Governance

...The Board sets the tone for the rest of the Company. We believe that effective governance is the foundation of a successful and sustainable organisation and should be based upon an appropriate level of oversight, clear communication and a commitment to transparency...

Directors' Statement of Corporate Governance
on page 60

IN THIS SECTION

BOARD OF DIRECTORS

1.

2.

3.

4.

5.

1. SIR BRIAN STEWART*

Chairman

Brian Stewart (71) was appointed as a non-executive Director of the Group and as a member of the Nomination Committee in March 2010. He was appointed as Chairman of the Group in August 2010. He is a former Chairman of Standard Life plc and of Miller Group plc and a former Chairman and former Chief Executive of Scottish & Newcastle plc.

2. STEPHEN GLANCEY

Group Chief Executive Officer

Stephen Glancey (55) was appointed Group Chief Executive Officer in 2012. Prior to that, he was appointed Chief Operating Officer in November 2008 and Group Finance Director in May 2009. He qualified as a chartered accountant and was previously the Group Operations Director of Scottish & Newcastle plc.

3. KENNY NEISON

Group Chief Financial Officer

Kenny Neison (46) was appointed Chief Financial Officer in 2012. He joined the Group in November 2008 and was appointed to the Board as Group Strategy Director and Head of Investor Relations in November 2009. He qualified as a chartered accountant and has previously held a number of senior financial positions in Scottish & Newcastle plc, including UK Finance Director and Finance Director for Western Europe.

4. JORIS BRAMS

Managing Director, International division

Joris Brams (47) was appointed as Managing Director of the Group's International division in 2012 and was appointed to the Board in October 2012. He was previously Group Operations Director at Puratos Group, a Belgian company supplying the bakery, patisserie and chocolate sectors in more than 100 countries. He previously served as Group Technical and Development Director at Scottish & Newcastle plc and, prior to that, he held a number of commercial roles at Alken-Maes Breweries. He brings significant experience of international transactions as well as having production, supply-chain management and procurement expertise. He is a non-executive director of Democo NV, a Belgian construction company.

5. VINCENT CROWLEY*

Vincent Crowley (61) was appointed as a non-executive Director of the Company in January 2016 and as a member of the Audit Committee In March 2016. He was previously both COO and CEO of Independent News and Media plc, a leading media company which, during his tenure, had operations and investments in Australia, India, Ireland, New Zealand, South Africa and the UK. He also served as CEO 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. He is currently Chairman of Newsbrands Ireland, Chairman of Altas Investments plc and a non-executive Director of Inner City Enterprise.

BOARD COMMITTEES

Audit Committee
Emer Finnan (Chairman)
Vincent Crowley
Richard Holroyd
Rory Macnamara

Nomination Committee
Sir Brian Stewart (Chairman)
Breege O'Donoghue
Richard Holroyd

Remuneration Committee
Breege O'Donoghue (Chairman)
Stewart Gilliland
Richard Holroyd

Senior Independent Director
Richard Holroyd


6.


7.


8.


9.


10.

6. EMER FINNAN*
Emer Finnan (47) was appointed as a non-executive Director of the Company in May 2014 and became Chairman of the Audit Committee in July 2015. She is a Partner and Senior Managing Director of Kildare Partners, a private equity firm based in London and Dublin, where she is responsible for investment origination. 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.

7. STEWART GILLILAND*
Stewart Gilliland (59) was appointed as a non-executive Director of the Company and a member of the Remuneration Committee in April 2012. 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 and Ireland, Europe and Canada. He is currently Chairman of Booker Group plc and Curious Drinks Limited and a non-executive Director of Nature's Way Foods Limited and Mitchells & Butlers. He is a former non-executive director of Tulip Ltd, Vianet Group plc and Sutton & East Surrey Water plc. He brings significant experience of the long alcohol drinks sector in international markets.

8. RICHARD HOLROYD*
Richard Holroyd (69) was appointed as a non-executive Director of the Company in 2004 and is a member of the Audit Committee, the Remuneration Committee and the Nomination Committee. He was previously the managing director of Colman's of Norwich and head of the global marketing futures department of Shell International. He has served as non-executive Director of several companies in the UK and continental Europe and was a member of the UK Competition Commission from September 2001 to April 2010. Richard Holroyd has many years' experience in the fast moving consumer goods sector.

9. RORY MACNAMARA*
Rory Macnamara (61) was appointed as a non-executive Director of the Company in January 2016 and as a member of the Audit Committee In March 2016. He was previously Vice Chairman of Deutsche Morgan Grenfell and subsequently a Managing Director of Lehman Brothers. He initially worked with PriceWaterhouse in the UK. He is currently non-executive Chairman of Dunedin Income Growth Investment Trust plc. He is also a non-executive Director of Alliance Trust plc, Augean plc and Mears Group plc. During his career, he has been Chairman of Mecom Group plc, Dragon-Ukrainian Properties & Development plc, Carpathian plc, Izodia plc and Goshawk Insurance Holdings plc. He has also served as a non-executive Director of Private Equity Investor plc, Raven Mount Group and Sportingbet plc.

10. BREEGE O'DONOGHUE*
Breege O'Donoghue (71) was appointed as a non-executive Director of the Company in 2004. She was appointed the Chairman of the Remuneration Committee in December 2012 and is a member of the Nomination Committee. She is an executive director of Penneys/Primark. She is a member of the Outside Appointments Board of the Code of Standards and Behaviour for the Civil Service and a trustee of IBEC, and was previously Chair of the Labour Relations Commission and a Director of An Post and Aer Rianta. Breege has many years' experience in the Irish and international retail sector.

For information on independence of the Directors, please see Directors' Statement of Corporate Governance on pages 60 to 71.

* Non-executive Director

DAVID JOHNSTON
Company Secretary
David Johnston joined the Group in November 2014 as Company Secretary. Prior to that, he was Group General Counsel and Company Secretary for Paddy Power plc. After qualifying as a solicitor, David worked initially for McCann FitzGerald, one of Ireland's leading law firms and subsequently for O2 Ireland, where he was Chief Legal Counsel and Company Secretary.

DIRECTORS' REPORT

The Directors present the annual report and audited consolidated financial statements of the Group for the year ended 29 February 2016.

PRINCIPAL ACTIVITIES

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

There has been no material change in the nature of the business of the Group.

RESULTS

For the year ended 29 February 2016, the Group reported Revenue of €946.9 million (2015: €986.5 million) and Net Revenue of €662.6 million (2015: €683.9 million). Operating profit before exceptional items amounted to €103.2 million (2015: €115.0 million).

The financial results for the year ended 29 February 2016 are set out in the Group Income Statement on page 98. Comprehensive reviews of the financial and operating performance of the Group are set out in the Operations Review on pages 28 to 37.

DIVIDENDS

An interim dividend of 4.73 cent per share for the year ended 29 February 2016 was paid on 18 December 2015. Subject to approval at the Annual General Meeting, it is proposed to pay a final ordinary dividend of 8.92 cent per share for the year ended 29 February 2016 to shareholders who are registered at close of business on 20 May 2016.

BOARD OF DIRECTORS

The names, functions and date of appointment of the current Directors, who give the responsibility statement on pages 91 and 92, are as follows:

Director	Function	Appointment
Sir Brian Stewart	Chairman	2010
Stephen Glancey	Group Chief Executive Officer	2008
Kenny Neison	Group Chief Financial Officer	2009
Joris Brams	Executive Director	2012
Vincent Crowley	Non-executive Director	2016
Emer Finnan	Non-executive Director	2014
Stewart Gilliland	Non-executive Director	2012
Richard Holroyd	Non-executive Director	2004
Rory Macnamara	Non-executive Director	2016
Breege O'Donoghue	Non-executive Director	2004

John Hogan retired as a Director on 29 February 2016 and Anthony Smurfit retired as a Director on 23 March 2016.

Vincent Crowley and Rory Macnamara were appointed as Directors with effect from 1 January 2016.

INTERESTS OF DIRECTORS AND COMPANY SECRETARY

Information in relation to the beneficial and non-beneficial interests in the share capital of Group companies held by the Directors and Company Secretary who held office at 29 February 2016 is contained within the Report of the Remuneration Committee on Directors' Remuneration on page 80.

RESEARCH AND DEVELOPMENT

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

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:

(a) the review of the development and performance of the business and future developments is set out in the Operations Review on pages 28 to 37 and the Strategic Report on pages 18 to 27;

(b) the principal risks and uncertainties which the Company and the Group faces are set out in the Strategic Report on pages 24 to 26;

(c) 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 22 and 23 and in the Group Chief Financial Officer's review on pages 38 to 43; and further information in respect of environmental and employee matters is set out in the Report on Corporate Responsibility on pages 44 to 52;

(d) the financial risk management objectives and policies of the Company and the Group, including hedging activities and the exposure of the Company and the Group to financial risk, are set out in the Group Chief Financial Officer's Review on pages 38 to 43 and note 22 to the financial statements.

The Group's Viability Statement is contained in the Directors' Statement on Corporate Governance on page 71.

ACCOUNTING RECORDS

The measures taken by the Directors to secure compliance with the requirements of Section 282 of the Companies Act, 2014 with regard to the keeping of adequate accounting records are to employ accounting personnel with appropriate expertise and to provide adequate resources to the finance function. The books of account of the Company are maintained at Group offices in Bulmers House, Keeper Road, Crumlin, Dublin 12, D12 K702.

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.

CORPORATE GOVERNANCE

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 Directors' Statement on Corporate Governance on pages 60 to 71.

DIRECTORS' REMUNERATION

The Report of the Remuneration Committee on Directors' Remuneration, including the Company's policy on Directors' remuneration, is set out on pages 72 to 90.

SUBSTANTIAL HOLDINGS

As at 29 February 2016 and 11 May 2016, details of interests over 3% in the ordinary share capital carrying voting rights which have been notified to the Company are:

SHARE PRICE

The price of the Company's ordinary shares as quoted on the Irish Stock Exchange at the close of business on 29 February 2016 was €3.446 (28 February 2015: €3.861). The price of the Company's ordinary shares ranged between €3.31 and €4.07 during the year.

AUDITOR

In accordance with Section 383(2) of the Companies Act, 2014, the auditor, KPMG, Chartered Accountants, will continue in office.

ISSUE OF SHARES AND PURCHASE OF OWN SHARES

At the Annual General Meeting held on 2 July 2015, the Directors received a general authority to allot shares. A limited authority was also granted to Directors to allot shares for cash otherwise than in accordance with statutory pre-emption rights. Resolutions will be proposed at the Annual General Meeting to be held on 7 July 2016 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, a resolution will also be proposed to allow the Directors 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. If granted, these authorities will expire at the conclusion of the Annual General Meeting in 2017 and the date 18 months after the passing of the resolution, whichever is the earlier.

	No. of ordinary shares held as notified at 29 February 2016	% at 29 February 2016	No. of ordinary shares held as notified at 11 May 2016	% at 11 May 2016
Franklin Templeton Institutional, LLC	34,269,709	10.70%	31,684,909	9.97%
FMR LLC	27,324,770	8.54%	24,005,201	7.55%
Wellington Management Company, LLP	23,518,363	7.35%	18,933,189	5.96%
Southeastern Asset Management, Inc.	23,016,502	7.19%	26,560,969	8.36%
Investec Asset Management Limited	16,403,623	5.12%	16,403,623	5.16%
Brandes Investment Partners, L.P.	13,879,876	4.34%	16,510,218	5.20%
Setanta Asset Management Limited	13,746,411	4.29%	13,746,411	4.33%
Prudential plc	12,538,100	3.92%	12,538,100	3.95%
LSV Asset Management	9,961,411	3.11%	9,961,411	3.13%

As far as the Company is aware, other than as stated below, no other person or company had at 29 February 2016 or 11 May 2016 an interest in 3% or more of the Company's share capital carrying voting rights.

The Directors have currently no intention to issue shares pursuant to these authorities except for issues of ordinary shares under the Company's share option plans and the Company's scrip dividend scheme. At the Annual General Meeting held on 2 July 2015 authority was granted to purchase up to 10% of the Company's Ordinary Shares (the "Repurchase Authority"). As at the date of this Report, the Group has purchased 6.86% of the Company's Ordinary Shares pursuant to the Repurchase Authority.

