics and experience:

- Experience as a Chair;
- City/investor experience;
- FTSE 250 plc experience and an understanding of the UK corporate governance environment;
- Broad sector experience, with an emphasis on business to business and business to customer environments 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 process for appointing a successor is ongoing.

Succession Planning

Given both the appointment of a new CEO and CFO and a Non-Executive Director, along with the commencement of a search for a new Chair, the Committee has had reason to extensively consider succession planning for both Board and senior management roles during the year.

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 term 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.

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.

During FY2020, an external evaluation was carried out, meaning that the evaluation in FY2021 was carried out on an internal basis. 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 Stewart Gilliland and Jill Caseberry, 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. The Committee remains fully satisfied these relationships are not material and have in no way impaired their independence.

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 Finnan and Stewart Gilliland as they had served seven and nine 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

As a people focused business, our strength comes from an inclusive and welcoming environment, where we recognise that the experiences and perspectives which make us unique come together in our shared values and vision. We strongly believe that the more our colleagues reflect the diversity of our clients and consumers, the better equipped we are to service their needs.

As part of its remit the Committee reviews the Group's policies on workforce diversity and inclusion, their objectives, and link to the Company's strategy. The Group has always operated open and inclusive hiring and staff management practices.

During the year, the Committee recommended, and the Board endorsed, the adoption of a new Diversity and Inclusion Policy, which is published on the Company's website. In reviewing the Group's policy, the Committee sought the views of the ESG Champions prior to implementation. The Committee was satisfied that it supported the development of a more diverse workforce within the business and were consistent with the Group's inclusive and welcoming culture. The policy equally applies to our Board members and all of our employees, regardless of their contract, location or role in the business. We aim to ensure our inclusivity applies to all aspects of their careers, including recruitment, selection, benefits and opportunities for training and promotion. The Executive Committee members have undergone Diversity and Inclusion training to ensure this is embedded across the whole organisation. More details on workforce diversity can be found on page 100.

Our vision is to be an employer of choice, with a rich and diverse mix of people who reflect the societies and communities in which we work and operate.

C&C is a great place to work and our policy reinforces our commitment to equality, diversity and inclusion and to having a truly representative workforce where every member feels respected, valued and able to be their best. We want to ensure that equality, diversity and inclusion is a core part of how we operate, it's embedded in our culture, and reflected in our people and their behaviours.

Nomination Committee Report
(continued)

We are committed to:-

- Reviewing and adapting our policies and procedures to ensure workforce diversity and equal opportunities;
- Implementing initiatives that drive an inclusive culture where all employees feel accepted and valued;
- Promoting a more inclusive environment, which attracts all candidates and signals our commitment to celebrate and promote diversity;
- Taking an inclusive approach to ensure we attract a diverse pool of talent and experience;
- The use of clear statements which promote equality and inclusion within the recruitment process;
- Training our managers and wider teams to increase cultural diversity, awareness, knowledge and skills;
- Encouraging our people to share their experiences and help each other to understand more about what diversity and inclusion means;
- Authentically telling our diversity and inclusion story and celebrating our approach, both inside and outside our organisation.

At Board level, our approach to the appointment of new directors reflects our desire to ensure the optimal balance of experience and backgrounds on the Board. Great emphasis is placed on ensuring that Board membership reflects diversity in its broadest sense and increasingly embodies our employee base and the communities in which we operate. 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 instruct the external recruitment consultants to ensure that a balance of male and female candidates is put forward for consideration by the Committee. Following Vineet's appointment to the Board, female representation on our Board is at 27%.

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.

Statistical gender diversity employment data for the Company as at 28 February 2021 is as follows:

	Male Number/ Percentage	Female Number/ Percentage
Directors	7/70%	3/30%
Senior Managers	58/64%	32/36%
Other employees	1,913/75%	647/25%

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 ESG Committee Report on pages 92 to 93 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.

ESG Committee

To reflect C&C's ongoing commitment to operating a sustainable business, the Board established a new committee, the ESG Committee. The Committee made recommendations to the Board concerning both the Chair and membership of the ESG Committee. In all cases, the Committee's recommendations were subsequently endorsed unanimously by the Board.

Time Commitment

In line with its terms of reference, the Committee performs an annual review of the time required from the Chair, SID and Non-Executive Directors to perform their duties. As part of this process, the Committee reflects on a director's attendance at scheduled meetings and their availability at other times during the year. In the year under review, directors were available, often at short notice and outside regular working hours, to discuss matters that required a prompt decision, for example, the consideration and oversight of the various strategies employed during the year to navigate the impact of the COVID-19 pandemic upon the business.

Evaluation of the Committee

During FY2020, an external evaluation was carried out, meaning that the evaluation in FY2021 was carried out on an internal basis as part of the FY2021 internal Board evaluation process. An explanation of how this process was conducted, the conclusions arising from it and the outcome of that review can be found on page 84.

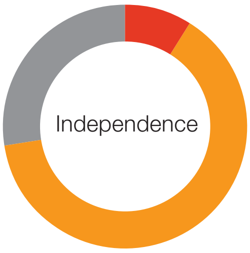
This report was approved by the Board of Directors on 26 May 2021.

Stewart Gilliland
Chair of the Nomination Committee

Diverse and Effective Board

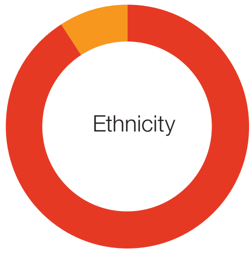
The Board comprises 11 Directors, with a broad and complementary set of technical skills, educational and professional experience, nationalities, personalities, cultures and perspectives.

Board balance

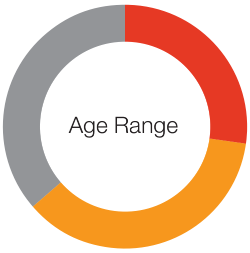


Chair	1
Independent	7
Non-independent	3

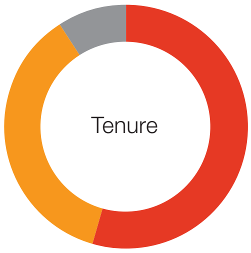
Male	8
Female	3



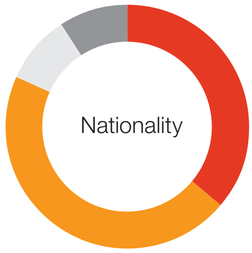
White	10
Indian	1



40-50	3
51-60	4
61-70	4



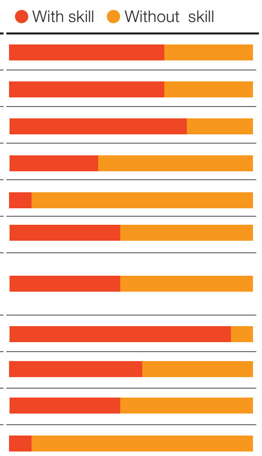
1-3 years	6
4-7 years	4
8-10 years	1



Irish	4
British	5
USA	1
Italian	1

Board Skills Matrix

	Executive Directors			Non-Executive Directors							
Director	David Forde	Patrick McMahon	Andrea Pozzi	Stewart Gilliland	Vineet Bhalla	Jill Caseberry	Jim Clerkin	Vincent Crowley	Emer Finnan	Helen Pitcher	Jim Thompson
Independence					•	•	•	•	•	•	•
Core Industry	•	•	•	•			•	•		•	
Senior Executive	•	•	•	•	•		•	•	•		
Finance/Audit & Risk		•						•	•		•
Legal/Public Policy										•	
Manufacturing/ Supply Chain			•	•	•	•	•				
Communications/ Marketing/ Customer Service	•			•		•	•	•			
International Markets	•	•	•	•		•	•	•	•	•	•
UK and Ireland Pubs Exp	•	•	•	•		•	•				
M&A/Capital Markets	•	•		•					•		•
Digital/Technology					•						



Directors' Remuneration Committee Report

Dear Shareholder

On behalf of the Board, I am pleased to present the Directors' Remuneration Report ('Report') for the year ended 28 February 2021.

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, the 2021 Policy will be put to our shareholders on an advisory basis. The Company's existing Policy was approved at our 2018 AGM following a vote in favour of over 99%. Shareholders showed a similarly high level of support for our Directors' Remuneration Report in 2020, with over 99% of votes in favour of it. These high levels of support reflect shareholders' views of our responsible approach to executive remuneration, an approach that will continue under the new Policy. We hope that shareholders will demonstrate their support again this 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
Helen Pitcher (Chair)	1 March 2019	10	10
Jill Caseberry	1 March 2019	10	10
Jim Clerkin*	24 October 2019	8	10

* Jim Clerkin was unable to attend the meetings on 20 October 2020 and 10 February 2021 due to prior engagements.

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

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 (Chair), David Forde (CEO), Patrick McMahon (CFO) and the Group Director of Human Resources along with Independent Audit, a Board effectiveness firm, as explained on page 84, 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.

Main Activities in FY2021

- Approval of the FY2020 bonus and LTIP measures;
- Approval of the Directors' Remuneration Report for the financial year ended 29 February 2020;
- Reviewing and consulting with shareholders on the revised Directors' Remuneration Policy and consideration of their feedback;
- Considering the FY2022 remuneration packages;
- Considering the impact of COVID-19 on the Executive and all employee remuneration arrangements;
- Approving the terms of the CFO, Jonathan Solesbury's departure;
- Approving the terms of Patrick McMahon's appointment as CFO;
- Approving the terms of David Forde's appointment as CEO.

External Advisers

The Committee seeks and considers advice from independent remuneration advisers where appropriate. During the year ended 28 February 2021, the Committee obtained advice from Deloitte LLP. Deloitte's fees for this advice amounted to £27,575 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.

Business context (including new Chief Executive Officer and Group Chief Financial Officer)

Since the last Policy review, the business has evolved significantly in scale, scope and complexity. We completed the acquisition of Matthew Clark and Bibendum in April 2018, a move which has significantly strengthened our brand led distribution model, broadened our operations and footprint and added circa 1,600 people to C&C. As the largest independent alcohol distributor across the UK and Ireland, C&C is structurally integral to the markets we serve. We have continued to build the value of our brands, to invest in our insight capability, improved the efficiency of our logistics network and continued to sharpen our focus on our ESG objectives. We also de-listed from the Euronext Dublin and joined the FTSE 250 in December 2019, with the London Stock Exchange our primary and sole listing.

