

Corporate Governance Report

Dear Shareholder,

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

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

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

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

Leadership

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

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

COVID-19

As detailed in other parts of this report, COVID-19 will have a significant impact on the global and regional economy. Nonetheless, as a Board, we are satisfied that during the most disruptive times of the spread of the pandemic our governance framework and individual Directors demonstrated resilience, including running ad hoc and regular Board meetings remotely in compliance with government guidelines. The Board and our company secretarial team during this time have worked tirelessly in order to ensure the best outcome for all stakeholders. As progress is made by government and health authorities to tackle the pandemic and, ultimately, attempts are made to ease the current restrictions, the Board will play a central role in determining the pace at which our operations return to a level of normality. While as a Board we will be guided by the regulations and guidance put forward by the relevant authorities, the safety of our employees and wider stakeholders will be front and centre of all decisions and actions.

Board Effectiveness

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

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

Stakeholder Engagement

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

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

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

Vincent Crowley
Senior Independent Director

Compliance with the 2018 UK Corporate Governance Code

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

Leadership and Company Purpose

The Role of the Board

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

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

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

The balance of skills, background and diversity of the Board contributes to the effective leadership of the business and the development of strategy. The Board's composition is central to ensuring all directors contribute to discussions. As a means to foster challenge and director engagement, led by the Senior Independent Director, the Non-Executive Directors meet without the Chairman present at least annually. Likewise, the Chairman holds meetings with the non-executive Directors

without the executives present. In each of these settings, there is a collegiate atmosphere that also lends itself to a level of scrutiny, discussion and challenge.

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

Attendance at Meetings

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

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

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

1. Meetings attended by Stephen Glancey until date of retirement.

2. Jill Caseberry was unable to attend a meeting due to a prior commitment made before joining the Board.

3. Jim Clerkin was unable to attend two unscheduled meetings due to the meetings being called at short notice and his inability to re-arrange his schedule.

4. Meetings attended by Geoffrey Hemphill until date of retirement.

5. Meetings attended by Richard Holroyd until date of retirement.

6. Helen Pitcher was unable to attend a meeting due to a prior commitment made before joining the Board.

7. Jim Thompson was unable to attend one unscheduled meeting due to the meeting being called at short notice and his inability to re-arrange his schedule.

Board activity during the financial year

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

Strategy, Operations and Finance

- Approved the Group's three year plan;
- Received presentations from the COO and management on brand marketing plans;
- Received presentations from the CEO and CFO and senior management on strategic initiatives and trading performance;
- Approved the annual budget plan and KPIs;
- Reviewed and approved the Group's full year 2019 and half year 2020 results (including the 2019 final dividend) as well as trading updates;

- Approved the Group's 2019 Annual Report (including a fair, balanced and understandable assessment) and 2019 AGM Notice;
- Approved the cancellation of the listing of the Company's shares on Dublin Euronext and the subsequent listing on the FTSE UK Index Series;
- Received updates from the COO and senior management on the Group's sustainability framework;
- Reviewed and approved the removal of plastic packaging from our products by FY2022;
- Reviewed the Group's debt, capital and funding arrangements and approved the private placement;

Leadership and People

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

Safety

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

Internal Control and Risk Management

- Reviewed the Group's risk management framework and principal risks and uncertainties;
- Reviewed and confirmed the Group's Viability Statement and going concern status;
- Reviewed and validated the effectiveness of the Group's systems of internal controls and risk management;
- Reviewed updates on the information and cyber security control environment;
- Reviewed updates on Brexit;

Governance and Legal

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

Company Purpose, Values and Strategy

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

Objectives and Controls

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

Workforce Engagement

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

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

Bibendum	Jim Clerkin
Operations	Vincent Crowley

Business Model and Risks

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

Assessing and Monitoring Culture

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

Stakeholder Views

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

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

Whistleblowing

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

Division of Responsibilities

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

Chairman

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

Senior Independent Director

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

Non-Executive Directors

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

Chief Executive Officer

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

Company Secretary

Mark Chilton as Company Secretary supports the Chairman, the Group Chief Executive Officer and the Board Committee Chairs in setting agendas for meetings of the Board and its Committees. He is available to all Directors for advice and support. He is responsible for information flows to and from the Board and the Board Committees and between Directors and senior management. In addition, he supports the Chairman in respect of training and the Board and Committee performance evaluations. He also advises the Board on regulatory compliance and corporate governance matters.

Board Committees

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

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

Composition, Succession and Evaluation

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

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

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

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

Appointments to the Board

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

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

Time Commitment

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

Development

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

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

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

on the Group's businesses, the markets in which they operate and changes to the competitive and regulatory environment through briefings to the Board and meetings with senior executives.

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

Information and Support

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

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

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

Re-election of Directors

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

External Evaluation

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

Board and Committee Evaluation Process

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

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

FY2020 External Board effectiveness evaluation outcomes

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

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

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

Area of Focus	Detailed Feedback
Culture	The evaluation found a strong desire from the Board to develop a deeper understanding of organisational culture. As part of this focus Directors are eager to develop workforce engagement and greater oversight of reward practices throughout the organisation.
Board logistics and information	In light of the challenges of remote Board meetings, Directors communicated that there may need to be refinement to Board agendas, including ensuring there is a balance struck between insight and excessive detail.

Risk Picture	The Directors voiced satisfaction with the strength of work done on developing and communicating the updated risk framework in recent years. Feedback indicated that this risk picture needs to be further developed, particularly in relation to emerging non-financial risks and wider economic developments.
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Progress against these areas will be reviewed as part of the 2021 internal evaluation and will be reported on in next year's Annual Report. Outside of payment for the external performance evaluation of the Board and its Committees, Independent Audit has no connection to the Group.

Evaluation of the Chairman and Non-Executive Directors

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

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

Audit, Risk and Internal Control

Financial and Business Reporting

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

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

Risk Management

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

Internal Control

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

Internal Audit

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

Audit Committee and Auditors

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

Remuneration

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

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

Section	Disclosure Locations
Board Leadership	Details on how the Board promotes the

and Purpose long-term success of the Company are set out in our Strategic Report on pages 2 to 49 and throughout this Corporate Governance Report on pages 58 to 66. Our purpose and values are set out on pages 2 to 3. Relations with shareholders are described on page 66. Our whistleblowing programme is described on page 72.

Division of Responsibilities Pages 56 to 57 gives details of the Board and Management Team. The Board governance structure is detailed on pages 58 to 66.

Composition, Succession and Evaluation Details on appointments and our approach to succession are set out in the Nomination Committee report on pages 73 to 76. Details on the external evaluation are set out on pages 64 to 65.

Audit, Risk and Internal Control The Audit Committee Report can be found on pages 67 to 72, with further detail on the principal risks to the business in the Risk Report on pages 13 to 21.

Remuneration The Company's Remuneration Policy can be found in the 2018 Annual Report. The Remuneration Committee Report can be found on pages 77 to 92.

Engaging with Investors

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

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

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

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

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

Constructive Use of the Annual General Meeting

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

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

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

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

Mark Chilton
Company Secretary