The Group spent €76.6m (including commission and related costs) in the year under review in purchasing 20,846,900 of the Company's Ordinary Shares.

Special resolutions will be proposed at the Annual General Meeting to be held on 7 July 2016 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 2017 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.

Options to subscribe for a total of 3,748,957 Ordinary Shares are outstanding, representing 1.18% of the Company's total voting rights. If the authority to purchase Ordinary Shares were used in full, the options would represent 1.31% of the Company's total voting rights.

DILUTION LIMITS AND TIME LIMITS

All employee share plans with the exception of the Joint Share Ownership Plan, which was specifically approved by shareholders in December 2008, 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 (other than the Joint Share Ownership Plan) to exceed 5%, and (b) under any employees' share scheme adopted by the Company (other than the Joint Share Ownership Plan) to exceed 10%, of the ordinary share capital of the Company in issue at that time.

In the ten year period up to the date of this report, commitments to issue new shares or re-issue treasury shares under discretionary share schemes (net of lapsed and forfeited commitments and excluding the Joint Share Ownership Plan) amounted to 2.50% of the Company's issued ordinary share capital as at the date of this report. No additional commitments to issue shares have been made under non-discretionary schemes.

THE EUROPEAN COMMUNITIES (TAKEOVER BIDS (DIRECTIVE 2004/25/EC)) REGULATIONS 2006

Structure of the Company's share capital

At 11 May 2016 the Company has an issued share capital of 326,773,664 ordinary shares of €0.01 each and an authorised share capital of 800,000,000 ordinary shares of €0.01 each.

At 29 February 2016 and at the date of this report the trustee of the C&C Employee Trust held 7,353,947 ordinary shares of €0.01 each in the capital of the Company, including shares held jointly by it under the terms of the C&C Joint Share Ownership Plan (further information on which is contained in note 4 (Share-Based Payments) to the financial statements). Shares held by the trustee of the C&C Employee Trust are accounted for as if they were treasury shares. These shares are, however, included in the calculation of Total Voting Rights for the purposes of Regulation 20 of the Transparency (Directive 2004/109/EC) Regulations 2007 ("TVR Calculation").

As at 29 February 2016 and as at the date of this report, a subsidiary of the Group held 9,025,000 shares in the Company, which were acquired under the authority granted to the Company and its subsidiaries to purchase up to 10% of the Company's ordinary shares approved at the 2015 Annual General Meeting. 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 72 to 90. Details of the rights attaching to shares issued under the Joint Share Ownership Plan are set out in note 4 (Share-Based Payments) to the financial statements.

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 57.

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 on request to the Company Secretary.

Holders of Ordinary Shares are entitled to receive duly declared dividends in cash or, when offered, additional Ordinary Shares. In the event of any surplus arising on the occasion of the liquidation of the Company, shareholders would be entitled to a share in that surplus pro rata to their holdings of Ordinary Shares.

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

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

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

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

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

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

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

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

Miscellaneous
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, but none of these are considered to be significant in terms of their potential impact on the business of the Group as a whole. 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.

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.

Signed
On behalf of the Board

Sir Brian Stewart
Chairman
11 May 2016

Stephen Glancey
Group Chief Executive Officer

DIRECTORS' STATEMENT OF CORPORATE GOVERNANCE

Dear Shareholder

We, as a Board, and a Company, take corporate governance very seriously, and consider that good conduct is the basis of good performance. The Board sets the tone for the rest of the Company. We believe that effective governance is the foundation of a successful and sustainable organisation and should be based upon an appropriate level of oversight, clear communication and a commitment to transparency. Governance is the framework within which we focus on the health and growth of the business.

In this report we provide an overview of our corporate governance practices, describing how the main principles of the UK Corporate Governance Code and Irish Annex are applied throughout the year. Information is given about the Board, its members and committees, and their work. An overview of the Company's internal controls is also given.

We have continued our focus on Board succession issues and, in that context, John Hogan retired from the Board during the year. Anthony Smurfit also retired in March 2016. Emer Finnan succeeded John as Chairman of the Audit Committee. Vincent Crowley and Rory Macnamara were also appointed to the Board and as members of the Audit Committee during the year. In considering Board appointments, we continue to have regard to the degree of diversity of experience and background of the Board.

We are complying this year with the edition of the UK Corporate Governance Code published by the Financial Reporting Council in September 2014 (the 'UK Code') and the Irish Corporate Governance Annex (the 'Irish Annex'). The UK Code is publicly available from the Financial Reporting Council's website, www.frc.co.uk.

Sir Brian Stewart
Chairman
11 May 2016

COMPLIANCE STATEMENT

C&C Group plc is incorporated and resident in Ireland and is subject to Irish company law. It has a primary listing on the Irish Stock Exchange ('ISE') and a listing in the Premium Listing segment of the Official List of the United Kingdom Listing Authority ('UKLA') and its shares are quoted on the ISE and the London Stock Exchange ('LSE'). C&C Group plc also has a Level 1 American Depository Receipt (ADR) programme.

The Directors are committed to maintaining high standards of corporate governance and to reviewing governance best-practice on a continuing basis to ensure that we adapt and evolve in what is an environment of constant change.

The Group has complied with the provisions of the UK Code and Irish Annex throughout the period under review. This Corporate Governance statement describes the Group's policy on corporate governance during the financial year ended 29 February 2016.

BOARD OF DIRECTORS

Role

The Board is responsible for the oversight, leadership and control of the Group and its long-term success. There is a formal schedule of matters reserved to the Board for decision. This includes approval of Group strategic plans, annual budgets, financial statements, significant contracts and capital expenditure items, major acquisitions and disposals, changes to capital structure, circulars, Board appointments, and the review of the Group's corporate governance arrangements and system of internal control, and approval of policies including corporate responsibility and health and safety. The Board is also responsible for instilling the appropriate culture, values and behaviour throughout the Group. The Directors acknowledge that they are responsible for the proper stewardship of the Group's affairs, both on an individual and collective basis. The matters and agenda reserved for Board consideration reflect this responsibility.

The roles of the Chairman and the Group Chief Executive Officer are separate with a clear division of responsibility between them, which is set out in writing and which has been approved by the Board. The Chairman has responsibility for the management of the Board, the performance of Directors and their induction, development and performance evaluation, ensuring there are effective relations with shareholders and for the AGM. The Chief Executive is responsible, within the authority limits delegated by the Board, for business strategy and management, investment and financing, risk management and controls, timely reporting, making recommendations on remuneration policy and on the appointment of executive directors, setting Group HR policies and leading the communications programme with shareholders.

The Board delegates responsibility for the management of the Group through the Group Chief Executive Officer to executive management. The Board also delegates some of its responsibilities to Board Committees, details of which are set out below. The responsibilities of the Chairman are covered in detail below.

The Chief Executive has full day-to-day operational and profit responsibility for the Group and is accountable to the Board for all authority delegated to executive management. His overall brief is to execute agreed strategy, to co-ordinate and maintain the continued profitability of the Group and to oversee senior management responsible for the day-to-day running of the business.

Non-executive Directors are expected to constructively challenge management proposals and to examine and review management performance in meeting agreed objectives and targets. In addition, they are expected to draw on their own specific experience and knowledge in respect of any challenges facing the Group and in relation to the development of proposals on strategy.

Individual Directors may seek independent professional advice at the Company's expense where they judge it necessary to discharge their responsibilities as Directors.

The Group has a policy in place which indemnifies the Directors in respect of certain legal actions taken against them.

Board Composition, Membership and Renewal

The Board considers that, between them, the Directors bring a range of skills, knowledge and experience so as to provide leadership, control and oversight of the Group and discharge their responsibility to all shareholders. The biographical details of the current Directors are set out on pages 54 and 55. The Board regards the number of non-executive Directors currently appointed to the Board as sufficient to ensure satisfactory oversight of the Group's management and to enable its Committees to operate without undue reliance on individual non-executive Directors. The Board has an ongoing programme for Board refreshment and renewal, recognising the need for independence and diversity, including gender diversity, on the Board.

The Board is comprised of ten Directors, of whom three are executive and seven are non-executive Directors (including the Chairman). Consistent with our commitment to Board refreshment and development, John Hogan retired from the Board during the year and Vincent Crowley and Rory Macnamara were appointed as Directors. Anthony Smurfit retired in March 2016. John was succeeded as Chairman of the Audit Committee by Emer Finnan. Emer is a qualified chartered accountant and brings considerable financial expertise to the role of Audit Committee Chairman.

Board Independence

In line with the UK Code, it is Board policy that at least half the Board, excluding the Chairman, shall consist of independent non-executive Directors. The Board has reviewed its composition and has determined that of the Directors as at 29 February 2016, Emer Finnan, Richard Holroyd, Breege O'Donoghue, Stewart Gilliland, Rory Macnamara and Vincent Crowley are independent.

The independence of Board members is considered annually. In determining the independence of non-executive Directors, the Board considered the principles relating to independence contained in the UK Code and the guidance provided by a number of shareholder voting agencies. Those principles and guidance address a number of factors that might appear to affect the independence of Directors, including former service as an executive of the Group, extended service to the Board and cross-directorships. However, they also make clear that a Director may be considered independent notwithstanding the presence of one or more of these factors. This reflects the Board's view that independence is determined by a Director's character and judgement. The Board considers that each of the non-executive Directors brings independent judgement to bear.

In the case of Richard Holroyd and Breege O'Donoghue, the Board has considered their length of service but is satisfied that their independence is not compromised. The Board also recognises that their professional experience and long-term perspective on the Group's business is very important to the work of the Board. As part of this assessment, the Board considers that, while each of them has served on the Board of the Company since 2004, none of them has served for more than nine years concurrently with the same executive Directors. As set out in the table below, each has served on the Board concurrently with the Group's Chief Executive Officer, the longest serving executive Director, for 7.5 years. The Board recognises the principles of the Code and guidelines on tenure but is satisfied that the objectivity, judgements and independence of each of the Directors is not compromised by tenure on the Board. The Board also has an ongoing programme of Board refreshment and renewal and has appointed three new Directors in the past two years, with two Directors also having retired in 2016.

DIRECTORS' STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

	Independent/Non-Independent	Tenure (Years)	Concurrent Tenure* (Years)
Sir Brian Stewart	Independent (Chairman)	6	6
Vincent Crowley	Independent	0.5	0.5
Joris Brams	Non-Independent (Executive)	3.5	3.5
Emer Finnan	Independent	2	2
Stewart Gilliland	Independent	4	4
Stephen Glancey	Non-Independent (Executive)	7.5	7.5
Richard Holroyd	Independent	12	7.5
Rory Macnamara	Independent	0.5	0.5
Kenny Neison	Non-Independent (Executive)	6.5	6.5
Breege O'Donoghue	Independent	12	7.5

*Note: Concurrent tenure means tenure on the Board concurrently with the Group's Chief Executive Officer, the longest serving executive Director.

Chairman

Sir Brian Stewart has been Chairman of the Group since August 2010. The Chairman is responsible for the efficient and effective working of the Board. He is responsible for ensuring that the Board considers the key strategic issues facing the Group and that the Directors receive accurate, timely, relevant and clear information. He also ensures that there is effective communication with shareholders and that the Board is apprised of the views of the Group's shareholders. As part of this process, the Chairman recently completed a series of meetings, focused solely on corporate governance, with a number of the Group's largest institutional shareholders.

Senior Independent Director

Richard Holroyd is the Group's Senior Independent Director. He is available to shareholders who have concerns for which contact through the normal channels of Chairman, Group Chief Executive Officer or Group Chief Financial Officer has failed to resolve or for which such contact is inappropriate. He is also available to meet shareholders on request.

Audit Committee Financial Expert

The Audit Committee has determined that Emer Finnan, who also chairs the Committee, is the Audit Committee financial expert. Emer is a qualified chartered accountant and has recent and relevant financial expertise.

Company Secretary

David Johnston is the Company Secretary. All Directors have access to the Company Secretary, who is responsible to the Board for ensuring that Board procedures are complied with. The appointment and removal of the Company Secretary is a matter for the Board.

Appointment, Retirement and Re-election

The non-executive Directors are engaged under the terms of letters of appointment, details of which are set out in the Report of the Remuneration Committee on Directors' Remuneration. Copies of the letters of appointment are available on request from the Company Secretary.