In addition we had a senior leadership transition within C&C during 2020. Following a thorough executive recruitment process, on 9 July 2020 we announced the appointment of David Forde as Group CEO. David took up his position and joined the Board on 2 November 2020. We believe David has the requisite blend of market and sector expertise to maximise the potential of our iconic brands and our distribution capabilities. In July 2020 we also announced the appointment of Patrick McMahon as Group CFO. Having originally joined C&C in 2005 Patrick has an inimitable understanding and experience of our business, with previous experience as Group Finance Director, Finance Director of a number of C&C's business units and most recently, Group Strategy Director. As we navigate the current challenges and uncertainty of COVID-19, these appointments provide the leadership, insight and capability to deliver long term value for all our stakeholders.

As the COVID-19 situation continues to evolve, we have taken a number of steps to protect our colleagues, business partners, community and customers; ensure our supply chain and production facilities remain operational; and support the hospitality sector with measures to facilitate fully compliant operations in line with guidelines and regulations. We also continue to seek opportunities to ease the burden on those in greatest need during this crisis. Recently, this has seen the donations of water, soft drinks and juices together with a range of sponsorship initiatives for various community groups.

We continue to work proactively to maximise cash and have been able to maintain strong liquidity with a supportive lending syndicate. The Group successfully issued approximately €140 million of new US Private Placement notes in March 2020 to diversify, strengthen and extend the maturity of our capital structure and sources of debt finance. In addition, we successfully negotiated covenant waivers from our lenders up to, but not including, the August 2022 test date whether or not the rights issue is successful as outlined in detail in Note 20 of the Consolidated Financial Statements. While the Board recognises the absolute importance of dividend income for shareholders, given the focus on preserving cash, and the Group's decision to avail of government support through this crisis, we did not declare a final dividend for FY2020 and FY2021. However, we intend to re-instate our dividend policy as and when it is appropriate.

Executive Remuneration Outcomes for FY2021

The Committee has continuously monitored remuneration decisions being taken across the Group and has considered executive pay in the context of the wider workforce and the broader impact on society, the Company and its shareholders.

While the final level of that impact was unclear, the Committee 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 were deferred until September, following the completion of our half year. This decision was made to ensure that the Committee, had a clearer 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.

In September 2020, a review was undertaken and it was determined in view of the continued uncertainty that no bonus targets would be set for FY2021. As outlined below, no bonuses are to be paid to Executive Directors in respect of FY2021.

Salary

In response to the rapid emergence of the pandemic, and as part of the actions announced to preserve cash and reduce costs, there was an average reduction in salary of approximately 20% across the workforce. Management and Board remuneration reduced by 30% and 40% respectively for a three month period until the end of June 2020. Whilst salaries across the workforce returned to normal rates, Directors chose to extend the reduction for the period of July and August 2020 at the rate of 20% to reflect the ongoing economic situation and the experience of the Group's wider stakeholders.

The following are the base salaries for our new CEO, David Forde and our new CFO, Patrick McMahon and our existing Group Chief Operating Officer (COO), Andrea Pozzi:

- David Forde: €690,000
- Patrick McMahon: €420,000 (with effect from appointment to the Board)
- Andrea Pozzi: £321,300 (unchanged from March 2019)

Directors' Remuneration Committee Report (continued)

The total fixed pay for our new CEO and CFO is significantly less than the previous CEO and CFO reflecting both the lower base salaries and the 5% cap on pension contributions.

FY2020 and FY2021 Bonus

As outlined in our 2020 Directors' Remuneration Report, mindful of the Company's commitment to preserve cash and lower operating expenses, final approval of the bonuses earned by the Executive Directors (including the former CEO and CFO) based on performance during the twelve months ending February 2020 were deferred. These FY2020 bonuses were approved in October, with Executive Directors receiving a pay-out of 25% of salary as a result of achieving the cash conversion metric. Andrea Pozzi's bonus was also subject to an under pin regarding brand redistribution which was not achieved, resulting in a pay-out of 12.5% of salary.

Given the current financial year commenced in March 2020, at the same time as the outbreak of COVID-19 and the associated government restrictions, no bonuses are to be paid to Executive Directors in respect of FY2021.

2018 LTIP and ESOS Awards

The three year performance period in respect of the 2018 LTIP and ESOS awards came to an end, based on the targets set in 2018 - namely EPS growth, free cash flow conversion and growth in ROCE – these were not met over the three year performance period ended 28 February 2021 and the awards lapsed.

Long-Term Incentives Awarded in FY2021

Given the uncertain outlook associated with COVID-19 and in line with guidance from the Investment Association, the grant of our FY2021 LTIP awards was also deferred from the normal grant date for a period of six months. In determining the quantum of the FY2021 LTIP and the proposed measures and targets, the Committee was sensitive to the need to balance incentivising executive performance (including a newly appointed CEO and CFO) at a time when our management teams are being asked to demonstrate significant leadership and resilience whilst ensuring that the Executive's experience is commensurate with that of shareholders, employees and other stakeholders. The Committee was also conscious of ensuring that the newly constituted management team have a meaningful long-term equity component so as to ensure alignment with shareholders' interests as we enter an important phase for the business.

Taking all of these factors in account, including the circa 30% fall in share price since the 2019 LTIP awards were granted, the Committee determined that our new CEO, new CFO and the COO would be granted LTIP awards of 134% of their respective contractual salaries. This represents a reduction of 16% of salary compared to our normal LTIP award levels of 150%.

The Committee faced considerable challenge in establishing meaningful and robust performance measures and targets for the FY2021 LTIP awards. This reflects the backdrop of COVID-19 with its already significant and disproportionate impact on the business and the industry compared to the broader economy and the associated forward looking continued uncertainty.

The Committee therefore determined that for the FY2021 LTIP only three separate performance conditions, aligned to the Company's key priorities for each of the three years in the performance period, will be set and assessed over the relevant year. No proportion of the award will vest until the end of the full three year period and the whole award will be subject to an overriding three year financial performance assessment. Further information in relation to the awards is detailed below. For the avoidance of doubt, the Committee does not intend to continue this approach after this LTIP cycle.

Under the terms of the LTIP award, the Committee has full discretion to reduce awards to ensure that the final outturn of the LTIP reflects all relevant factors, including consideration of any potential for windfall gains.

LTIP Performance Conditions

Performance conditions for FY2021 LTIP awards

The vesting of the FY2021 LTIP awards will be subject to an assessment of the Company's underlying financial performance across the three year performance period FY2021 – FY2023. Each award will also be subject to three separate performance conditions aligned to the Company's key priorities for each of the three years in the performance period and assessed over the relevant year, as set out below.

Threshold vesting in respect of any year will be no more than 25%, but subject to the overriding three year financial performance assessment. No award will vest until the end of the full three year period, and Executive Directors' awards will then be subject to a further two year holding period.

Year	Weighting	Measure	Further detail
FY2021	30%	Liquidity	The use of a liquidity measure reflects our absolute focus on liquidity for the business in our response to the COVID-19 pandemic, and is fully aligned with other actions we have taken to strengthen the Group's liquidity. The targets and vesting schedule (subject to the assessment of underlying financial performance over the full three year period) are as follows: FY2021 Liquidity[1] — Vesting Less than €250 million — 0% €250 million[2] — 25% €300 million[2] — 100% 1 Cash on hand plus availability under the Group's Revolving Credit Facility as at the end of FY2021 but excluding any possible proceeds from the UK's COVID-19 Corporate Finance Facility. 2 Straight line vesting between €250 million and €300 million.
FY2022	35%	Net Debt to EBITDA	In the second year of the three year performance period, we anticipate that the current extreme impact of the COVID-19 pandemic on the industry will have reduced, such that the business will be able to focus on establishing the foundations for recovery. Therefore, for this year, we propose to set targets based on a Net Debt to EBITDA measure, reflecting our strategic priority of ensuring the appropriate level of financial gearing and profits to service debt. Those targets will be disclosed in the FY2022 Directors' Remuneration Report.
FY2023	35%	Financial measures	By the third year of the three year performance period, we anticipate that recovery from the COVID-19 pandemic and the establishment of foundations for recovery will enable us to revert to more typical financial performance measures. We currently expect that the measures will be based on earnings, cash conversion and ROCE. The details of the measures (including the weightings, and targets) will be established towards the start of FY2023 and will be disclosed in the FY2023 Directors' Remuneration Report or, if determined before its finalisation, in the FY2022 Directors' Remuneration Report.

David Forde forfeited remuneration

As announced in his appointment release, David Forde forfeited cash remuneration from his previous employment to join C&C. This included the forfeiture of a retention payment payable in cash at the end of July 2021 with a value of €1,368,785.

To align David Forde's interests with those of C&C's shareholders, compensation for this forfeited remuneration was made through an award of C&C shares with an equivalent value of €1,368,785. In addition, David Forde's contractual arrangements with his former employer meant that by resigning to join C&C he was subject to an eight week break in employment, in respect of which his loss of fixed remuneration was €103,250. We also agreed to compensate David Forde for this loss of remuneration but, notwithstanding that fixed remuneration was forfeit, agreed with David Forde that half of it would be awarded in C&C shares and half of it in a cash payment. Structuring the compensation as an award over Company shares provides an immediate alignment with shareholders' interests and the delivery of our short and long term strategic priorities.

The share award was granted at the earliest available opportunity, on 3 November 2020, over 842,636 C&C shares in aggregate with a value of €1,420,410. Reflecting the fact the forfeited remuneration bought out was guaranteed cash based remuneration, the share price at the date of grant was used to calculate the number of shares to ensure the value was equal to the remuneration forfeited. The award will vest in respect of 50% of the shares in November 2022 and 50% of the shares in November 2023. After sales of shares to cover tax, David Forde will be required to retain 50% of the shares acquired in satisfaction of our Executive

Directors' Remuneration Committee Report
(continued)

Director shareholding requirement (see page 129 for further details).