The Company's Articles of Association require that at least one-third of the Directors subject to rotation shall retire by rotation at the Annual General Meeting in every year. Directors appointed by the Board must also submit themselves for election at the first annual general meeting following their appointment. However, in accordance with the recommendations of the UK Code, the Directors have resolved that they will all retire and submit themselves for re-election by the shareholders at the Annual General Meeting this year.

Induction and Development

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 meeting with the Chairman, Group Chief Executive Officer, Group Chief Financial Officer, Company Secretary and key senior executives. It covers areas such as strategy and development, organisation structure, succession planning, financing, corporate responsibility and compliance, investor relations and risk management. The Board receives regular updates from its external legal and other advisers in relation to regulatory and accounting developments. Throughout the year, Directors meet with key executives and meet with local management teams, and a site visit for all Board Directors to one of the Group's production facilities is normally scheduled annually.

Newly-appointed members of the Audit Committee will meet with the key members of the external audit, internal audit and finance teams. New members of the Remuneration Committee will meet with the Committee's remuneration consultants in the year of their appointment to the Committee.

External non-executive directorships

The Board recognises that there can be benefit if executive Directors accept a non-executive directorship with other companies to broaden their skills, knowledge and experience. Joris Brams is currently a non-executive director at Democo NV, a Belgian construction company.

Apart from him, currently none of the executive Directors has such an appointment. The Remuneration Committee determines whether Directors should be permitted to retain any fees paid in respect of such appointments. The Remuneration Committee has determined that Joris Brams is permitted to retain fees from his appointment.

Meetings

During the period under review there were seven scheduled meetings of the Board and a further four short notice meetings. Details of Directors' attendance at these meetings are set out in the table on page 69. Several ad hoc meetings without notice were held during the year for share allotment and other administrative matters in accordance with the Board's procedures. In addition, the members of the Board met without the executive Directors present to provide an opportunity for non-executive Directors and the Chairman to assess their performance, and a further meeting of the non-executive Directors led by the Senior Independent Director was held without the Chairman being present to assess the Chairman's performance.

The Chairman sets the agenda for each meeting in consultation with the Group Chief Executive Officer and the Company Secretary. The agenda and Board papers, which provide the Directors with relevant information to enable them to fully consider the agenda items in advance, are circulated prior to each meeting. Directors are encouraged to participate in debate and constructive challenge. While Directors are expected to attend all scheduled meetings, in the event a Director is unable to attend a meeting, his or her view on all agenda items is sought and conveyed to the Chairman in advance of the meeting. In addition, following the meeting, matters discussed and decisions made at the meeting are conveyed to the Director.

Performance evaluation

The Board recognises the importance of a formal and rigorous evaluation of the performance of the Board and its Committees. The Chairman conducts an annual review of corporate governance and the operation and performance of the Board and its Committees. In the year under review the Chairman has reviewed the performance of individual Directors and, within the remit of the Nomination Committee, succession planning, identifying in this process the experience and qualities required by the Group for the future implementation of its strategy.

The Chairman conducts one to one discussions each year with each Director to assess his or her individual performance. Performance is assessed against a number of criteria, including his or her contribution to Board and Committee meetings; time commitments; contribution to strategic developments; and relationships with other Directors and management.

The Senior Independent Director and the other non-executive Directors review the Chairman's performance and the Board's performance each year, the results being reported back to the Chairman with any recommendations.

In 2015 the Board also engaged an external advisor to complete an independent evaluation of the performance and effectiveness of the Board and each of the Committees. This evaluation is in line with the recommendations of the UK Code which requires an external Board evaluation to be conducted at least once every three years. The company engaged to perform the evaluation has no business connection or relationship with the Group, its directors or senior management.

Remuneration

Details of remuneration paid to Directors (executive and non-executive) are set out in the Report of the Remuneration Committee on Directors' Remuneration on pages 72 to 90.

Non-executive Directors are remunerated by way of a Director's fee. Additional fees are also payable to the Chairman of the Audit Committee, Chairman of the Remuneration Committee and to the Senior Independent Director. Non-executive Directors' fees and additional fees payable to Committee Chairmen and the Senior Independent Director have not been increased since 2008.

It is Board policy that non-executive Director remuneration does not comprise any performance-related element and, therefore, non-executive Directors are not eligible to participate in the Group's bonus schemes, option plans or share award schemes. Non-executive Directors' fees are not pensionable and non-executive Directors are not eligible to join any Group pension plans. Executive Directors' remuneration is inclusive of any Director's fee.

The current limit under the Articles on Directors' ordinary remuneration (i.e. directors' fees, not including executive remuneration) is €1,000,000, pursuant to a resolution passed at the 2013 Annual General Meeting.

The report of the Remuneration Committee will be presented to shareholders for the purposes of a non-binding advisory vote at the Annual General Meeting on 7 July 2016. While there is no legal obligation for the Group to put such a resolution to a vote of shareholders at the Annual General Meeting, the Board recognises that such resolutions are now considered good governance practice.

Share ownership and dealing

The Company has share ownership guidelines for the executive Directors to ensure the interests of executive Directors are aligned with those of shareholders. In summary, the guidelines are that the current market value of shares in the Company held by the relevant Director should be at least two times salary for the Group Chief Executive Officer and one times salary for other executive Directors. If share ownership guidelines are not met, then individuals must retain up to 50% of vested share awards (net of tax). Further information including details of Directors' shareholdings is set out on page 80.

The Group has a policy on dealing in shares that applies to all Directors and senior management. This policy adopts the terms of the Model Code as set out in the Listing Rules published by the UK Listing Authority and the Irish Stock Exchange. Under this policy, Directors are required to obtain clearance from the Chairman (or in the case of the Chairman himself, from the Senior Independent Director) before dealing. Directors and senior management are prohibited from dealing in the Company's shares during close periods and at any other time when the individual is in possession of inside information.

COMMITTEES

The Board has established three permanent committees to assist in the execution of its responsibilities. These are the Audit Committee, the Nomination Committee and the Remuneration Committee. The current membership of each committee is set out on page 54. Attendance at meetings held is set out in the table on page 69.

Each of the permanent Board Committees has terms of reference under which authority is delegated to them by the Board. These terms of reference are available on the Company's website www.candcgroupplc.com. Minutes of all Committee meetings are circulated to the entire Board.

The Chairman of each committee attends the Annual General Meeting and is available to answer questions from shareholders.

The Board has also established a Disclosure Committee comprising the Chairman, the Group Chief Executive Officer, the Group Chief Financial Officer and the Company Secretary. The Head of Investor Relations may also participate where required. The main responsibilities of the Disclosure Committee include:

- determining whether information constitutes inside information;
- determining a consistent approach and policy to disclosure;
- reviewing and approving material announcements;
- monitoring leaks, rumours, speculation and market expectations, and taking appropriate action;
- monitoring the materiality of any variance between the Group's performance and its own forecasts;
- maintaining a record of C&C's regulatory disclosures.

Ad hoc committees are formed from time to time to deal with other specific matters.

THE AUDIT COMMITTEE

Message from the Chairman of the Audit Committee

Dear Shareholder

On behalf of the Board, I am pleased to report on the work of the Audit Committee for the financial year ended 29 February 2016.

There have been a number a changes to the composition of the Audit Committee with John Hogan and Anthony Smurfit having retired as Directors and members of the Audit Committee in February and March 2016 respectively and Rory Macnamara and Vincent Crowley having joined the Committee. I would like to personally thank John and Anthony for their outstanding service to the Committee over the years and to take the opportunity to welcome Rory and Vincent onto the Committee.

During the year, the Committee received and reviewed a number of internal audit reports, reviewed and approved reports in relation to the Group's financial performance and engaged with the external auditor. One of our principal duties is to review the report of the external auditor on the year-end audit and to consider and approve key accounting treatments together with underlying financial judgements and assumptions. Full details are included later in this report.

In addition, in the current financial year a key focus for the Committee was with respect to the valuation of the US goodwill and intangible assets and the Group's consolidation of its production sites in Borrisoleigh and Shepton Mallet into the Group's manufacturing site in Clonmel.

The members of the Committee, all independent non-executive Directors, each contribute their own financial experience to the Committee's work. We are glad to record the full and continuing co-operation of the executive team in support of the Committee's work.

Yours sincerely

Emer Finnan
Chairman of the Audit Committee

Composition and Meetings

The constitution of the Audit Committee requires that its membership shall consist only of independent, non-executive Directors. The members are Emer Finnan (Chairman), Richard Holroyd, Vincent Crowley and Rory Macnamara. John Hogan and Anthony Smurfit retired as Directors and members of the Audit Committee in February and March 2016 respectively. As set out on page 62, the Audit Committee has determined that Emer Finnan, who also chairs the Committee, is the Audit Committee financial expert.

The Committee meets a minimum of four times a year. During the period under review it met five times. Attendance at meetings held is set out in the table on page 69.

The Group Chief Financial Officer attends Audit Committee meetings as appropriate, while the internal auditor and the external auditor attend as required and have direct access to the Audit Committee Chairman. The Group Head of Finance is the secretary of the Audit Committee.

Constitution and terms of reference

The role, responsibilities, authority and duties of the Audit Committee are set out in written terms of reference. The current terms of reference are available under the Board Committees section of the Group's website at www.candcgroupplc.com.

The Audit Committee's responsibilities include:

- monitoring the integrity, truth and fairness of the financial statements of the Group, including the Annual Report, interim report, interim management statements, preliminary results and other formal announcements relating to the Group's financial performance, and reviewing significant financial reporting judgements contained in them;
- ensuring that the information presented in the financial statements of the Group and other announcements is fair, balanced and understandable and provides the information necessary for the Company's shareholders to assess the Group's performance, business model and strategy and advising the Board accordingly;
- monitoring the statutory audit of the annual and consolidated accounts;
- reviewing the adequacy and effectiveness of the Group's internal financial controls and risk management systems;
- reviewing the effectiveness of the Group's internal audit function;
- reviewing the adequacy and security of the Group's arrangements for its employees raising concerns, its procedures for detecting fraud, the Group's systems and controls for the prevention of bribery, and the Group's whistleblowing arrangements;
- making recommendations to the Board in relation to the appointment and removal of the Group's external auditor, their remuneration and terms of engagement;

- evaluating the performance of the external auditor including their independence and objectivity;
- reviewing the annual internal and external audit plans and reviewing the effectiveness and findings of the external audit with the external auditor;
- ensuring compliance with the Group's policy on the provision of non-audit services by the external auditor;
- reporting to the Board on how it has discharged its responsibilities; and
- reviewing the annual financial statements of the pension funds where not reviewed by the Board as a whole.

The Committee undertakes, in conjunction with the Chairman of the Board, an annual assessment of its performance and a review of the Committee's constitution and terms of reference.

The activities undertaken by the Committee in fulfilling its key responsibilities in respect of the year ended 29 February 2016 are set out below.

Financial Statements

In respect of the year ended 29 February 2016 the Audit Committee reviewed:

- the Interim Management Statement issued in July 2015;
- the Financial Report for the six months ended 31 August 2015;
- the trading update for the twelve months to 29 February 2016, issued in March 2016;
- the preliminary results announcement and the Annual Report and financial statements for the year ended 29 February 2016.

In particular the Committee addressed the going concern status of the Company and the matters referred to in the Financial Review contained in the 2016 Annual Report. It reviewed the post-audit report from the external auditor identifying any accounting or judgemental issues requiring its attention.

In carrying out these reviews, the Committee considered:

- the consistency of, and any changes to, accounting policies both on a year on year basis and across the Group;
- whether the Group had applied appropriate accounting policies and practices and made appropriate estimates and judgements, taking into account the views of the external auditor;
- the methods used to account for significant or unusual transactions where different approaches are possible;
- whether the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy;
- the clarity and completeness of disclosures and compliance with relevant financial reporting standards and corporate governance and regulatory requirements; and
- the significant areas in which judgement had been applied in preparation of the financial statements in accordance with the accounting policies.

The significant issues considered by the Committee in relation to the accounts for the year to 29 February 2016 and how these were addressed are outlined below. Each of these areas received particular focus from the external auditor, who provided detailed analysis and assessment of the matter in their report to the Committee.

Goodwill & intangible assets impairment testing

The Committee considered the carrying value of goodwill and intangible assets as at the year-end date to assess whether or not it exceeded the expected recoverable amounts for these assets. In particular the Committee considered the value-in-use financial models, including sensitivity analysis, used to support the valuation and the key assumptions and judgements used by management underlying these models. 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.

Valuation of property, plant & equipment

The Group values its land and buildings and plant machinery at market value/depreciated replacement cost (DRC) and consequently carries out an annual valuation. The Group engages external valuers to value the Group's property, plant and machinery every three years or as at the date of acquisition for assets acquired as part of a business acquisition. The Group completed an external valuation in the current financial year for the Borrisoleigh and Shepton Mallet sites as a consequence of the Group's announced consolidation of its production sites in Borrisoleigh and Shepton Mallet into the Group's manufacturing site in Clonmel. An internal assessment was completed for assets which were outside the scope of the external valuation.

In assessing the reasonableness of the external and internal valuations, the Committee reviewed the key assumptions and judgements underlying the valuations, in particular considering the impact of gross replacement cost price movements, depreciation rates reflecting age of asset and physical and functional obsolescence and forecast utilisation levels across the Group's production sites included in the valuation, and is satisfied that the carrying value is appropriate.

Internal control and risk management systems

The Group's system of internal control and risk management is described below.

The terms of reference of the Audit Committee require it to conduct an annual assessment of internal financial controls and financial risk management systems. The risks facing the Group are reviewed regularly by the Audit Committee with executive management. Specific annual reviews of the risks and fundamental controls of each business unit are undertaken. The results and recommendations are reported to and analysed by the Audit Committee and a programme for action agreed with the business units. In carrying out these responsibilities during the year, the Committee reviewed reports issued by both the internal audit function and the external auditor and held regular discussions with the Head of Internal Audit and representatives of the external auditor. The Committee also reviewed the outcome of an assessment of the Group's internal financial controls which had been coordinated by the internal audit function.

Internal Audit

The Committee is responsible for monitoring and reviewing the operation and effectiveness of the internal audit function including its focus, plans, activities and resources.

The Group's internal audit function reports to the Audit Committee and the Audit Committee has approved its terms of reference. The Group's internal auditor is engaged on a programme of work, which includes, inter alia, maintaining the Group's risk register and examining the fundamental controls of the Group. During the year, the Committee reviewed and approved the internal audit plan for the year.

The Committee received regular reports from the Head of Internal Audit summarising findings of the team's work and the responses from management to deal with the findings. The Committee monitors progress on the implementation of the action plans on significant findings to ensure these are completed satisfactorily.

External Auditor

The Committee manages the relationship with the Group's external auditors on behalf of the Board. The Committee carries out an annual assessment of the external auditor including a review of the external auditor's internal policies and procedures for maintaining independence and objectivity and consideration of their approach to audit quality. The external auditor is professionally required to rotate the audit partner responsible for the Group audit every five years. The current audit partner has been in place since 2012 and therefore partner rotation will take place during FY2017.

External audit process

The Committee also reviewed and approved the external audit plan as presented by the external auditor and assessed the qualifications and expertise of their resources. The Committee also reviewed the external auditor's engagement letter and recommended the level of remuneration of the external auditor to the Board having reviewed the scope and nature of the work to be performed. The Committee assessed the effectiveness of the external audit process by monitoring performance against the agreed audit plan and noting the results of post-audit interviews with management and the Audit Committee Chairman.

Length of service of auditors

KPMG have been the external auditor of the Company since the Company's formation and flotation in 2004. The UK Code recommends that listed companies of the size of the Group should put the external audit contract out to tender at least every ten years. The external audit contract was put out to tender in FY2014. The Committee concluded that KPMG continued to provide an effective audit service and there were no compelling reasons for change that would outweigh the advantages of continuity and consequently recommended the re-appointment of KPMG. The recommendation was accepted by the Board.

Hiring of former employees of auditor

In order to ensure the independence and objectivity of the external auditor, the prior approval of the Audit Committee is required before any individual is appointed to a senior managerial position in the Group, if such individual has within three years prior to such proposed appointment been employed by the external auditor.

Non-Audit Services by auditor

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;
- would be acting in an advocacy role for the Group.

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

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

During the year, KPMG provided non-audit advisory services, being advice on taxation and other related matters. In approving KPMG to provide these services the Committee was of the opinion that KPMG's knowledge of the Group was an important factor. The Committee was also satisfied that the fees paid to KPMG for non-audit work did not compromise their independence or integrity. Details of the amounts paid to KPMG during the year for audit and other services are set out in note 2 to the financial statements.

Whistle-blowing procedures

In line with best practice, the Group supports an independent and confidential whistle-blowing service which allows all employees to raise any concerns about business practice in a confidential manner.

THE NOMINATION COMMITTEE

Composition and Meetings

The Nomination Committee is chaired by the Group Chairman and its constitution requires it to consist of a majority of independent, non-executive Directors. The members during the year were Sir Brian Stewart (Chairman), Breege O'Donoghue and Richard Holroyd.

The Committee meets a minimum of twice a year and met twice in the year ended 29 February 2016. Attendance at meetings held is set out in the table on page 69. In addition, several ad hoc meetings were held to progress initiatives.

Constitution and terms of reference

The Nomination Committee's current terms of reference are available under the Board Committees section of the Group's website at www.candcgroupplc.com. The Nomination Committee's responsibilities include:

- reviewing the structure, size and composition of the Board (including the balance of skills, experience, independence, knowledge and diversity (including gender)) and making recommendations regarding any changes;
- overseeing succession planning for the Board and senior management and the leadership needs of the organisation;
- responsibility for the identification of suitable candidates for appointment to the Board;
- making recommendations to the Board on membership of Board Committees.

Main activities during the year

During the period under review the Nomination Committee considered:

- potential candidates for recruitment as non-executive Directors and recommended the appointment of Vincent Crowley and Rory Macnamara to the Board;
- longer-term succession planning for non-executive Directors, recognising the need for ongoing Board refreshment and renewal and the need for independence and diversity on the Board;
- succession plans for executive Directors and senior management.

Diversity

The Nomination Committee and the Board recognise the importance of ensuring diversity and the key role that a diversified Board plays in ensuring effectiveness. Suitable candidates are selected on the basis of their relevant experience, employment background, skills, knowledge and insight, having due regard for the benefits of diversity to the Board.

The Committee and Board further realise that diversity extends beyond the Board and in this regard seeks to ensure that all recruitment decisions are fair and non-discriminatory.

Independent consultants

The Nomination Committee is empowered to use the services of independent consultants to facilitate the search for suitable candidates for appointment as non-executive Directors.

During the year, the Committee appointed Spencer Stuart, an independent executive search firm, to assist in a search process for non-executive Director candidates with relevant experience and skills. Spencer Stuart has no other connection with the Group.

THE REMUNERATION COMMITTEE

The Remuneration Committee comprises solely of independent, non-executive Directors. The Chairman was Breege O'Donoghue, and the other members were Richard Holroyd and Stewart Gilliland.

The Remuneration Committee meets at least twice a year. During the period under review the Remuneration Committee met five times. Attendance at meetings held is set out in the table on page 69.

The Remuneration Committee's terms of reference, which are available on the C&C website www.candcgroupplc.com, include:

- determining and agreeing with the Board the framework or broad policy for the remuneration packages of the Chairman, Group Chief Executive Officer and other executive Directors, the Company Secretary and any other designated members of the executive management.

- within the terms of the agreed policy and in consultation with the Chairman and/or Group Chief Executive Officer, as appropriate, determining the total individual remuneration package of each of the above persons, including bonuses, incentive payments and share options or other share awards;
- reviewing and having regard to the remuneration trends across the Group;
- approving the design of, and determining targets for, any performance related pay schemes and the total annual payments made under such schemes;
- reviewing the design of all share incentive plans and the performance targets to be used;
- ensuring that contractual terms on termination, and any payments made, are fair, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- overseeing any major changes in employee benefits structures throughout the Group.

ATTENDANCE AT MEETINGS OF THE BOARD AND ITS COMMITTEES

Attendance at Board meetings and Board committee meetings during the year was as set out in the table below.

In the attendance table below the numerator in each fraction represents the number of meetings actually attended by each Director in respect of the Board and each Board committee of which he or she was a member, whilst the denominator represents the number of such meetings that the Director was scheduled to attend.

In addition, the non-executive Directors including the Chairman met to evaluate the performance of the executive Directors, and the non-executive Directors, led by the Senior Independent Director, without the Chairman present, met to evaluate the performance of the Chairman. Several ad hoc meetings were held during the year for administrative matters in accordance with the Board's procedures.

COMMUNICATIONS WITH SHAREHOLDERS

The Group attaches considerable importance to shareholder communications and has an established investor relations programme.

There is regular dialogue with institutional investors with presentations given to investors at the time of the release of the Group's first half and full year financial results and when other significant announcements are made. An Interim Management Statement was issued in July 2015 and a trading statement was issued in March 2016. The Group also held a Capital Markets Day in March 2016. The Board is briefed regularly on the views and concerns of institutional shareholders. The Chairman has recently completed a series of meetings, focused solely on corporate governance, with a number of the Group's largest institutional shareholders.

The Group's website, www.candcgroupplc.com, provides the full text of the Annual Report and financial statements, the Interim Report and other releases. News releases are also made available immediately after release to the Stock Exchange. Presentations given to investors and at conferences are also made available on the Company's website.

General Meetings

The Companies Act, 2014 provides for two types of shareholder meetings: the Annual General Meeting ('AGM') with all other meetings being called extraordinary general meetings ('EGM').

The Company must hold a general meeting in each year as its AGM in addition to any other general meetings held in that year. Not more than 15 months may elapse between the date of one AGM and the next. An AGM was held on 2 July 2015, and this year's AGM will be held on 7 July 2016. The Directors may at any time call an EGM. EGMs may also be convened on the requisition of members holding not less than five per cent of the voting share capital of the Company.

	Scheduled Board Meetings	Short Notice Board Meetings	Audit Committee Meetings	Nomination Committee Meetings	Remuneration Committee Meetings
Sir Brian Stewart	7/7	4/4		2/2	
Joris Brams	7/7	4/4			
Vincent Crowley	1/1				
Emer Finnan	7/7	4/4	5/5		
Stewart Gilliland	6/7	4/4			4/5
Stephen Glancey	7/7	4/4			
John Hogan	7/7	3/4	4/5		
Richard Holroyd	7/7	3/4	5/5	2/2	5/5
Rory Macnamara	1/1				
Kenny Neison	7/7	4/4			
Breege O'Donoghue	7/7	3/4		2/2	5/5
Anthony Smurfit	7/7	2/4	4/5		

No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Three members present in person or by proxy and entitled to vote shall be a quorum.

Only those shareholders registered on the Company's register of members at the prescribed record date, being a date not more than 48 hours before the general meeting to which it relates, are entitled to attend and vote at a general meeting.

Resolutions of the general meeting must be passed by the majority of votes cast (ordinary resolution) unless the Companies Act, 2014 or the Company's Articles of Association provide for 75% majority of votes cast (special resolution). The Company's Articles of Association provide that the Chairman has a casting vote in the event of a tie.

Any shareholder who is entitled to attend, speak and vote at a general meeting is entitled to appoint a proxy to attend, speak and vote on his or her behalf. A proxy need not be a member of the Company.

At meetings, unless a poll is demanded, all resolutions are determined on a show of hands, with every shareholder who is present in person or by proxy having one vote. On a poll every shareholder who is present in person or by proxy shall have one vote for each share of which he/she is the holder. A shareholder need not cast all votes in the same way. At the meeting, after each resolution has been dealt with, details are given of the level of proxy votes lodged for and against that resolution and also the level of votes withheld on that resolution.

The Company's AGM gives shareholders the opportunity to question the Directors. The Company must answer any question a member asks relating to the business being dealt with at the meeting unless answering the question would interfere unduly with the preparation for the general meeting or the confidentiality and business interests of the Company, or the answer has already been given on a website in the form of an answer to a question, or it appears to the Chairman of the meeting that it is undesirable in the interests of good order of the meeting that the question be answered.

The business of the Company is managed by the Directors who may exercise all the powers of the Company unless they are required to be exercised by the Company in general meeting. Matters reserved to shareholders in general meeting include the election of Directors; the payment of dividends; the appointment of the external auditor; amendments to the Articles of Association; measures to increase or reduce the share capital; and the authority to issue shares.