In order to give flexibility as to the basis on which the share award may be settled, we are seeking shareholder approval at the 2021 AGM to settle the award with new issue or treasury shares (on the basis that any such shares would count against the dilution limits included in the Company's LTIP).

Remuneration Policy Review

In 2020, the Committee undertook a full review of the Policy. That review took account of market practice, shareholder expectations and best practice governance developments since our last review in 2018. These matters were given careful consideration during the Policy review process. In particular, taking 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.

In addition to the post-employment holdings, the Committee were 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 is a cap on pension 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 we have set out a clear plan to achieve this for all current Executive Directors (as set out on page 112 of the Remuneration Policy).

The Policy will be proposed in the new Group CEO's first 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 has reviewed the Group's existing incentive framework and input into the Committee's proposals prior to our consultation with shareholders in 2020 and 2021.

We consulted with shareholders extensively during the latter part of 2020 and the early part of 2021 when the 2021 Policy was being formulated to ensure that it aligned with the expectations of our shareholders. Engagement with our key investors was constructive and insightful.

Implementation of the Remuneration Policy in FY2022

Based on the continuation of the existing approach, the Committee intends to take the following approach to the implementation of the Policy for FY2022;

Salary

In light of the continuing business uncertainty and resulting disruption to the business, the Committee has agreed that executive salaries will remain unchanged for the year ahead, in line with the wider workforce.

Pension

In line with best practice and investor expectations, the pension contributions (or cash in lieu of pension) for Executive Directors will be capped at the level available for the majority of the Group's workforce (currently 5% of salary). This 5% rate applies to both David Forde and Patrick McMahon from their appointment to the Board. For our COO, Andrea Pozzi, a phased decrease in pension has been proposed to align his pension with the wider workforce by 1 March 2023 (see page 112).

Annual Bonus

The Committee has decided to delay the establishment of any bonus scheme until later in the year once the wider impact of COVID-19 on the business is clearer. Nevertheless, in keeping with the current remuneration policy the intention is that 75% of the metrics for any bonus will be based on financial measures and the remainder on non-financial or strategic goals, which may include ESG measures.

Long-Term Incentives

The current intention is that awards of LTIPs will be made in late May / early June 2021. The Committee has yet to determine the performance measures, which may include EPS, free cash flow and return on capital employed along with an ESG based measure (with financial measures accounting for at least 75% of the awards). The Committee has determined that before the measures are set, it should review the first quarter's trading and the latest assessment of any continuing measures to control the pandemic. The measures will be confirmed in the RNS when the awards are made.

Non-Executive Directors

There are no changes to how the Remuneration Policy will be applied for Non-Executive Directors other than the requirement to build up their individual shareholding to 50% of their annual base fee within 3 years of their appointment or within 3 years from the date of approval of the Remuneration Policy, if later.

Director Changes

Stewart Gilliland was appointed as interim Executive Chair from 16 January 2020 to ensure continuity of executive leadership while the Group recruited a new CEO, which we did in July 2020 with the appointment of David Forde.

In a further change, we also announced at that time the appointment of Patrick McMahon as CFO, successor to Jonathan Solesbury, who informed the Board of his intention to retire during the year.

Following the announcement of David's appointment as CEO in July 2020, and to allow an orderly process of succession, the Board requested that Stewart Gilliland continued in his role as interim Executive Chair until David joined C&C in November, 2020, at which time Stewart reverted to the role of Non-Executive Chair.

Gender Pay Gap Disclosure

In April 2021 we published our latest 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.

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 page 84. The Committee has considered this in the context of the matters that are applicable to the Committee.

Shareholder Engagement

The Committee values open, ongoing engagement with major shareholders and key institutional investor bodies.

The overall tone from shareholders was positive and constructive and enabled us to understand what was important for the Committee to consider both from a policy perspective and regarding the challenges faced in FY2021.

We believe that our current and proposed 2021 Policy arrangements remain appropriate, a view shared by our major shareholders during the consultations. It was considered that the existing model is clearly understood, supports our culture and provides a foundation to restore shareholder value in the future.

As a Committee, we will continue to engage with shareholders and institutional investor bodies in the development of our remuneration policies and structures and will continue to emphasise the links to performance and to consider wider stakeholders.

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 Profit Sharing Scheme.

An aspect of the Code that we believe enhances 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 is an invaluable resource when reviewing wider employee incentive arrangements.

Conclusion

I would like to express my appreciation to our major shareholders for helping us to develop our Policy. We value the opportunity to engage with shareholders to foster mutual understanding of expectations; and, to ensure shareholders have had an opportunity to raise any issues or concerns directly with the Board. I hope that you will join the Board in supporting the resolution to approve the 2021 Policy.

Helen Pitcher OBE
Chair of the Remuneration Committee

Directors' Remuneration Committee Report
(continued)

Remuneration at a glance

Remuneration Outcomes as at 28 February 2021

Element	David Forde	Patrick McMahon	Andrea Pozzi
Base salary as at 28 February 2021	€690,000	€420,000	£321,300
Pension (% of base salary)	5%	5%	25%
Benefits	7.5%	7.5%	7.5%
Annual Bonus (% of max)	0%	0%	0%
LTIP (% of max)	0%	0%	0%

Annual Bonus Outcomes

As described, given the financial year commenced in March 2020, at the same time as the outbreak of COVID-19 and the associated government restrictions, no bonus scheme was established and no bonuses are to be paid to Executive Directors in respect of FY2021.

LTIP Outcome

The 2018 LTIP award of 100% of base salary and 2018 ESOS award of 150% granted to Andrea Pozzi in respect of the three year performance period ended on 28 February 2021 did not meet the performance conditions and the awards lapsed in full. David Forde and Patrick McMahon did not hold any awards under the 2018 LTIP and 2018 ESOS.

COVID-19 Impact on Executive Remuneration

The following table sets out the key components of executive remuneration and the decisions made by the Committee

Element of Remuneration	Committee decision	Rationale
2021 temporary salary reductions	Base salaries were reduced for 5 months for Executive Directors together with a reduction in the Chair's fee. Whilst not a decision made by the Committee, there was a corresponding reduction in the fees paid to the Non-Executive Directors.	The Committee took into consideration the wider stakeholder experience, including employees, shareholders, customers and the communities in which we operate and considered it appropriate to apply the temporary reduction.
2020-2021 bonus plan outcome	No bonus scheme was established in the financial year.	Given the financial uncertainty, the Committee and the Board did not believe it appropriate to establish a bonus scheme.
2018 LTIP and ESOS vesting	No adjustments to the awards were made during the year. The awards lapsed in full in line with performance against the targets.	The awards lapsed in accordance with the level of achievement against the performance conditions.
2021-2022 bonus plan design	No bonus plan has yet been established for Executive Directors in the financial year.	Given the impact of COVID-19, the Committee and the Board did not believe it appropriate to establish a bonus scheme at the present time.
2020 LTIP award	The multiple of salary applied to determine the award was reduced. This takes into account the fall in the share price as a consequence of the impact of the COVID-19 pandemic on the business. The awards are subject to three separate performance conditions aligned to the Company's key priorities for each of the three years in the performance period, more information in relation to which is included on page 105; as described on page 105 the awards are subject to an assessment of underlying financial performance over the full three year period.	The Committee decided to reduce the multiple of salary used to determine the number of shares to be awarded to Executive Directors and decided that the multiple of salary for the 2020 award would be reduced from 150% to 134% of salary. The Committee has faced considerable challenge in establishing meaningful and robust performance measures and targets for the FY2021 LTIP awards. No proportion of the awards will vest until the end of the full three year period and vesting of any part is subject to an overriding three year financial performance assessment.
2021 salary review	Base salaries will remain unchanged in FY2022.	The Committee took into consideration the wider stakeholder experience, including employees, shareholders, customers and the communities in which we operate and considered it appropriate for salaries to remain unchanged for FY2022.

Remuneration Policy

Introduction

The current Remuneration Policy for Directors applied from the date of the 2018 AGM (2018 Policy). In line with typical UK practice, we are seeking approval for a new Remuneration Policy (the 2021 Policy) at the 2021 AGM. The 2021 Policy is set out below, and before that we have set out our approach to the design of the 2021 Policy and a summary of the key proposed changes between the 2018 Policy and the 2021 Policy.

Designing the 2021 Policy

The 2021 Policy has been designed to continue to drive the delivery of strategy and generate value for all stakeholders under the leadership of our new CEO and CFO. We have also taken into account market practice, shareholder expectations, wider workforce pay and polices and best practice governance developments since our last Policy review (including the 2018 UK Corporate Governance Code). Overall we consider that the current remuneration framework remains fit for purpose. Therefore, the changes proposed are to provide further alignment with best practice and to ensure sufficient flexibility over the next three years.

When designing remuneration policies and principles, having regard to the Code, the Committee has applied the following principles:-

- 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 plans will drive behaviours consistent with company purpose, values and strategy.

We have set out below information on the key proposed changes to the 2018 Policy.

- **Pension:** In line with best practice and investor expectations, the 2021 Policy reduces the Executive Directors' pension contributions (or cash in lieu of pension) from the 25% of salary level in the 2018 Policy. For David Forde, Patrick McMahon and any other Executive Director appointed after 1 March 2021, the contribution is reduced to the level available for the majority of the Group's workforce (currently 5% of salary). For our COO, Andrea Pozzi, a phased decrease in pension has been proposed to align his pension with the wider workforce by 1 March 2023 in accordance with which: (1) his pension contribution has reduced to 20% of salary with effect from 1 March 2021; (2) will reduce to 10% of salary with effect from 1 March 2022; and (3) will be reduced to the level available for the majority of the Group's workforce with effect from 1 March 2023.

- **Maximum annual bonus:** We are increasing the overall maximum annual bonus opportunity to 125% of salary. While there is no change in the maximum bonus potential for FY2022 which will remain at 100% of salary, this increase in headroom is to provide flexibility for the business during the lifetime of the 2021 Policy. Any future increase in the annual bonus potential will be considered alongside the level of stretch inherent in the targets set.

- **On-target annual bonus:** In line with best practice, the maximum on-target bonus will be capped at 50% of the maximum bonus potential (currently capped at 60% of maximum). This change will apply for FY2022.