MEMORANDUM AND ARTICLES OF ASSOCIATION

The Company's Memorandum of Association sets out the objects and powers of the Company. The Articles of Association detail the rights attaching to each share class; the method by which the Company's shares can be purchased or reissued; the provisions which apply to the holding of and voting at general meetings; and the rules relating to the Directors, including their appointment, retirement, re-election, duties and powers. Any amendment of the Company's Articles of Association requires the passing of a special resolution.

Further details in relation to the purchase of the Company's own shares are included in the Directors' Report.

CORPORATE RESPONSIBILITY

As part of its overall remit of ensuring that effective risk management policies and systems are in place, the Board examines the significance of environmental, social and governance (ESG) matters to the Group's business and it has ensured that the Group has in place effective systems for managing and mitigating ESG risks. It also examines the impact that such risks may have on the Group's short and long-term value, as well as the opportunities that ESG issues present to enhance value. The Board receives the necessary information to make this assessment in regular reports from the executive management.

Corporate responsibility is embedded throughout the Group. Group policies and activities are summarised on pages 44 to 52 and the Group's corporate responsibility report is available on the Group's website www.candcgroupplc.com.

INTERNAL CONTROL

The Board has overall responsibility for the Group's system of internal control, for reviewing its effectiveness and for confirming that there is a process for identifying, evaluating and managing the significant risks affecting the achievement of the Group's strategic objectives. The process which has been in place for the entire period and up to the date the financial statements were approved accords with the FRC Guidance published in September 2014 and involves the Board considering the following:

- the nature and extent of the key risks facing the Group;
- the likelihood of these risks occurring;
- the impact on the Group should these risks occur;
- the actions being taken to manage these risks to the desired level.

The key elements of the internal control system in operation are as follows:

- clearly defined organisation structures and lines of authority;
- corporate policies for financial reporting, treasury and financial risk management, information technology and security, project appraisal and corporate governance;
- annual budgets for all business units, identifying key risks and opportunities;
- monitoring of performance against budgets on a weekly basis and reporting thereon to the Board on a periodic basis;
- an internal audit function which reviews key business processes and controls; and
- an audit committee which approves plans and deals with significant control issues raised by internal or external audit.

This system of internal control can only provide reasonable, and not absolute, assurance against material misstatement or loss. The terms of reference of the Audit Committee require it to monitor the effectiveness of the Group's internal financial controls and risk management systems and at least annually carry out a review of the effectiveness of these systems. The risks facing the Group are reviewed regularly by the Audit Committee with the executive management team. Specific annual reviews of the risks and fundamental controls of each business unit are undertaken on an ongoing basis, the results and recommendations of which are reported to and analysed by the Audit Committee with a programme for action agreed by the business units.

The preparation and issue of financial reports, including consolidated annual financial statements is managed by the Group Finance function with oversight from the Audit Committee. The key features of the Group's internal control procedures with regard to the preparation of consolidated financial statements are as follows:

- the review of each operating division's period end reporting package by the Group Finance function;
- the challenge and review of the financial results of each operating division with the management of that division by the Group Chief Financial Officer;
- the review of any internal control weaknesses highlighted by the external auditor, by the Group Chief Financial Officer, Head of Internal Audit and the Audit Committee; and the follow up of any critical weaknesses to ensure issues highlighted are addressed.

The Directors confirm that, in addition to the monitoring carried out by the Audit Committee under its terms of reference, they have reviewed the effectiveness of the Group's risk management and internal control systems up to and including the date of approval of the financial statements. This review had regard to all material controls, including financial, operational and compliance controls that could affect the Group's business. The Directors considered the outcome of this review and found the systems satisfactory.

The Directors also confirm that they have carried out a robust assessment of the principal risks facing the company, including those that would threaten its business model, future performance, solvency or liquidity. As description of the Principal Risks and Uncertainties faced by the Group and how these risks are being managed and mitigated is set out on pages 24 and 26.

VIABILITY STATEMENT

For the purposes of assessing the future prospects of the Group, the Directors have selected a three year timeframe and have carried out a forward looking assessment of the Group's viability based on this timeframe. The assessment has been made with reference to the Group's current position and prospects, the Group's strategy, the Board's risk appetite and the Group's Principal Risks and Uncertainties and how these are identified, managed and mitigated.

This assessment is based on a number of cautious assumptions concerning macro growth and stability in our key markets particularly in the context of forecasted volume growth and margins. It will be reviewed regularly by the Board through presentations from senior management on the performance of the respective business units, the assessment of market opportunities and the consideration by the Board of its ability to fund its strategic ambitions.

In making this assessment, the Directors have considered the resilience of the Group, taking account of its current position and the Group's Principal Risks and Uncertainties and the Group's ability to manage those risks. The risks have been identified using a top down and bottom up approach, and their potential impact was assessed having regard to the effectiveness of controls in place to manage each risk.

Based on this assessment the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three year period of their assessment.

GOING CONCERN

The financial position of the Group, its cash flows, liquidity position and borrowing facilities are set out in the Group Chief Financial Officer's Review on pages 38 to 43. A description of the business of the Group is set out in the Group Chief Executive Officer's Review on page 10 to 17 and the Operations Review on pages 28 to 37. The principal risks and uncertainties facing the Group are set out in this report on pages 24 and 26.

An explanation of the basis on which the Group generates and preserves value over the longer term (the business model) and the strategy for delivering its objectives are set out in the Group Chief Executive Officer's review on pages 38 to 43. A statement of the Group's strategy is set out on pages 18 and 19. The Group's long-term strategy is to build a sustainable cider-led multi-beverage business through a combination of organic growth and selective acquisitions. The Group's business model seeks growth through brand/market combination combining brand investment with a focus on local markets.

The Group has significant revenues, a large number of customers and suppliers across different geographies, and considerable financial resources. For these reasons, the Directors have a reasonable expectation that the Company, and the Group as a whole, have adequate resources to continue in operational existence for the foreseeable future, being twelve months from the date of approval of the financial statements. Consequently they continue to adopt the going concern basis in preparing the financial statements.

REPORT OF THE REMUNERATION COMMITTEE ON DIRECTORS' REMUNERATION

Dear Shareholder

On behalf of the Board, I am pleased to present the Report on Directors' remuneration for the financial year ended 29 February 2016. As we included the full Policy Report in the FY2015 report and accounts and no changes are proposed to that policy, we have included those aspects of the Policy Report that we think shareholders will find most useful; the full Policy Report is included on pages 66 to 78 of the FY2015 annual report and accounts, which is available on www.candcgroupplc.com. We will again be submitting the Annual Report on Remuneration to shareholders for an advisory vote at the Company's 2016 AGM. Last year our advisory votes received the support of over 98.6%, for the Annual Report on Remuneration, and 95.2%, for the Directors' Remuneration Policy, of the votes cast. Each of the new ESOS and LTIP and the amendments to the LTIP (Part 1) was approved with over 94% of the votes cast in favour. We hope that shareholders will demonstrate their support again this year.

FY2017 will be the first year in which our Directors' Remuneration Policy is operated in accordance with the new ESOS and LTIP approved at the 2016 AGM, and we have summarised below how this will operate.

FY2016 KEY DECISIONS AND INCENTIVE OUT-TURN

We proposed new long term incentive plans and a new directors' remuneration policy to shareholders at the 2016 AGM, and were delighted with the strong support from shareholders. Going forward, we will operate that policy and those plans (as we have the previous policy and plans) in a responsible way, ensuring that executive Directors are appropriately rewarded for the delivery of value to shareholders without encouraging inappropriate behaviours. The new plans will be operated for the first time in FY2017, and the approach to them is summarised below.

Salaries for the executive Directors were not increased for FY2016, extending to seven years the period in which the Group Chief Executive Officer and Group Chief Financial Officer did not receive a salary increase.

The executive Directors' incentive remuneration opportunities for FY2016 were determined in accordance with the new policy, as follows:

	Opportunity	Performance Measures	Out-turn
Annual Bonus	80% of salary (compared to a maximum under the new policy of 100%)	When setting the bonus targets for FY2016, as set out on page 79, the Committee included two targets, stretching adjusted operating profit (75% of the opportunity) and cash conversion (25% of the opportunity) recognising the importance of cash generation, which provides us with the flexibility to make appropriate investments for growth, to maintain our progressive dividend policy and to return cash to shareholders.	As described on page 40 the Company performed strongly in FY2016 in relation to cash conversion. This resulted in the maximum performance level for the cash conversion element of the bonus being exceeded and the maximum bonus for this element being earned. The threshold level of performance for the adjusted operating profit element of the bonus was not achieved. Further details are included on page 79.
Long-Term Incentives awarded in the year	LTIP (Part 1): 100% of salary	As set out on page 81: • EPS growth (75% of the opportunity) • Relative TSR (25% of the opportunity)	Performance will be assessed over the three year period ending with FY2018.
	ESOS: 150% of salary	As set out on page 81, EPS growth. We introduced a vesting schedule rather than "cliff" vesting for the ESOS awards to smooth the pay-out profile to appropriately reward incremental increases in performance above a base level, with the vesting range set around the previous vesting condition.	

	Opportunity	Performance Measures	Out-turn
Long term incentives vesting in respect of performance in FY2016	Joris Brams was granted LTIP (Part I) and ESOS awards in May 2013. Each of Stephen Glancey and Kenny Neison waived their entitlement to awards in FY2014 in order to facilitate larger awards to a wider population.	The performance measures for the awards granted to Joris Brams in May 2013 were not met and the awards did not vest.	

FY2017 ARRANGEMENTS

We have set out below a summary of our remuneration arrangements for FY2017. Further detail is included in the implementation section on pages 75 to 77. FY2017 will be the first year in which we operate our new incentive arrangements under the plans approved at the 2015 AGM. As set out in the FY2015 directors' remuneration report we have reduced the threshold level of vesting for the long term incentives from 30% to 25% and incorporated performance conditions based on EPS, ROCE and cash conversion (along with a performance underpin). EPS targets for the awards to be granted in FY2017 have been determined by reference to challenging internal budgets and external forecasts.

At a glance summary of our executive Director remuneration arrangements for FY2017

Salary	Benefits and Pensions	Bonus
• The executive Directors' salaries have been increased by 1% for FY2017, reflecting the average increase across the wider workforce. • The average increase across the wider workforce was 1%.	• No changes are proposed to the type of benefits provided. • No changes will be made to the level of pension provision.	• The maximum bonus opportunity will be 80% of salary, compared to a policy maximum of 100%. • Vesting will be based on stretching performance conditions based on adjusted operating profit (75%) and cash conversion (25%). • See page 76.

Long term incentives		Malus and clawback
• Awards will be granted in the form of LTIP (100% of salary) and ESOS (150% of salary) under the new plans approved at the 2015 AGM. • Vesting will be subject to performance measures based on EPS, ROCE and cash conversion, and subject to an additional performance underpin. • A vesting schedule, rather than cliff vesting, will continue to apply to the ESOS awards. • See pages 76 and 77.		• As noted in the FY2015 Directors' remuneration report, malus and clawback will apply to the annual bonus and long term incentive awards for FY2017 and future years. • Clawback can be applied for two years following the end of the performance period in the event of material misstatement of accounts or gross misconduct.

We have also decided that Stephen Glancey and Kenny Neison should be entitled to "dividend equivalents" in respect of their vested JSOP interests, as referred to on page 75.

I hope you will find this directors' remuneration report clear in showing our responsible approach to executive remuneration and the way in which it reflects our overall strategy.

Yours sincerely

Breege O'Donoghue
Chairman of the Remuneration Committee

Introduction

COMMITTEE AND ADVISERS

Composition

The Committee of the Board consists solely of independent non-executive Directors.

During the year ended 29 February 2016 the Chairman of the Committee was Breege O'Donoghue. Other members of the Committee were Richard Holroyd and Stewart Gilliland.

Terms of reference of Committee

The Committee's terms of reference are available on the Company's website www.candcgroupplc.com and are summarised on pages 68 and 69.

Advice and Consultation

The Chairman of the Board and the Group Chief Executive Officer are fully consulted on remuneration proposals but neither is present when his own remuneration is discussed.

The Committee has access to external advice from remuneration consultants on compensation when necessary. During the year ended 29 February 2016 the Committee obtained advice from Deloitte who were appointed by the Committee. Deloitte's fees for this advice amounted to £17,350 charged on a time or fixed fee basis. During the period, separate divisions of Deloitte advised the Group on commercial contract issues.

Deloitte is a member of the UK Remuneration Consultants Group and, as such, voluntarily operates under its code of conduct. To safeguard objectivity, protocols are established to cover the basis for contact with executive management and to avoid potential conflict arising from other client relationships. The Committee is satisfied that the remuneration advice provided by Deloitte is objective and independent.

The Committee has also obtained advice from:

- David Johnston, Company Secretary
- Sarah Riley, Group Director of Human Resources.

SHAREHOLDERS' VIEWS

The Committee is committed to open and transparent dialogue with shareholders and consults with shareholders and governance bodies on proposals relating to remuneration structures.

Implementation of the Remuneration Policy for the Year Ending 28 February 2017

The full Policy Report is included on pages 66 to 78 of the FY2015 annual report and accounts, which is available on www.candcgroupplc.com, and we have included on pages 84 to 90 those aspects of the Policy Report that we think shareholders will find most useful. Information on how the Company intends to implement the policy for the financial year ending 28 February 2017 is set out below.

EXECUTIVE DIRECTORS

Structure

The fundamental structure of the remuneration of Stephen Glancey, Kenny Neison and Joris Brams remains unchanged from the previous year. Specifically there are no changes to the maximum rate of the annual bonus, the ESOS and LTIP opportunity or the rate of the cash allowance in lieu of pension or benefits in kind, except that LTIP and ESOS awards will be granted under the new plans approved by shareholders at the 2015 AGM.

Base salaries

The Company's approach on base salary continues to be to provide a fixed remuneration component which reflects the experience and capabilities of the individual in the role, the demonstrated performance of the individual in the role, and which is competitive in the markets in which the Company operates.

Under their service contracts the base salaries of Stephen Glancey and Kenny Neison are expressed and payable in pounds Sterling. The base salary of Joris Brams is expressed and payable in Euro.

The salary levels of executive Directors are normally reviewed together with those of senior management annually. The salary levels were reviewed in respect of FY2017 and an increase of 1% has been awarded, reflecting the average increase across the wider workforce.

The base salaries are as follows:

Year ended February	2016	2017
Stephen Glancey	£585,000 (€803,000*)	£590,850 (€811,495*)
Kenny Neison	£420,000 (€576,000*)	£424,200 (€582,612*)
Joris Brams	€366,160	€369,822

* At the average exchange rate in the year.

Benefits

The executive Directors receive a cash allowance of 7.5% of base salary in lieu of benefits such as a company car. The Group provides death-in-service cover of four times annual base salary and permanent health insurance (or reimbursement of premiums paid into a personal policy). Directors may also benefit from medical insurance under a Group policy (or the Group will reimburse premiums).

Details of the deferred payments due by Stephen Glancey and Kenny Neison under the Joint Share Ownership Plan ("JSOP"), as described on page 79, and which give rise to a taxable benefit-in-kind, are unchanged.

In accordance with the JSOP arrangements and as approved by shareholders in 2012, the executive Directors participating in the JSOP (the "Participating Directors") were entitled to dividends on their JSOP interests up to December 2015. In the year, the Remuneration Committee extended the "Long Stop Date" for the JSOP interests to December 2016. To allow for the orderly wind up of the Scheme and the continued alignment of the interests of Participating Directors with the interests of shareholders, the Remuneration Committee has determined that if the JSOP interests have not been realised before the payment of the FY2016 final dividend or the FY2017 interim dividend (payable in December 2016), the Participating Directors, should they remain in employment with the Group, will be entitled to a "dividend equivalent" calculated by reference to the dividend payable on a number of the Company's shares with a value equal to the value of the Directors' JSOP interests. Dividend equivalents will only be payable to the Participating Directors if their JSOP interests have not been realised and will not apply beyond December 2016. This will not result in an increase in the overall cost to the Company because the dividend equivalents will be in lieu of real dividends which would have been received if the JSOP interests had been realised.

Annual bonus

The Committee has reviewed the performance measures and targets for the annual bonus to ensure that they remain appropriately stretching in the current environment and continue to be aligned with the business strategy.

For FY2017, the Committee has approved a bonus scheme for executive Directors by reference to Group adjusted operating profit (75% of the overall opportunity) and cash conversion (25% of the overall opportunity), under which executive Directors will be entitled to a bonus of 30% of salary for on target performance, and a further bonus on a tapering basis in respect of performance above this level up to a maximum of 80% of base salary.

The Company is not disclosing the actual Group bonus profit and cash conversion targets prospectively as, in the opinion of the Board, these targets are commercially sensitive. The Board believes that disclosure of this commercially sensitive information could adversely impact the Company's competitive position by providing competitors with insight into the Company's business plans and expectations. However, the Company will disclose how the bonus pay out delivered relates to performance against targets on a retrospective basis when the details of the performance targets are no longer considered commercially sensitive, as shown on page 79 in relation to the FY2016 annual bonus.

Long Term Incentives

Long term incentive awards for FY2017, will be granted under the new ESOS and LTIP approved by shareholders at the 2015 AGM, on the following basis.

Element	Quantum	Performance Measure*	Performance Targets	
ESOS	150% of base salary	Compound Annual Growth in Underlying EPS over the three year performance period FY2017, FY2018 and FY2019	Compound Annual Growth in Underlying EPS	Vesting
			3% per annum	50%
			6% per annum	100%
LTIP	100% of base salary	Compound Annual Growth in Underlying EPS over the three year performance period FY2017, FY2018 and FY2019 (33% of the award)	Compound Annual Growth in Underlying EPS	Vesting
			3% per annum	25%
			8% per annum	100%
		Free Cash Flow Conversion (33% of the award)	Free Cash Flow Conversion	Vesting
			65%	25%
			75%	100%
		Return On Capital Employed (33% of the award)	ROCE	Vesting
			9.3%	25%
			10%	100%

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

For the purposes of these performance conditions, the measures will be determined as follows.

Underlying EPS	Adjusted earnings per share as disclosed in the Company's annual report and accounts.
Free Cash Flow Conversion	Free Cash Flow: cash from operating activities net of capital investment cash outflows which form part of investing activities. Free Cash Flow Conversion: Free Cash Flow / EBITDA excluding exceptional items. Measured as an average over the three years
Return On Capital Employed	Operating Profit / Asset Base Asset Base: Net assets (total assets less total liabilities) excluding debt (based on an average of the start of the financial year and end of the financial year figures). Based on achievement in the final year of the performance period.

Pensions

No executive Director accrues any benefits under a defined benefit pension scheme. Under their service contracts executive Directors other than Joris Brams will receive a cash payment of 25% of base salary, in order to provide their own pension benefits.

NON-EXECUTIVE DIRECTORS

The fees paid to non-executive Directors are set at a level to attract individuals with the necessary experience and ability to make a significant contribution to the Group. The annual fees, which are unchanged from FY2016, are as follows:

Year ended 28 February	2017
Chairman	€230,000
Non-executive Director	€65,000
Senior Independent Director	€10,000
Chairman of the Audit Committee	€25,000
Chairman of the Remuneration Committee	€20,000

Annual Report on Remuneration for the Year Ended 29 February 2016

The following parts of the Remuneration Report are subject to audit and have been audited.

DIRECTORS' REMUNERATION

Details of the remuneration for each Director who served during the year ended 29 February 2016 are given below. The comparative figures included for last year have been presented on a consistent basis with the current year.

The valuation methodologies used in this report are those required by the 2013 UK Regulations on remuneration disclosure, which we have chosen to apply on a voluntary basis, and are different from those applied within the financial statements, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Further details on the valuation methodologies applied are set out in the notes relating to columns (a) to (e) below. Details of the overall Directors' remuneration charged to the Group income statement are shown in note 26 (Related Party Transactions) to the financial statements.

SINGLE TOTAL FIGURE OF REMUNERATION

The table below reports the total remuneration receivable in respect of qualifying services by each Director during the year ended 29 February 2016 and the prior year.

	Salary/fees (a)		Taxable benefits (b)		Annual Bonus (c)		Long term incentives (d)		Pension related benefits (e)		Total	Total
Year ended February	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Executive Directors												
Joris Brams	366	366	27	27	73	0	0	0	0	8	466	401
Stephen Glancey*	803	736	65	60	161	0	0	0	201	184	1,230	980
	*£585**	*£585**	*£47**	*£47**	*£117**	0	0	0	*£146**	*£146**	*£895**	*£778**
Kenny Neison*	576	528	47	43	115	0	0	0	144	132	882	703
	*£420**	*£420**	*£34**	*£34**	*£84**	0	0	0	*£105**	*£105**	*£643**	*£559**
Sub-total	**1,745**	**1,630**	**139**	**130**	**349**	**0**	**0**	**0**	**345**	**324**	**2,578**	**2,084**

*The remuneration for Stephen Glancey and Kenny Neison was translated from Sterling using the average exchange rate in the year. Their base salary, taxable benefits and pension related benefits are unchanged from FY2015.

	Salary/fees 2016	Salary/fees 2015	Taxable benefits 2016	Taxable benefits 2015	Annual Bonus 2016	Annual Bonus 2015	Long term incentives 2016	Long term incentives 2015	Pension related benefits 2016	Pension related benefits 2015	Total 2016	Total 2015
Non-executive Directors												
Vincent Crowley*	11	0	0	0	0	0	0	0	0	0	11	0
Emer Finnan**	82	54	0	0	0	0	0	0	0	0	82	54
Stewart Gilliland	65	65	0	0	0	0	0	0	0	0	65	65
John Hogan***	73	90	0	0	0	0	0	0	0	0	73	90
Richard Holroyd	75	75	0	0	0	0	0	0	0	0	75	75
Rory Macnamara*	11	0	0	0	0	0	0	0	0	0	11	0
Breege O'Donoghue	85	85	0	0	0	0	0	0	0	0	85	85
Anthony Smurfit	65	65	0	0	0	0	0	0	0	0	65	65
Sir Brian Stewart	230	230	0	0	0	0	0	0	0	0	230	230
Sub-total	**697**	**664**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**697**	**664**
Total	**2,442**	**2,294**	**139**	**130**	**349**	**0**	**0**	**0**	**345**	**324**	**3,275**	**2,748**

*Vincent Crowley and Rory Macnamara were appointed to the board in January 2016 and their fees for the year ending 29 February 2016 reflect their fees from the date of appointment until the end of the year.
** The fees paid to Emer Finnan for the year ending 29 February 2016 reflect her appointment as Chairman of the Audit Committee from July 2015.
*** The fees paid to John Hogan for the year ending 29 February 2016 reflect his acting as Chairman of the Audit Committee from March to July 2015.

NOTES TO THE REMUNERATION TABLE

Column (a) Salaries and fees

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

(2) In addition to the amounts shown above, pursuant to a contract for services effective as of 1 April 2014 between C&C IP Sàrl ('CCIP') and Joris Brams BVBA ('JBB'), (a company wholly owned by Joris Brams and family), CCIP paid fees in the FY2016 financial year of €91,550 to JBB in respect of brand development services provided by JBB to CCIP in relation to Belgian products.

Column (b) Benefits

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

(2) When an award is granted to an executive under the JSOP, its value is assessed for tax purposes with the resulting value being deemed to fall due for payment on the date of grant. Under the terms of the Plan, the executive paid the Entry Price at the date of grant and, if the tax value of the award (i.e. the initial unrestricted market value) exceeds the Entry Price, the executive must pay a further amount, equating to the amount of such excess, before a sale of the awarded interests. The deferral of the payment of the further amount is considered to be an interest-free loan by the Company to the executive and a taxable benefit-in-kind arises, charged at UK HM Revenue and Customs stipulated rates (4.0% for the period up to and including 5 April 2014, 3.25% for the period from 6 April 2014 to 5 April 2015 and 3.0% for the period from 6 April 2015). The resulting loans by the Company to the executive Directors are required to be disclosed under the Companies Act 2014. The balances of the loans outstanding to the executive Directors as at 29 February 2016 and 28 February 2015 are as follows:

	29 February 2016 €'000	28 February 2015 €'000
Stephen Glancey	111	111
Kenny Neison	83	83
Total	**194**	**194**

When the further amount is paid, the Company compensates the executive for the obligation to pay this further amount by paying him an equivalent amount, which is, however, subject to income tax and social security in the hands of the executive.