- **Increase annual bonus deferred into shares:** To provide further alignment with shareholders, we are increasing the proportion of the bonus deferred into shares. Under the new policy up to 50% of any bonus earned will ordinarily be paid in cash with the remainder deferred into shares. The deferral period is also being increased to three years from the two years that applies under the 2018 Policy.

Directors' Remuneration Committee Report
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- **Annual bonus measures:** We will retain flexibility under the new 2021 Policy to set measures and targets annually reflecting the Company's strategy and aligned with key financial, operational, strategic and/or individual objectives. The approach to the measures for the FY2022 bonus is described on page 113.

- **Long term incentive plan:** No changes are proposed to the LTIP quantum under the new 2021 Policy of up to 150% of salary (300% in exceptional circumstances). The three year performance period and two year holding period will continue to apply. As described on page 114 the performance measures for the FY2022 LTIP are intended to be based on EPS, Cash Conversion and ESG targets measured over a three year performance period, and the measures and targets will be confirmed in due course and announced when the awards are granted.

- **In-service shareholding guidelines:** The 2018 Policy includes a shareholding requirement of 200% of salary for the CEO and 100% of salary for other Executive Directors. This guideline will be increased to 200% of salary for all Executive Directors.

- **Post-employment shareholding guidelines:** We have introduced a post-employment requirement pursuant to which an Executive Director must retain 100% of their in-service shareholding requirement for 12 months following cessation and half of their in-service requirement for a further 12 months following cessation. The requirement applies only to shares acquired from LTIP and deferred bonus awards granted after 1 March 2021. We consider that this "tapered" approach, in the light of the two year holding period for LTIP awards and the introduction of bonus deferral, is a balanced way of ensuring alignment with longer term shareholder interests.

- **Governance changes:** Minor changes to the 2018 Policy to reflect governance changes are also proposed, which will update the malus and clawback provisions for variable pay, enhance discretion to override formulaic outturns on variable pay awards, and clarify the approach to dividend equivalents.

Summary

We believe the proposed 2021 Policy includes a range of enhancements which align C&C's remuneration structures with best practice and with the expectations of our shareholders. Our approach is intended to ensure we motivate our management team to deliver against stretching performance targets whilst ensuring their interests are aligned not only with shareholders' interests but also with those of wider stakeholders.

General statement of policy

The main aim of the Group's policy on Directors' remuneration is to attract, retain and motivate Directors of the calibre required to promote the long-term success of the Group. The Committee therefore seeks to ensure that Directors are properly, but not excessively, remunerated and motivated to perform in the best interests of shareholders, commensurate with ensuring shareholder value.

The Committee seeks to ensure that Executive Directors' remuneration is aligned with shareholders' interests and the Group's strategy. Share awards are therefore seen as the principal method of long-term incentivisation. Similar principles are applied for senior management, several of whom have material equity holdings in the Company.

Annual performance-related rewards aligned with the Group's key financial, operational and strategic goals and based on stretching targets are a further component of the total executive remuneration package. For senior management, mechanisms are tailored to local requirements.

The Group seeks to bring transparency to executive Directors' reward structures through the use of cash allowances in place of benefits in kind. In setting Executive Directors' remuneration, the Committee has regard to pay levels and conditions applicable to other employees across the Group.

The 2021 Policy

If the 2021 Policy is approved at the 2021 AGM, it will apply from that date.

Future Policy Table

Executive Directors

The table below sets out the Company's Remuneration Policy for Executive Directors.

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Salary			
Reflects the individual's role, experience and contribution. Set at levels to attract, recruit and retain Directors of the necessary calibre.	Salaries are set by the Committee taking into account factors including, but not limited to: • scope and responsibilities of the role; • experience and individual performance; • overall business performance; • prevailing market conditions; • pay in comparable companies; and • overall risk of non-retention. Typically, salaries are reviewed annually, with any changes normally taking effect from 1 March.	While there is no prescribed formulaic maximum, any increases will take into account the outcome of pay reviews for employees as a whole. Larger increases may be awarded where the Committee considers it appropriate to reflect, for example: increases or changes in scope and responsibility; to reflect the Executive Director's development and performance in the role; or alignment to market level. Increases may be implemented over such time period as the Committee determines appropriate.	None.

Directors' Remuneration Committee Report
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Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Benefits/cash allowance in lieu			
Ensures that benefits are sufficient to recruit and retain individuals of the necessary calibre.	The Group seeks to bring transparency to Directors' reward structures through the use of cash allowances in place of benefits in kind. The cash allowance can be applied to benefits such as a company car and health benefits. Group benefits such as death in service insurance are also made available. Other benefits may be provided based on individual circumstances including housing or relocation allowances, travel allowance or other expatriate benefits. Benefits and allowances are reviewed alongside salary.	There is no prescribed maximum monetary value of benefits. Benefit provision is set at a level which the Committee considers appropriate against the market and relative to internal benefit provision in the Group and which provides sufficient level of benefit based on individual circumstances.	None.
Pension/cash allowance in lieu			
Contributes towards funding later life cost of living.	Executive Directors may participate in the Company's defined contribution pension scheme or take a cash allowance in lieu of pension entitlement (or a combination thereof).	***The Company's current CEO and CFO and any Executive Director appointed after 1 March 2021*** A contribution and/or cash allowance not exceeding the level available to the majority of the Group's workforce. ***The Company's current COO*** A contribution and/or cash allowance: 1. of 20% of salary with effect from 1 March 2021; 2. of 10% of salary with effect from 1 March 2022; and 3. not exceeding the level available to the majority of the Group's workforce with effect from 1 March 2023.	None.

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Annual bonus			
Motivates employees and incentivises delivery of annual performance targets which support the strategic direction of the Company.	Bonus levels are determined after the year end based on performance against targets set by the Committee. The Committee has discretion to vary the bonus pay out should any formulaic output not reflect the Committee's assessment of overall business performance, or if the Committee considers the pay-out to be inappropriate in the context of other relevant factors including to avoid outcomes which could be seen as contrary to shareholder expectations. Up to 50% of any bonus earned will ordinarily be paid in cash with the remainder deferred into shares, for up to three years. Additional shares may be delivered in respect of deferred bonus award shares to reflect dividends over the deferral period. The number of additional shares may be calculated assuming the reinvestment of dividends on such basis as the Committee determines. Malus and clawback provisions will apply to the annual bonus. See the "Malus and clawback" section below for more details.	Maximum opportunity is 125% of base salary (100% in FY2022).	Performance is ordinarily measured over the financial year. The Committee has flexibility to set performance measures and targets annually, reflecting the Company's strategy and aligned with key financial, operational, strategic and/or individual objectives. The majority of the bonus will be based on financial measures, such as profit and cash. The balance of the bonus will be based on financial or strategic targets such as brand equity and our ESG goals. In the case of financial measures, 25% of the bonus will be earned for threshold performance increasing to 50% for on-target performance and 100% for maximum performance. For non-financial measures, the amount of bonus earned will be determined by the Committee between 0% and 100% by reference to its assessment of the extent to which the relevant metric or objective has been met.

Directors' Remuneration Committee Report (continued)

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
LTIP			
Incentivises Executive Directors to execute the Group's business strategy over the longer term and aligns their interests with those of shareholders to achieve a sustained increase in shareholder value.	Awards are made in the form of nil-cost options or conditional share awards, the vesting of which is conditional on the achievement of performance targets (as determined by the Committee). Vested awards must be held for a further two year period before sale of the shares (other than to pay tax). This holding period can be operated on the basis that: • awards vest following the assessment of the applicable performance conditions but will not be released (so that the participant is entitled to acquire shares) until the end of a holding period of two years beginning on the vesting date; or • the participant is entitled to acquire shares following the assessment of the applicable performance conditions but that (other than as regards sales to cover tax liabilities) the award is not released (so that the participant is able to dispose of those shares) until the end of the holding period The Committee retains discretion to adjust the outturn of an LTIP award, including to override the formulaic outcome of the award, in the event that performance against targets does not properly reflect the underlying performance of the Company, or if the Committee considers the pay-out to be inappropriate in the context of other relevant factors including to avoid outcomes which could be seen as contrary to shareholder expectations. Additional shares may be delivered in respect of vested LTIP award shares to reflect dividends over the vesting period and, if relevant, the holding period. The number of additional shares may be calculated assuming the reinvestment of dividends on such basis as the Committee determines.	Awards may be made up to 150% of salary in respect of any financial year. In exceptional circumstances the maximum award is 300% of salary in respect of any financial year.	Vesting is based on the achievement of challenging performance targets measured over a period of three years. Performance may be assessed against financial measures (including, but not limited to, EPS and Cash Conversion) and operational or strategic measures (which may include ESG measures) aligned with the Company's strategy, provided that at least 75% of the award is based on financial measures. For the achievement of threshold performance against a financial measure, no more than 25% of the award will vest, rising, ordinarily on a straight-line basis, to 100% for maximum performance; below threshold performance, none of the award will vest. For non-financial measures, the amount of the award that vests will be determined by the Committee between 0% and 100% by reference to its assessment of the extent to which the relevant metric or objective has been met.

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Share-based rewards – all-employee plans			
Align the interests of eligible employees with those of shareholders through share ownership.	The C&C Profit Sharing Scheme is an all-employee share scheme and has two parts. Part A relates to employees in Ireland and has been approved by the Irish Revenue Commissioners (the Irish APSS). Part B relates to employees in the UK and is a HMRC qualifying plan of free, partnership, matching or dividend shares (or cash dividends) with a minimum three year vesting period for matching shares (the UK SIP). UK resident Executive Directors are eligible to participate in Part B only. There is currently no equivalent plan for Directors resident outside of Ireland or the UK.	Under the Company's Irish APSS, the maximum value of shares that may be allocated each year is as permitted in accordance with the relevant tax legislation (currently €12,700, which is the combined value for the employer funded and employee foregone elements). Under the Company's UK SIP the current maximum value of partnership shares that may be acquired is £750 per annum, with an entitlement to matching shares of £750 per annum. However, the Committee reserves the right to increase the maximum to the statutory limits (being £1,800 in respect of partnership shares, £3,600 in respect of matching shares and £3,600 in respect of free shares, or in any case such greater limit as may be specified by the tax legislation from time to time).	No performance conditions would usually be required in tax-advantaged plans.