Further details of the JSOP are given in note 4 (Share-Based Payments) to the financial statements. No further awards can be made. All extant awards are fully vested.

Column (c) Annual Bonus

(1) The amounts shown are the total bonus earned under the annual bonus scheme in respect of the financial year.

(2) For the year ended 29 February 2016, the annual bonus for executive Directors was based on performance against a Group adjusted operating profit target (75%) and a cash conversion target (25%). The maximum bonus opportunity was 80% of salary. Target bonus was 30% of salary (37.5% of the maximum opportunity). Further details of how the bonuses earned relate to performance are provided in the table below. As the adjusted operating profits targets are considered to be commercially sensitive, and recognising that no bonus was earned in respect of that element, the Company has not disclosed details of these targets. However, in future if a bonus is earned by reference to the adjusted operating profit measure, the Company will disclose details of the targets on a retrospective basis.

	Performance Targets			
Measure	'Target'	'Maximum'	Actual Performance	Bonuses earned (percentage of salary)
Adjusted Operating Profit	Budget	110% of Budget	Below Target	The Operating Profit element of the bonus is not payable as the target has not been achieved
Cash Conversion	65%	75%	103%	The maximum performance level for the Cash Conversion element of the bonus has been exceeded and a bonus of 20% of salary is therefore payable.

Column (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) For the year ended 29 February 2016, no amounts will vest in respect of the LTIP (Part I) and ESOS awards granted in May 2013 to Joris Brams. The performance conditions for these awards are detailed in note 4 (Share-Based Payments) and the Remuneration Committee has determined that threshold performance has not been met under any of the measures and accordingly the awards have lapsed. Neither Stephen Glancey nor Kenny Neison was granted long term incentive awards which were capable of vesting by reference to performance in the year ended 29 February 2016.

Column (e) Pensions related benefits

No executive Director accrued any benefits under a defined benefit pension scheme. Under their service contracts executive Directors other than Joris Brams received a cash payment of 25% of base salary, in order to provide their own pension benefits.

FORMER DIRECTORS

No payments were made to past Directors during the year ended 29 February 2016 in respect of services provided to the Company as a Director.

There were no payments made to Directors for loss of office during the year ended 29 February 2016.

DIRECTORS' SHAREHOLDINGS AND SHARE INTERESTS

Shareholding guidelines

The Company has introduced a shareholding guideline for the current executive Directors. The Group Chief Executive Officer will be expected to maintain a personal shareholding of at least two times salary. For the other executive Directors this will be set at one times salary. Executive Directors would be expected to retain 50% of the after tax value of vested share awards until at least the shareholding guideline has been met.

Stephen Glancey's and Kenny Neison's shareholdings in the Company as set out below, currently representing as at the date of this report approximately 26 times and 18 times their respective base salary. Joris Brams' shareholding in the Company as set out below represents as at the date of this report approximately 103% of salary.

Directors' Interests in Share Capital of the Company

The interests of the Directors and the Company Secretary in office at 29 February 2016 in the share capital of Group companies at the beginning of the year (or date of appointment if later) and the end of the year were:

	29 February 2016 Total	1 March 2015 (or date of appointment if later) Total
Directors		
Joris Brams	91,477	77,777
Vincent Crowley	0	n/a
Emer Finnan	0	0
Stephen Glancey	5,120,000	5,120,000
Stewart Gilliland	12,000	12,000
John Hogan	10,704	10,704
Richard Holroyd	48,646	47,421
Rory Macnamara	0	n/a
Kenny Neison	2,561,530	2,561,530
Breege O'Donoghue	64,957	63,169
Anthony Smurfit	300,000	300,000
Sir Brian Stewart	200,000	200,000
Total	**8,409,314**	**8,392,601**
Company Secretary		
David Johnston	0	0

There was no movement in the Directors' or the Company Secretary's interests in C&C Group plc ordinary shares between 29 February 2016 and 11 May 2016.

SHARE INCENTIVE SCHEME INTERESTS AWARDED DURING YEAR

The table below sets out the scheme interests awarded to executive Directors' and the Company Secretary during the year ended 29 February 2016, each of which is subject performance conditions as set out below measured over a performance period from 1 March 2015 to 28 February 2018.

Executive Director	Type of award	Maximum opportunity	Number of shares	Face value (at date of grant)[3]	% of maximum opportunity vesting at threshold
Stephen Glancey	ESOS[1]	150% of base salary	355,543	€1,221,290	N/A[1]
Stephen Glancey	LTIP[2]	100% of base salary	237,028	€814,191	30%
Kenny Neison	ESOS[1]	150% of base salary	255,261	€876,821	N/A[1]
Kenny Neison	LTIP[2]	100% of base salary	170,174	€584,548	30%
Joris Brams	ESOS[1]	150% of base salary	157,691	€541,668	N/A[1]
Joris Brams	LTIP[2]	100% of base salary	105,127	€361,111	30%
David Johnston	LTIP[2]	100% of base salary	45,937	€157,793	30%

(1) The ESOS awards were granted in the form of market value share options over €0.01 ordinary shares in C&C Group plc. The ESOS awards have an exercise price of €3.483 per share being the closing price on the dealing day before the date of grant and are subject to the following performance condition.

Performance condition	Performance target	% of element vesting
Adjusted EPS growth over the performance period	3%	50%
	6%	100%

(2) The LTIP (Part I) awards were granted in the form of nil cost options over €0.01 ordinary shares in C&C Group plc. The LTIP (Part I) awards are subject to the following two performance conditions:

Performance condition	Weighting	Performance target	% of element vesting
Average annual EPS growth	75%	4%	30%
		10%	100%
TSR against the ISEQ	25%	Median	30%
		Upper quartile	100%

For any of the TSR element to vest average annual EPS growth must be at least 5%.

(3) The face value of awards is based on the number of shares under award multiplied by the closing share price on the date of grant being €3.435.

DIRECTORS' INTERESTS IN OPTIONS

Interests in options over ordinary shares of €0.01 each in C&C Group plc

	Date of grant	Exercise price	Scheme	Exercise period	Total at 1 March 2015	Awarded in year	Exercised in year	Lapsed in year	Total at 29 February 2016
Directors									
Joris Brams									
	16/5/13	€ 0.00	LTIP (Part I)	16/5/16 - 15/5/19	154,172			(154,172)	0
	16/5/13	€4.75	ESOS	16/5/16 - 15/5/20	115,629			(115,629)	0
	27/6/14	€ 0.00	LTIP (Part I)	27/6/17 - 26/6/20	158,476				158,476
	27/6/14	€4.621	ESOS	27/6/17 - 26/6/21	118,857				118,857
	2/7/15	€0.00	LTIP (Part I)	2/7/18 - 1/7/21	Nil	105,127			105,127
	2/7/15	€3.483	ESOS	2/7/18 - 1/7/22	Nil	157,691			157,691
				Total	**547,134**	**262,818**		**269,801**	**540,151**
Stephen Glancey									
	26/5/10	€ 3.205	ESOS	26/5/13 - 25/5/17	234,100				234,100
	29/2/12	€ 0.00	LTIP (Part I)	1/3/15 - 28/2/18	28,773				28,773
	27/6/14	€ 0.00	LTIP (Part I)	27/6/17 - 26/6/20	158,443				158,443
	27/6/14	€4.621	ESOS	27/6/17 - 26/6/21	237,664				237,664
	2/7/15	€0.00	LTIP (Part I)	2/7/18 - 1/7/21	Nil	237,028			237,028
	2/7/15	€3.483	ESOS	2/7/18 - 1/7/22	Nil	355,543			355,543
				Total	**658,980**	**592,571**			**1,251,551**
Kenny Neison									
	26/5/10	€ 3.205	ESOS	26/5/13 - 25/5/17	140,500				140,500
	29/2/12	€ 0.00	LTIP (Part I)	1/3/15 - 28/2/18	20,658				20,658
	27/6/14	€ 0.00	LTIP (Part I)	27/6/17 - 26/6/20	113,753				113,753
	27/6/14	€4.621	ESOS	27/6/17 - 26/6/21	170,630				170,630
	2/7/15	€0.00	LTIP (Part I)	2/7/18 - 1/7/21	Nil	170,174			170,174
	2/7/15	€3.483	ESOS	2/7/18 - 1/7/22	Nil	255,261			255,261
				Total	**445,541**	**425,435**			**870,976**
David Johnston									
	2/7/15	€0.00	LTIP (Part I)	2/7/18 - 1/7/21	Nil	45,937			45,937
				Total	**Nil**	**45,937**			**45,937**

Key: ESOS - Executive Share Option Scheme; LTIP (Part I) - Long Term Incentive Plan (Part I).

No price was paid for any award of options. The price of the Company's ordinary shares as quoted on the Irish Stock Exchange at the close of business on 29 February 2016 was €3.446 (28 February 2015 €3.861). The price of the Company's ordinary shares ranged between €3.31 and €4.07 during the year.

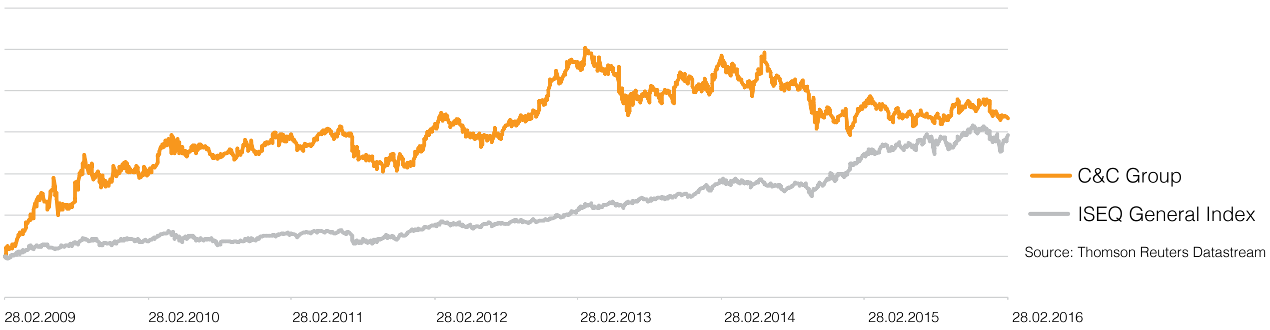
There was no movement in the interests of the Directors in options over C&C Group plc ordinary shares between 29 February 2016 and 11 May 2016.

The following sections of the Remuneration Report are not subject to audit.

PERFORMANCE GRAPH AND TABLE

This graph shows the value, at 29 February 2016, of €100 invested in the Company on 28 February 2009 compared to the value of €100 invested in the ISEQ General Index. The relevant index has been selected as a comparator because the Company is a member of that index.

Total shareholder return



CHIEF EXECUTIVE OFFICER

Seven Year Record

The following table sets out information on the remuneration of the Chief Executive Officer for the seven years to 29 February 2016:

		Total Remuneration €'000	Annual Bonus (as % of maximum opportunity)	Long term incentives vesting (as % of maximum number of shares)
FY2010	John Dunsmore (note)	5,525	Nil	100%
FY2011	John Dunsmore	989	Nil	100%
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

Note: FY2010 includes vesting of awards over a number of years

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

Change in CEO's remuneration

The table below sets out in relation to salary, taxable benefits and annual bonus the percentage change in remuneration for the Chief Executive Officer for the financial year ended 29 February 2016 compared with the previous financial year.

	Change in Total Remuneration	Change in Base Salary	Change in Taxable Benefits	Change in Annual Bonus
Chief Executive Officer	15%	Nil%	Nil%	€161,000

Employees' Pay Comparison

Information on employee remuneration is given in note 3 to the financial statements. The ratio of the average remuneration of executive Directors to the average remuneration of the employees of the Group (excluding Directors) was 19:1 (FY2015: 17.1).

External appointments

The Board released Joris Brams to serve on the Board of Democo as a non-executive Director. He received and retained an annual fee of €5,000 in FY2016 in respect of this role.