Shareholding guidelines

In-service requirement

Executive Directors are required to build and maintain a personal shareholding of at least two times' salary.

Executive Directors are required to retain 50% of the after tax value of vested share awards until the shareholding guideline is met.

Shares subject to awards which have vested but which remain unexercised, shares subject to LTIP awards which have vested but not been released (i.e. which are in a holding period) and shares subject to deferred bonus awards count towards the shareholding requirement on a net of assumed tax basis.

Post-employment requirement

The Committee has adopted a post-employment requirement. Shares are subject to this requirement only if they are acquired from LTIP or deferred bonus awards granted after 1 March 2021. For the first year after employment the Executive Director is required to retain such of those shares as have a value equal to the "in-service" guideline, or their actual shareholding, if lower, and for a further year such of those shares as a have a value equal to half of the "in-service" guideline or their actual shareholding, if lower.

Directors' Remuneration Committee Report
(continued)

Explanation of performance measures

Performance measures for the LTIP and annual bonus are selected by the Committee to reflect the Company's strategy. In the case of both the annual bonus and the LTIP, the majority of the award (at least 75% in the case of the LTIP) will be based on financial measures, with any balance based on operational or strategic measures which reward the Executive Directors by reference to the achievement of objectives aligned with future successful implementation of the Company's strategy. The Committee has discretion to set performance measures (and weightings where there is more than one measure) on an annual basis to take account of the prevailing circumstances. Measures and weightings may vary depending upon an Executive Director's area of responsibility.

Targets are set annually by the Committee having regard to the circumstances at the time and taking into account a number of different factors.

To the extent provided for in accordance with any relevant amendment power under the rules of the share plans or in the terms of any performance condition, the Committee may alter the performance conditions relating to an award or option already granted if an event occurs (such as a material acquisition or divestment or unexpected event) which the Committee reasonably considers means that the performance conditions would not, without alteration, achieve their original purpose. The Committee will act fairly and reasonably in making the alteration so that the performance conditions achieve their original purpose and the thresholds remain as challenging as originally imposed. The Committee will explain and disclose any such alteration in the next remuneration report.

Malus and clawback

In line with the UK Corporate Governance Code, malus and clawback provisions apply to all elements of performance-based variable remuneration (i.e. annual bonus, and LTIP) for the Executive Directors. 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, material corporate failure, significant reputational damage, error in assessing a performance condition, 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 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.

Share plans and other incentives

The Committee may operate the Company's share plans in accordance with their terms and exercise any discretions available to them under the plans, including that awards may be adjusted in the event of a variation of capital, demerger, special dividend or other relevant event. Awards may be settled, in whole or in part, in cash, although the Committee would only settle an Executive Director's award in cash in appropriate circumstances, such as where there is a regulatory restriction on the delivery of shares or as regards the tax liability arising in respect of the award.

In the event of a change of control or other relevant event, awards under the share plans will vest to the extent determined in accordance with the rules of the plans, after the exercise, where relevant, of any applicable discretion.

- Unvested LTIP awards will vest taking into account the performance conditions and pro-rating for time, although the Committee has discretion not to apply time pro-rating.
- Vested LTIP awards which are in a holding period will be released to the extent already determined.
- Deferred bonus awards will vest in full.
- Awards under the all-employee plans will vest in accordance with the rules of those plans, which do not provide for any discretionary treatment.

Legacy payments

The Committee reserves the right to make any remuneration payment or any payment for loss of office (including exercise any discretion in respect of any such payment) without the need to consult with shareholders or seek their approval, notwithstanding that it is not in line with the policy set out above, where the terms of the payment were agreed either:

- before the policy came into effect (provided that, in the case of any payment agreed after the Company's 2015 Annual General Meeting, it is in line with the policy in effect at the time the payment was agreed); or
- at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company.

For these purposes: the term 'payment' includes any award of variable remuneration; in relation to an award over shares, the terms of the payment are 'agreed' at the time the award is granted.

Minor changes

The Committee may, without the need to consult with shareholders or seek their approval, make minor changes to this Policy to aid in its operation or implementation taking into account the interests of shareholders.

Comparison with remuneration policy for employees generally

Remuneration packages for Executive Directors and for employees as a whole reflect the same general remuneration principle that individuals should be rewarded for their contribution to the Group and its success, and the reward they receive should be competitive in the market in which they operate without paying more than is necessary to recruit and retain them.

The remuneration package for Executive Directors reflects their role of leading the strategic development of the Group. Accordingly there is a strong alignment with shareholders' interests, through long term performance-based share rewards. Senior management are similarly rewarded.

These rewards are not appropriate for all employees but it is the Committee's policy that employees in general should be afforded an opportunity to participate in the Group's success through holding shares in the Company through all-employee plans.

Executive Directors are incentivised through an annual cash bonus to achieve shorter term objectives and all employees are similarly incentivised. The deferral of bonus for the Executive Directors increases their alignment with the longer term interests of shareholders.

For Executive Directors the remuneration package reflects the demands of a global market. For employees generally, remuneration and reward are tailored to the local market in which they work. It is the Committee's policy that all employees should share in the success of the business divisions towards whose success they have contributed.

Consideration of employment conditions generally and consultation with employees

As described above, when setting the policy for Executive Directors' remuneration, the Committee applies the same core principle as applied for the pay and employment conditions of other Group employees. When reviewing Directors' remuneration, the Committee has regard to the outcome of pay reviews for employees as a whole.

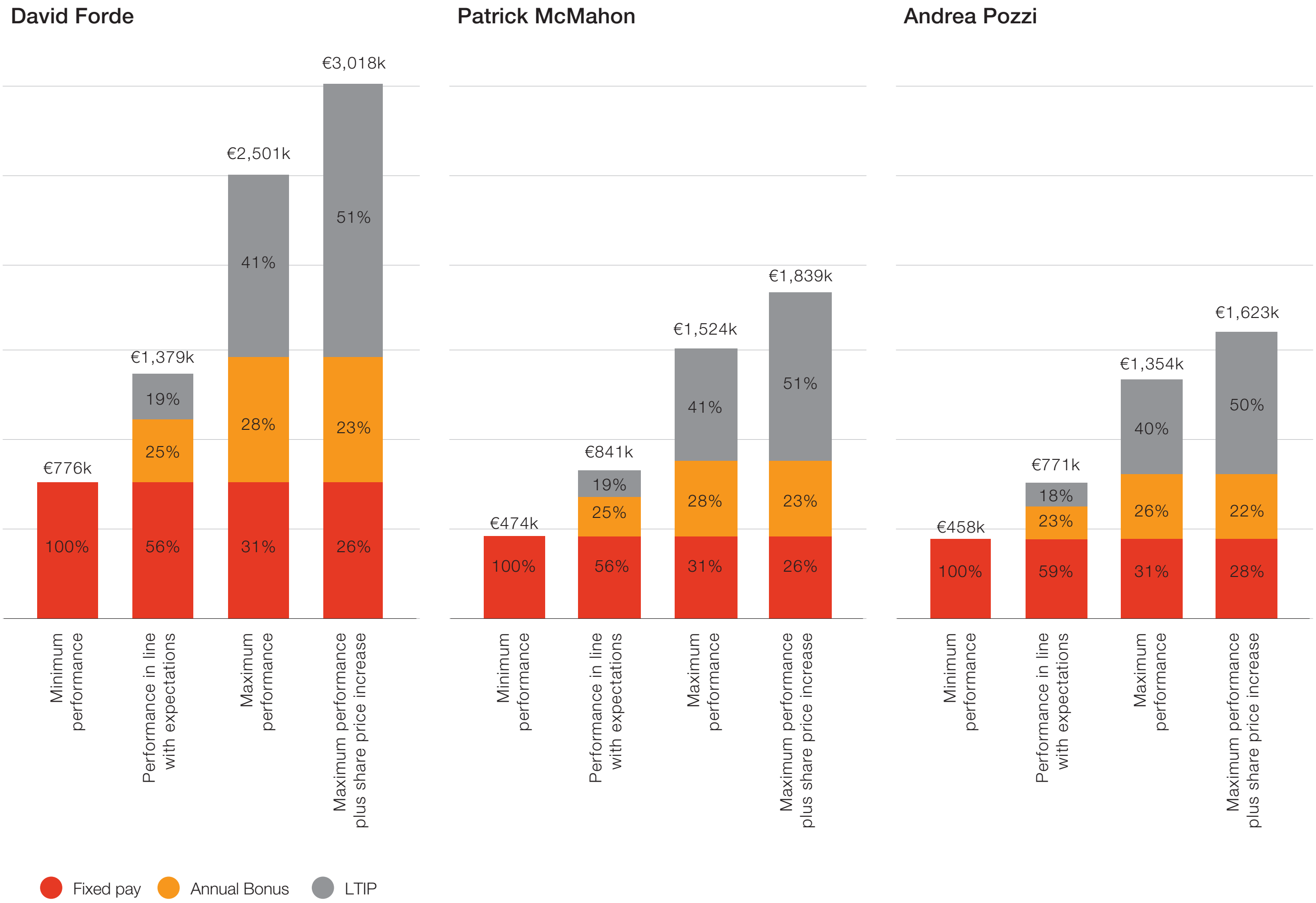
The Committee did not directly consult with employees when formulating the Directors' remuneration policy set out in this report and no remuneration comparison measurements comparing Executive Directors' remuneration with employees were generally used.

The Group has regular contact with employee representatives on matters of pay and remuneration for employees covered by collective bargaining or consultation arrangements.

Directors' Remuneration Committee Report
(continued)

Illustration of remuneration policy

The following charts show the level of remuneration and the relative split of remuneration between fixed pay (base salary, benefits and cash allowance in lieu of pension) and variable pay (annual bonus and LTIP) for each Executive Director on the basis of minimum remuneration, remuneration receivable for performance in line with the Company's expectations, maximum remuneration (not allowing for any share price appreciation) and maximum remuneration assuming a 50% increase in the share price for the purposes of the LTIP element.



Bases and Assumptions

For the purposes of the above charts, the following assumptions have been made:

- Base salary is the latest known salary as at 1 March 2021.
- Benefits as disclosed in the single figure table on page 124 for the year ended 28 February 2021, but "annualised" in the case of David Forde and Patrick McMahon to reflect that the value disclosed on page 124 is for a part year only.
- Cash allowance in lieu of pension for Executive Directors at the level of 5% of salary for David Forde and Patrick McMahon and 20% of salary for Andrea Pozzi (based on salary as at 1 March 2021).
- An annual bonus opportunity of 100% of salary
- An LTIP award of 150% of salary.

Where relevant, the average exchange rate for FY2021 has been used for ease of comparison.

In illustrating the potential reward the following assumptions have been made:

Minimum performance	Performance in line with expectations	Maximum performance	Maximum performance plus share price increase
Fixed pay			
Fixed elements of remuneration (base salary, benefits allowance and pension allowance)	Fixed elements of remuneration (base salary, benefits allowance and pension allowance)	Fixed elements of remuneration (base salary, benefits allowance and pension allowance)	Fixed elements of remuneration (base salary, benefits allowance and pension allowance)
Annual bonus			
No bonus	50% of salary delivered for achieving target performance	100% of salary delivered for achieving maximum performance	100% of salary delivered for achieving maximum performance
LTIP			
No vesting	25% of the award (37.5% of salary) for achieving threshold performance	150% of salary for achieving maximum performance	150% of salary for achieving maximum performance plus an assumed 50% increase in the share price giving an overall value of 225% of salary.

Recruitment remuneration policy

When recruiting a new Executive Director, the Committee will typically seek to use the Policy detailed in the table above to determine the appropriate remuneration package to be offered. To facilitate the hiring of candidates of the appropriate calibre required to implement the Group's strategy, the Committee retains the discretion to make payments or awards which are outside the Policy subject to the principles and limits set out below.

In determining appropriate remuneration, the Committee will take into consideration all relevant factors (including the quantum and nature of remuneration) to ensure the arrangements are in the best interests of the Group and its shareholders. This may, for example, include (but is not limited to) the following circumstances:
- an interim appointment is made to fill an Executive Director role on a short-term basis;
- exceptional circumstances require that the Chair or a Non-Executive Director takes on an executive function on a short-term basis;
- an Executive Director is recruited at a time in the year when it would be inappropriate to provide a bonus or long-term incentive award for that year as there would not be sufficient time to assess performance. Subject to the limit on variable remuneration set out below, the quantum in respect of the months employed during the year may be transferred to the subsequent year so that reward is provided on a fair and appropriate basis;
- the Executive Director received benefits at his previous employer which the Committee considers it appropriate to offer.

The Committee may also alter the performance measures, performance period, vesting period, deferral period and holding period of the annual bonus or long-term incentive if the Committee determines that the circumstances of the recruitment merit such alteration. The rationale will be clearly explained.

The Committee may make an award to compensate the prospective employee for remuneration arrangements forfeited on leaving a previous employer. In doing so, the Committee will take account of relevant factors regarding the forfeited arrangements which may include the form of any forfeited awards (e.g. cash or shares), any performance conditions attached to those awards (and the likelihood of meeting those conditions) and the time over which they would have vested. These awards or payments are excluded from the maximum level of variable remuneration referred to below; however, the Committee's intention is that the value awarded or paid would be no higher than the expected value of the forfeited arrangements.

Any share awards referred to in this section will be granted as far as possible under the Group's existing share plans. If necessary, and subject to the limits referred to below, recruitment awards may be granted outside of these plans.

Directors' Remuneration Committee Report
(continued)

Recruitment awards will normally be liable to forfeiture or "clawback" on early departure (i.e. within the first 12 months of employment).

It would be the Committee's policy that a significant portion of the remuneration package (including any introductory awards) would be variable and linked to stretching performance targets and continued employment. The maximum level of variable remuneration that may be granted to new Directors (excluding buy-out arrangements) is 425% of base salary.

Where a position is filled internally, any pre-appointment remuneration entitlements or outstanding variable pay elements shall be allowed to continue according to the original terms.

Fees payable to a newly-appointed Chair or Non-Executive Director will be in line with the fee policy in place at the time of appointment.

Policy on payment for loss of office

Executive Directors

Service Contracts

Details of the service contracts of the Executive Directors in office during the year are as follows:

Name	Contract date	Notice period	Unexpired term of contract
David Forde	2 November 2020	12 months	n/a
Patrick McMahon	8 July 2020	12 months	n/a
Andrea Pozzi	31 May 2017	12 months	n/a

Compensation on Termination

The service contracts of the Executive Directors do not contain any pre-determined compensation payments in the event of termination of office or employment other than payment in lieu of notice.

The principles on which the compensation for loss of office would be approached are summarised below:

Policy	
Notice period	None of the Executive Directors has a service contract with a notice period in excess of one year. Service contracts for new Directors will generally be limited to 12 months' notice by the Company.
Termination payment/ payment in lieu of notice	The Company has retained the right to make payment to the Executive Director of 12 months' fixed remuneration in lieu of the notice period. Discretionary benefits may also include, but are not limited to, outplacement and legal fees.
Annual bonus	Payment of the annual bonus would be at the discretion of the Committee on an individual basis and would be dependent upon the circumstances of their departure and their contribution to the business during the bonus period in question. A departing Director may be eligible, depending on the circumstances and subject to performance, for payment of a bonus pro-rata to the period of employment during the year, to be payable at the usual time.
Share based awards	The vesting of share based awards is governed by the rules of the relevant incentive plan.

Policy	
LTIP **Unvested awards**	‘Good leavers’ typically include leavers due to death, injury, ill-health, disability, redundancy and retirement with the consent of the Company or business disposal or any other reason as determined by the Committee. The provisions for ‘good leavers’ provide that unvested awards will vest at the normal vesting point taking account of the performance over the period and subject to pro-rating for time, although the Committee has discretion to waive pro-rating for time. Any holding period would typically continue to apply. The Committee has the discretion to accelerate vesting (and release) to the date of cessation of employment (and to assess performance accordingly) or to determine vesting at the end of the performance period and to release the award then.
LTIP **Vested but unreleased awards**	Under the LTIP, if a participant ceases employment during a holding period, their award will continue unless he/she is summarily dismissed, in which case the award will lapse. Awards which are retained will typically be released at the originally anticipated release date. However, the Committee has discretion to release the award at the date of cessation.
Deferred bonus awards	In the event of cessation due to death, ill-health, injury or disability, the deferred bonus share award would be released as soon as practicable following termination. In the event of cessation for any other reason (unless the participant is summarily dismissed, in which case the award will lapse), the award will be released at the normal time, although the Committee has discretion to release at cessation.
Mitigation	Executive Directors’ service contracts contain no contractual provision for reduction in payments for mitigation or for early payment, and accordingly any payment during the notice period will not be reduced by any amount earned in that period from alternative employment obtained as a result of being released from employment with the Group before the end of the contractual notice period.
Other payments	Payments may be made under the Company’s all employee share plans which are governed by the Irish Revenue Commissioners and HMRC tax-advantaged plan rules and which cover leaver provisions. There is no discretionary treatment of leavers under these plans. Payments may also be made in respect of accrued but untaken holiday and for fees for any outplacement services and legal and professional advice in connection with the termination. Where on recruitment a buy-out award had been made outside the LTIP 2015, then the applicable leaver provisions would be specified at the time of the award.

The Committee reserves the right to make additional exit payments where such payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of settlement or compromise of any claim arising in connection with the termination of a Director’s office or employment. In doing so, the Committee will recognise and balance the interests of shareholders and the departing Executive Director, as well as the interests of the remaining Directors. Where the Committee retains discretion it will be used to provide flexibility in certain situations, taking into account the particular circumstances of the Director’s departure and performance.

Directors' Remuneration Committee Report (continued)

Non-Executive Directors

The table below sets out the Company's Remuneration Policy for Non-Executive Directors

Purpose and link to strategy	Operation	Opportunity	Performance metrics
Non-Executive Director fees			
Attract and retain high calibre individuals with appropriate knowledge and experience	Fees paid to Non-Executive Directors are determined and approved by the Board as a whole. The Committee recommends the remuneration of the Chair to the Board. Fees are reviewed from time to time and adjusted to reflect market positioning and any change in responsibilities. Non-Executive Directors are not eligible to participate in the annual bonus plan or share-based plans and, save as noted below, do not receive any benefits (including pension) other than fees in respect of their services to the Company. Non-Executive Directors may be eligible to receive certain benefits as appropriate such as the use of secretarial support, travel costs or other benefits that may be appropriate. If tax is payable in respect of any benefit provided, the Company may make a further payment to cover the tax liability.	Fees are based on the level of fees paid to Non-Executive Directors serving on Boards of similar-sized listed companies and the time commitment and contribution expected for the role. The Articles of Association provide that the ordinary remuneration of Directors (i.e. Directors' fees, not including executive remuneration) shall not exceed a fixed amount or such other amount as determined by an ordinary resolution of the Company. The current limit was set at the Annual General Meeting held in 2013, when it was increased to €1.0 million in aggregate.	Not applicable.
Additional Fees			
Provide compensation to Non-Executive Directors taking on additional responsibility	Non-Executive Directors receive a basic fee and an additional fee for further duties (for example chairship of a committee or Senior Independent Director responsibilities) or time commitments.		Not applicable.
Shareholding Guidelines			
Provide alignment of interest between Non-Executive Directors and shareholders	Non-Executive Directors build up their individual shareholding to 50% of their annual base fee within 3 years of their appointment or within 3 years from the date of approval of the Remuneration Policy, if later. An annual review against the guidelines is put in place, after Q4, which would allow 25% of the fee to be invested into stock if the current holding does not meet 50% of the annual base fee. The fee and the share price on the date of the fourth fee payment of the year is the test of whether the guideline is met.		Not applicable

Letters of appointment

Each of the Non-Executive Directors in office during the financial year was appointed by way of a letter of appointment. Each appointment was for an initial term of three years, renewable by agreement (but now subject to annual re-election by the members in General Meeting). The letters of appointment are dated as follows:

Non-Executive Director	Date of letter of appointment
Stewart Gilliland	17 April 2012 (Chair)
Vineet Bhalla	26 April 2021
Jill Caseberry	7 February 2019
Jim Clerkin	1 April 2017
Vincent Crowley	23 November 2015
Emer Finnan	4 April 2014
Helen Pitcher	7 February 2019
Jim Thompson	7 February 2019

The letters of appointment are each agreed to be terminable by either party on one month's notice and do not contain any pre-determined compensation payments in the event of termination of office or employment.

Directors' Remuneration Committee Report
(continued)

Annual Remuneration Report
Remuneration in detail for the Year ended 28 February 2021

Directors' Remuneration (Audited)

The following table sets out the total remuneration for directors for the year ended 28 February 2021 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 28 February 2021 and the prior year. Stewart Gilliland was interim Executive Chair from 1 March 2020 until 2 November 2020, at which point he reverted to his role of Non-Executive Chair; given his current role, his remuneration for the whole year is included in the Single Total Figure of Remuneration Table for Non-Executive Directors on page 128.

	Salary/fees (a)		Taxable benefits (b)		Annual bonus (c)		Long term incentives (d)		Pension related benefits (e)		Termination payments (f)		Miscellaneous (g)		Total	
Year ended February	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Executive Directors																
David Forde[1]	230	-	17	-	-	-	-	-	12	-	-	-	1,472	-	1,731	-
Stephen Glancey[2]	-	698	-	52	-	174	-	1,120	-	175	-	698	-	56	-	2,973
Patrick McMahon[3]	255	-	19	-	-	-	-	-	13	-	-	-	-	-	287	-
Andrea Pozzi	311	368	27	28	-	46	-	544	90	92	-	-	-	-	428	1,078
Jonathan Solesbury[4]	137	497	13	37	-	124	-	1,020	48	124	641	-	37	-	198	1,802
Total	933	1,563	76	117	-	344	-	2,684	163	391	641	698	1,509	56	3,322	5,853

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.

1. Figures for David Forde are from 2 November 2020, the date he joined the Board.
2. Stephen Glancey left the Board on 15 January 2020 and the Group on 29 February 2020. The remuneration referred to in the table above for FY2020 is the remuneration he earned for the full year.
3. Figures for Patrick McMahon are from 23 July 2020, the date he joined the Board.
4. Figures for Jonathan Solesbury are to 23 July 2020 (the date he left the Board) plus certain payments made to him in connection with the cessation of his employment on 31 August 2020 (following the conclusion of a handover period) as further described on page 125.

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").

Notes to Directors' Remuneration Table

(a) Salaries and fees
The amounts shown are the amounts earned in respect of the financial year.

(b) Taxable benefits
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).

(c) Annual bonus
No bonus scheme was implemented in FY2021 due to the unpredictability of COVID-19.

(d) Long term incentives
1. 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.
2. The awards granted in May 2018 in respect of the LTIP and ESOS, the performance conditions for these awards are detailed in note 4 (Share-Based Payments). These awards lapsed in full.

LTIP Performance Conditions

Performance condition	Weighting	Performance target	% of element vesting
Compound annual growth in Underlying EPS over the three year performance period FY2019, FY2020 and FY2021	33%		
Threshold		3%	25%
Maximum		8%	100%
Free cash flow Conversion	33%		
Threshold		65%	25%
Maximum		75%	100%
Return on Capital Employed	33%		
Threshold		9.3%	25%
Maximum		10%	100%

ESOS Performance Conditions

Performance condition	Performance target	% of element vesting
Compound annual growth in Underlying EPS over the three year performance period FY2019, FY2020 and FY2021		
Threshold	2%	25%
Maximum	6%	100%

Details of the performance conditions for the 2017 LTIP and ESOS awards were included in the Directors' Remuneration Report last year.

(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 (or 5% of salary for David Forde and Patrick McMahon) 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 were included in the prior year Directors' Remuneration Report.

Jonathan Solesbury retired from the Board as Group Chief Financial Officer on 23 July 2020 and left the business on 31 August 2020 following the conclusion of a handover period. Between 23 July 2020 and 31 August 2020 he continued to receive his basic salary and contractual benefits (with the basic salary subject to the 20% reduction referred to on page 103). Following his departure from the business, he received €641,129 in lieu of his notice period.

(g) Miscellaneous

The miscellaneous payments are: (1) in respect of 2020, a payment made to Stephen Glancey in relation to holiday entitlement, as disclosed in the Directors' Remuneration Report for the year ended 29 February 2020; (2) in respect of 2021, the awards granted to David Forde to compensate him for remuneration forfeited to join C&C as referred to on pages 105 to 106; and (3) in respect of 2021, a payment of €37,221 made to Jonathan Solesbury in relation to holiday entitlement that was not taken at the time of stepping down from the Board.

Additional Information

Fees from external appointments

None

Payments to Former Directors and Payments for Loss of Office

There were no payments to former Directors or payments for loss of office other than those made to Jonathan Solesbury, as outlined above.

Directors' Remuneration Committee Report
(continued)

Directors' Shareholdings and Share Interests

Shareholding guidelines
Executive Directors are required to build up (and maintain) a minimum holding of shares in the Company. Under the existing policy, the CEO was expected to maintain a personal shareholding of at least two times' salary, while other Executive Directors were required to hold one times' salary. This has been increased to two times' salary for all Executive Directors under the new Policy.

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.

Under the new Policy, Non-Executive Directors are required to build up and maintain a shareholding equivalent to 50% of their annual base fee within 3 years of their appointment or within 3 years from the date of approval of the Policy, if later.

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 28 February 2021 in the share capital of the Company are detailed below:

	28 February 2021 (or date of retirement from the Board if earlier) Total	1 March 2020 (or date of appointment if later) Total
Directors		
David Forde*	-	-
Patrick McMahon	52,473	2,858
Andrea Pozzi	126,514	66,465
Total	178,987	69,323

David Forde was granted 842,636 C&C shares on 3 November 2020 with a value of €1,420,410. 50% of this award will vest in November 2022 and 50% in November 2023.

Company Secretary		
Mark Chilton *	18,005	17,587

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

Between 28 February 2021 and 14 May 2021, being the latest practicable date, Patrick McMahon acquired 168 shares under the Irish APSS. There were no other changes in the above Directors' or the Company Secretary's interests between these dates.

For more details on the Profit Sharing Scheme, please see page 115.

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

Share incentive plan interests awarded during year (Audited)

LTIP
The table below sets out the plan interests awarded to Executive Directors' during the year ended 28 February 2021. Awards granted under the LTIP are subject to performance conditions as set out on page 105 measured over a performance period from 1 March 2020 to 28 February 2023. During the year, David Forde was granted awards ("Buy-Out Awards") to replace remuneration forfeited upon his departure from his former employer. Buy-Out Award 1 will vest on 3 November 2022 and Buy-Out Award 2 will vest on 3 November 2023.

Executive Director	Type of award	Maximum opportunity	Number of shares	Face value (at date of grant in Euros)[2]	% of maximum opportunity vesting at threshold
David Forde	LTIP	134% of base salary	363,357	924,380	25%
	Buy-Out Award 1[3]	N/A	421,318	710,205	N/A
	Buy-Out Award 2[3]	N/A	421,318	710,205	N/A
Patrick McMahon	LTIP	134% of base salary	221,174	562,666	25%
Andrea Pozzi	LTIP	134% of base salary	188,421	479,343	25%

1. The LTIP awards were granted in the form of nil cost options over €0.01 ordinary shares in the Company.
2. The face value of LTIP awards is based on the number of shares under award multiplied by the closing share price of the day before the date of grant on 2 December 2020 converted into Euro, being £2.285 (€2.544). The face value of the Buy-Out Awards is based on the number of shares under award multiplied by the closing share price of the grant date 2 November 2020 converted into €, being £1.518 (€1.685).
3. The Buy-Out Awards were granted in the form of nil cost options over €0.01 ordinary shares in the Company. The number of shares under award was determined by reference to the value of the forfeited remuneration and accordingly the "Maximum opportunity" is not expressed as a percentage of base salary. The awards are not subject to performance conditions and accordingly there is no percentage vesting "at threshold".

Directors' Interests in Options (Audited)

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

Directors	Date of grant	Exercise price	Plan	Exercise period	Total at 1 March 2020 (or date of appointment if later)	Awarded in year	Exercised in year	Lapsed in year	Total at 28 February 2021
David Forde	3/11/20	€0.00	Buy-out 1	3/11/22-3/11/30		421,318			421,318
	3/11/20	€0.00	Buy-out 2	3/11/23-3/11/30		421,318			421,318
	2/12/20	€0.00	LTIP	2/12/23 – 2/12/30		363,357			363,357
				Total		1,205,993			1,205,993
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
	2/12/20	€0.00	LTIP	2/12/23 – 2/12/30		188,421			188,421
				Total	676,226	188,421	109,376		755,271
Patrick McMahon	01/08/17	€0.00	LTIP	01/08/20 – 01/08/27	75,980		75,980		
	11/02/19	€0.00	LTIP	11/02/22 – 28/02/29	124,794				124,794
	2/12/20	€0.00	LTIP	2/12/23 – 2/12/30		221,174			221,174
				Total	200,774	221,174	75,980		345,968
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; R&R – Recruitment & Retention Plan (legacy awards and not applicable to Executive Directors)
* The May 2018 LTIP and ESOS Awards lapsed in full subsequent to the FY2021 year-end.

No 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 26 February 2021 (being the last working day) was £2.58 (29 February 2020: £3.28). The price of the Company's ordinary shares ranged between £1.45 and £3.36 during the year.

There was no movement in the interests of the Directors in options over the Company ordinary shares between 28 February 2021 and 26 May 2021.

Directors' Remuneration Committee Report
(continued)

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 28 February 2021 and the prior year. Stewart Gilliland was interim Executive Chair from 15 January 2020 until 2 November 2020, at which point he reverted to his role as Non-Executive Chair; given his role, his remuneration for the whole year is included in the following Single Total Figure of Remuneration Table.

Each Non-Executive Director agreed to waive their fees for the year in relation to their services on Stakeholder Engagement due to the outbreak of COVID-19. Fees are the only element of the Non-Executive Directors' remuneration.

Year ended February	Salary/fees 2021 €'000	2020 €'000
Non-Executive Directors		
Jill Caseberry	64	69
Jim Clerkin	61	65
Vincent Crowley[1]	80	86
Emer Finnan	84	92
Stewart Gilliland[2]	377	278
Geoffrey Hemphill[3]	-	11
Richard Holroyd[4]	-	19
Helen Pitcher	82	85
Jim Thompson	71	69
Total	819	774

1. Vincent Crowley was appointed as Senior Independent Director from 1 June 2019.
2. The fees paid to Stewart Gilliland for the year ending 28 February 2021 reflect his appointment as Interim Executive Chair from 16 January 2020 until 2 November 2020.
3. Geoffrey Hemphill stepped down from the Board on 1 May 2019; the figures reflect his remuneration until his departure.
4. Richard Holroyd stepped down from the Board on 31 May 2019; the figures reflect his remuneration until his departure.

Fees paid to Non-Executive Directors are determined and approved by the Board as a whole. The Committee recommends the remuneration of the Chair 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
ESG Committee Chair	20,000
Audit Committee member	5,000
ESG 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

Shareholding guidelines

Non-Executive Directors are required to build up (and maintain) a minimum holding of shares in the Company of at least 50% of their base fee, within three years of their appointment or within 3 years of the date approval of the 2021 Policy, if later.

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:

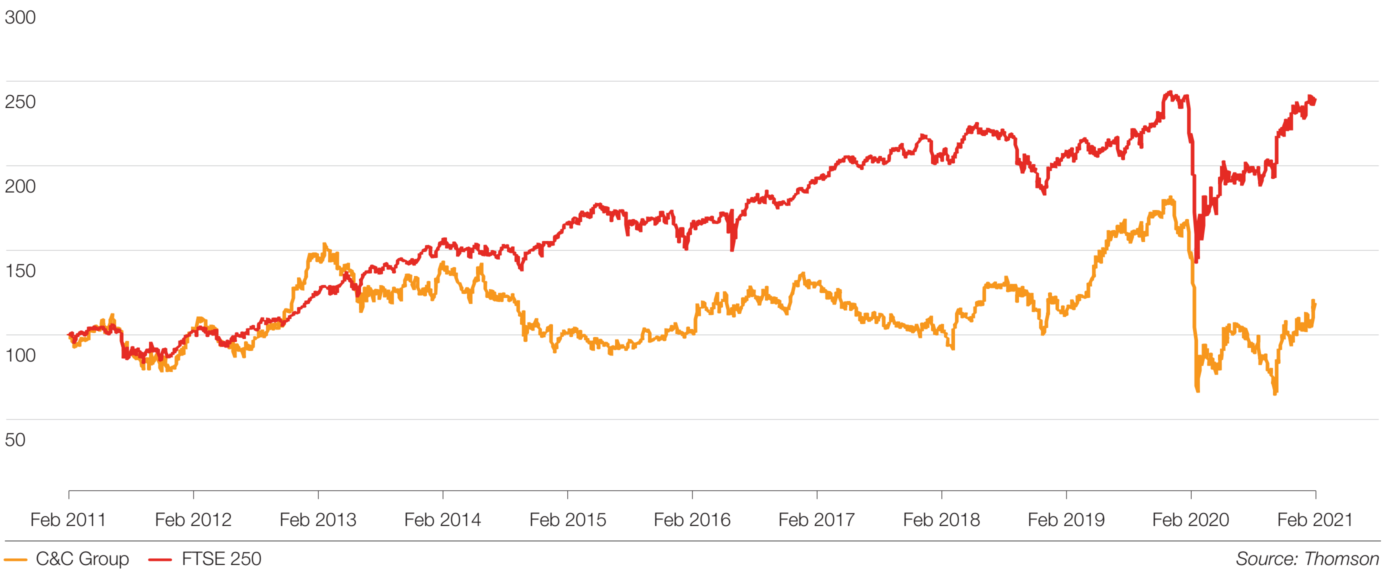
	28 February 2021 (or date of retirement from the board if earlier) Total	1 March 2020 (or date of appointment if later) Total
Directors		
Jill Caseberry	5,000	5,000
Jim Clerkin	45,000	40,000
Vincent Crowley	20,000	20,000
Emer Finnan	7,954	7,954
Stewart Gilliland	129,165	89,165
Helen Pitcher	-	-
Jim Thompson	157,780	157,780
Total	364,899	319,899

There were no changes in the above Non-Executive Directors' share interests between 28 February 2021 and 26 May 2021.

Performance graph and table

This graph shows the value, at 28 February 2021, of £100 invested in the Company on 28 February 2011 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



Source: Thomson

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 28 February 2021:

		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
FY2021	Stewart Gilliland (to 02/11/20)	301	N/A	N/A
FY2021	David Forde (from 02/11/20)	1,731	Nil	Nil

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

FY2020 and FY2021: Stephen Glancey retired as Group Chief Executive Officer on 15 January 2020 and Stewart Gilliland was appointed Interim Executive Chair from 16 January 2020 until 2 November 2020 when David Forde was appointed Chief Executive Officer. The salary, taxable benefits, annual bonus, long term incentives and pension figures are calculated for the period in office.

Total remuneration for David Forde includes the Buy-Out awards granted to compensate him for remuneration forfeited to join C&C as referred to on pages 105 to 106.

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

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 and FY2021. For the wider workforce, the value of benefits provided in the year has not been included as the data is not readily available. In the view of the Company, this does not have a meaningful impact on the pay ratios.

The FY2020 figures are presented on the same basis as in the Directors' Remuneration Report for the prior year.

In FY2021, Stewart Gilliland was interim Executive Chair from 1 March 2020 until 2 November 2020 when David Forde was appointed Chief Executive Officer, at which point he reverted to his role as Non-Executive Chair. Stewart Gilliland's remuneration as interim Executive Chair and David Forde's total remuneration as Group Chief Executive Officer during FY2021 have been included in the calculations of the CEO pay ratio.

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 FY2021. In calculating the ratio, the Company determined full time equivalent annual remuneration for UK employees, employed in the business as at 28 February 2021. 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	2,218,941 697,964	26,146 24,080	32,257 30,024	45,075 39,232
2021	2,031,946 531,161	23,465 22,146	29,667 27,894	42,290 38,358

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
2021	Option A	24.0:1	19.0:1	13.8:1

Total Remuneration Ratios

Year	Method	25th percentile ratio	Median ratio	75th percentile ratio
2020	Option A	84.9:1*	68.8:1*	49.2:1*
2021	Option A	86.6:1	68.5:1	48.0:1

*The total remuneration ratios for 2020 have been restated to correct an error in the prior year ratio calculation.

The Company believes that the median pay ratio for FY2021 is consistent with the pay, reward and progression policies for the UK employees. The change in the ratios between FY2020 and FY2021 are attributable to a number of factors including the FY2021 CEO remuneration being the aggregate of the Executive Chair's and CEO's remuneration, the reduction in Directors' remuneration in FY2021 and a significant proportion of employees being placed on furlough during FY2021, as a result of the COVID-19 pandemic.

Annual Percentage Change in Remuneration of Directors and Employees

To reflect the most recent UK regulations in relation to remuneration reporting, this year we are reporting the percentage change in salary/fees and bonus of the Directors and employees. The UK Regulations also require that this disclosure be included in relation to benefits however due to the difficulty in obtaining this data, we have decided not to include benefits for the purpose of the calculation, consistent with our approach to the CEO Pay Ratio. The table below shows the percentage change in each Director's salary/fees and bonus between the year ended 29 February 2020 and the year ended 28 February 2021, and the average percentage change in the same remuneration over the same period in respect of the Company's UK full time equivalent employees, by reported numbers. We have used the Company's UK full time equivalent employees as the comparator group for consistency with the approach to the CEO Pay Ratio calculation.

The average employee change has been calculated by reference to the mean of employee pay. David Forde and Patrick McMahon were appointed to the Board during FY2021 and, accordingly, they have been excluded from the table below. Jonathan Solesbury has also been excluded as he stepped down from the Board on 23 July 2020.

	Average Employee[1]	Andrea Pozzi[2]	Stewart Gilliland[2]	Jill Caseberry[2]	Jim Clerkin[2]	Vincent Crowley[2]	Emer Finnan[2]	Helen Pitcher[2]	Jim Thompson[2]
Salary/Fees	(4.2%)	(15.6%)	35.6%	(7.2%)	(6.2%)	(7.0%)	(8.7%)	(3.5%)	2.9%
Annual Bonus	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

1. Due to the impact of COVID-19, a significant proportion of employees were placed on furlough during FY2021, resulting in a reduction in the salaries they earned.
2. Each Director took a voluntary reduction in salary in FY2021 due to the impact of COVID-19 which had an impact on the fees given for additional services. Jim Thompson's fee increased during FY2021 due to his appointment as Chair of the ESG Committee in September 2020.
3. The increase in Stewart Gilliland's salary/fee was not attributable to an increase in the remuneration paid for a role, but rather a change in role. Stewart was interim Executive Chair until 2 November 2020 when David Forde was appointed Chief Executive Officer, at which point Stewart reverted back to his position as Non-Executive Chair.

Directors' Remuneration Committee Report
(continued)

Shareholder Voting at 2018 and 2020 Annual General Meeting

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

Directors' Remuneration Report

AGM	For	Against	Withheld
2020	245,928,278	1,701,080	9,738

Directors' Remuneration Policy

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

The Company is committed to ongoing shareholder dialogue and takes shareholder views into consideration when formulating remuneration policy and practice. To the extent that 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 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. At the 2021 AGM, shareholders are invited to vote on the 2021 Annual Remuneration Report and the proposed Remuneration Policy for 2021-2024.

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

Helen Pitcher OBE
Chair of the Remuneration Committee
26 May 2021

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/EC0) 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 74 and 75 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 28 February 2021 and of the profit or loss of the Group for the year then ended;
- The Directors' report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face; and
- The Annual Report and Financial Statements, taken as a whole, provides the information necessary to assess the Group's performance, business model and strategy and is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's position and performance, business model and strategy.

Signed
On behalf of the Board

David Forde
Group Chief Executive Officer

Patrick McMahon
Group Chief Financial Officer

26 May 2021