Service contacts and letters of appointment

Service Contracts

Each of the executive Directors is employed on a service contract. Details of the service contracts of the executive Directors in office during the year are as follows:

	Contract date	Notice period	Unexpired term of contract
Stephen Glancey	9 November 2008, amended 28 February 2012	12 months	n/a
Kenny Neison	9 November 2008, amended 28 February 2012	12 months	n/a
Joris Brams	1 September 2012, amended as of 1 April 2014	12 months	n/a

C&C IP Sàrl ('CCIP') entered into a contract for services effective as of 1 April 2014 with Joris Brams BVBA ('JBB'), (a company wholly owned by Joris Brams and family), under which JBB agreed to provide to CCIP brand development services in relation to Belgian products and CCIP agreed to pay monthly fees totalling €91,550 on an annual basis.

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 for each non-executive Director who will be proposed for re-appointment at the 2016 AGM are dated as follows:

Non-executive Director	Date of letter of appointment
Sir Brian Stewart	10 February 2010
Emer Finnan	4 April 2014
Stewart Gilliland	17 April 2012
Richard Holroyd	26 April 2004
Breege O'Donoghue	26 April 2004
Rory Macnamara	23 November 2015
Vincent Crowley	23 November 2015

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 Policy

This part of the report sets out extracts from the Group's policy on Directors' remuneration, as included in the FY2015 Annual Report and Accounts and approved by shareholders on an advisory basis at the 2015 AGM (from when it took effect). We have included in this part of the report those aspects of the policy that we think shareholders will find most useful; the full Policy Report is included on pages 66 to 78 of the FY2015 annual report and accounts, which is available on www.candcgroupplc.com. We have also amended the text of the policy as included in the FY2015 Annual Report and Accounts to update date specific references and remove references to legacy arrangements such as the old ESOS and LTIP (Part 1) under which new awards will not be granted in FY2017.

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. Executive Directors are incentivised on a range of equity share structures, notably the significant share ownership held by Stephen Glancey and Kenny Neison through the JSOP. 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.

FUTURE POLICY TABLE

Executive Directors' remuneration

Element	**Salary**
Purpose and link to strategy	Purpose is to attract, recruit and retain Directors of the necessary calibre.
Operation	Salary levels are determined by the Committee taking into account factors including: • scope and responsibilities of the role; • experience and individual performance; • overall business performance; • prevailing market conditions; • pay in comparable companies, principally in the global beverage sector; and • overall risk of non-retention.
Opportunity	Executive Directors are entitled to an annual review of their salary, but there is no entitlement to receive any increase. The Committee may award salary increases to take account of individual circumstances such as: • increases or changes in scope and responsibility; • to reflect the executive Director's development and performance in the role; or • alignment to market level. In awarding increases, the Committee will have regard to the outcome of pay reviews for employees as a whole.
Performance metrics	Not applicable.

Element	**Benefits/cash allowance in lieu**
Purpose and link to strategy	Purpose is to attract, recruit, and retain Directors of the necessary calibre.
Operation	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.
Opportunity	The Committee has not set an absolute maximum on the levels of benefits that may be awarded since this will depend upon the circumstances applicable to the relevant Director as well as the cost of any third party suppliers. The value of the cash allowance/benefit is set at a level which the Committee considers appropriate against the market and provides sufficient level of benefit based on individual circumstances.
Performance metrics	Not applicable.

Element	Pension/cash allowance in lieu
Purpose and link to strategy	Purpose is to attract, recruit and retain Directors of the necessary calibre.
Operation	The Group seeks to bring transparency to Directors' reward structures through the use of cash allowances in place of pension scheme participation, the allowance being either paid direct or into a personal pension plan. No executive Director accrues any benefits under a defined benefit pension scheme. All cash allowances are reviewed alongside salary.
Opportunity	Maximum cash allowance is 30% of salary. The value awarded is set at a level which the Committee considers appropriate against the market and provides sufficient level of benefit based on individual circumstances.
Performance metrics	Not applicable.

Element	Annual bonus
Purpose and link to strategy	Rewards performance against annual financial, operational and strategic business targets which support the strategic direction of the Company and align the interests of executives with shareholders.
Operation	A discretionary scheme under which executive Directors are entitled to receive a variable reward contingent upon the achievement of performance targets. The structure and value of the bonus scheme and the applicable performance measures are subject to annual approval by the Committee. Any pay-out is determined by the Committee after the year-end, based on performance against the relevant targets. The Committee has discretion to vary the bonus pay-out should any formulaic output not reflect the Committee's assessment of overall business performance. The Committee has discretion to apply deferral to part of any bonus earned in the year and for such amount to be deferred into shares for a period of up to two years. Malus and clawback provisions will apply to the annual bonus. See the 'Malus and clawback' section below for more details. The Committee reserves the right to vary, amend, replace or discontinue the bonus scheme at any time depending on business needs and/or financial viability or as appropriate by reference to any changes in corporate structure during the financial year.
Opportunity	Maximum opportunity is 100% of base salary. However, for FY2017 executive Directors are entitled to a maximum bonus opportunity of 80% of base salary.
Performance metrics	Measures and targets are set annually reflecting the Company's strategy and aligned with key financial, operational, strategic and/or individual objectives. Targets, whilst stretching, do not encourage inappropriate business risks to be taken. The relevant measures and the respective weightings may vary each year based upon the Company's priorities. If applicable, as the bonus is subject to performance measures, any deferred bonus is not subject to further performance conditions.

Element	Share-based rewards – new long term incentive plans
Purpose and link to strategy	To incentivise executive Directors to execute the Group's business strategy over the longer term and align their interests with those of shareholders to achieve a sustained increase in shareholder value.
Operation	A new Long Term Incentive Plan ("LTIP") and a new Executive Share Option Scheme ("ESOS") were adopted following shareholder approval at the 2015 AGM. Subject to the plan limits set out below the Committee has the discretion to determine the appropriate mix of LTIP and ESOS awards each year in the context of the Company's business cycle and its future growth plans save where the executive has a contractual entitlement. Malus and clawback provisions will apply to both the LTIP and the ESOS. See the "Malus and clawback" section below for more details. Awards are usually made annually by the Committee following the release of full year financial results but can be made after release of the interim results and exceptionally at other times.
Opportunity	If awards are made under both the LTIP and the ESOS in respect of the same financial year the overall maximum, other than in exceptional circumstances, will be capped at 250% of salary. In exceptional circumstances the maximum combined LTIP and ESOS award in respect of any financial year is 500% of salary.
Performance metrics	The vesting of awards is subject to the satisfaction of performance conditions set by the Committee. Performance conditions are selected that are aligned to the Company's strategy and with shareholders' interests. The performance measures chosen are reviewed regularly to ensure they remain relevant. The relevant measures, targets and weightings may vary each year based upon the Company's priorities. Options lapse if the performance target threshold is not met in the relevant testing period and there is no retesting.

Element	(a) ESOS
Purpose and link to strategy	To incentivise executive Directors to execute the Group's business strategy over the longer term and align their interests with those of shareholders to achieve a sustained increase in shareholder value.
Operation	The Committee may grant options to acquire shares in the Company at a market related exercise price. The Committee has discretion to grant ESOS awards to reward sustained value creation by averaging the value of the shares at grant and the point of exercise across an extended period of up to six months. The vesting of options is subject to meeting a specific performance target set by the Committee and measured over a period of three years. Options will not normally be exercisable until after the assessment of the performance condition following the end of the performance period. Options vest early on a change of control (or other relevant event), taking into account the performance conditions. Options may be adjusted in the event of a variation of share capital in accordance with the scheme rules. The Committee has the discretion to grant ESOS options as tax-advantaged options, as permitted by the UK Revenue authorities, and allows grants of options over shares with a market value of up to the value prescribed by the applicable tax legislation (currently £30,000) to be made on a tax efficient basis to employees who are UK taxpayers. Tax-advantaged options will be subject to the same performance conditions as non-tax-advantaged options.
Opportunity	The maximum ESOS award is 150% of base salary in respect of any financial year if granted in combination with a LTIP award equal to 100% of salary. Other than in exceptional circumstances the limit on ESOS awards would be 300% of salary if no LTIP awards are granted in respect of the same financial year. This is subject to the overall exceptional circumstances limit set out above.
Performance metrics	See page 81 and note 4 to the financial statements for details of the performance conditions for FY2016.

Element	(b) LTIP
Purpose and link to strategy	To incentivise executive Directors to execute the Group's business strategy over the longer term and align their interests with those of shareholders to achieve a sustained increase in shareholder value.
Operation	Under the LTIP, awards of conditional shares, restricted stock or nil cost or nominal cost options (or similar cash equivalent) can be made. The vesting of awards is subject to meeting specific performance targets set by the Committee and measured over a period of three years. Awards will not normally vest until after the assessment of the performance condition following the end of the performance period. The Committee may decide that a participant has a right to 'dividend equivalents' whereby the participant receives additional value equivalent to that which accrues to shareholders by way of dividends that would have been paid on the underlying shares during the vesting period. This value can be paid as cash or shares. Awards vest early on a change of control (or other relevant event) taking into account the performance conditions and pro-rating for time, although the Committee has discretion not to apply time pro-rating. Awards may be adjusted in the event of a variation of share capital in accordance with the scheme rules.
Opportunity	The maximum LTIP award is 100% of base salary in respect of any financial year if granted in combination with an ESOS award equal to 150% of salary. The maximum LTIP award is 150% of base salary in respect of any financial year if no ESOS award is granted in respect of the same financial year. This is subject to the overall exceptional circumstances limit set out above.
Performance metrics	See page 81 and note 4 to the financial statements for details of the performance conditions for FY2016. Performance conditions will be attached to the LTIP awards by taking into account the business priorities prevailing at the time of grant and the Company's strategy. Such conditions may include, but are not limited to, EPS growth and cash conversion and return on capital.

Element	Share-based rewards – all-employee plans
Purpose and link to strategy	To align the interests of eligible employees with those of shareholders through share ownership.
Operation	(See schemes described below)
Opportunity	For tax-advantaged plans the maximum opportunity set by the rules or adopted by the Committee will be in line with or below the statutory limits.
Performance metrics	No performance conditions would usually be required in tax-advantaged plans.

Element	(a) Irish APSS/ UK SIP
Purpose and link to strategy	To align the interests of eligible employees with those of shareholders through share ownership.
Operation	The C&C Profit Sharing Scheme is an all-employee share scheme and has two parts. Part A relates to employees in ROI 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.
Opportunity	Under the Company's UK SIP the current maximum subscription is £750 per annum with entitlement to matching shares of £750 per annum. However, the Committee reserves the right to increase the maximum to the statutory limits.
Performance metrics	No performance conditions are attached to awards under the Irish APSS or the UK SIP.

Non-executive Directors' remuneration

Element	Non-executive Director fees
Purpose and link to strategy	Sole element of non-executive Director remuneration is set at a level that reflects market conditions and is sufficient to attract individuals with appropriate knowledge and experience.
Operation	Fees paid to non-executive Directors are determined and approved by the Board as a whole. The Committee recommends the remuneration of the Chairman to the Board. Fees are reviewed from time to time and adjusted to reflect market positioning and any change in responsibilities. Non-executive Directors receive a basic fee and an additional fee for further duties (for example chairmanship of a committee or senior independent Director responsibilities). Non-executive Directors are not eligible to participate in the annual bonus plan or share-based schemes and 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.
Opportunity	Fees are based on the level of fees paid to non-executive Directors serving on Boards of similar-sized Irish and UK-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.
Performance metrics	Not applicable.

Malus and clawback

In line with the UK Corporate Governance Code malus and clawback provisions will apply to all elements of performance-based variable remuneration (i.e. annual bonus, the new ESOS and LTIP approved by shareholders at the 2015 AGM) for the executive Directors with effect from 1 March 2016. The circumstances in which malus and clawback will be applied are if there has been in the opinion of the Committee a material mis-statement of the Group's published accounts; or the Committee reasonably determines that a participant has been guilty of gross misconduct. The clawback provisions will apply for a period of two years following the end of the performance period.

DISCRETION TO DEPART FROM POLICY

Share schemes and other incentives

The Committee recognises the importance of ensuring that the outcomes of the Group's executive pay arrangements properly reflect the Group's overall performance over the performance period. It is the Committee's intention that the mechanistic application of performance conditions relating to awards will routinely be reviewed to avoid outcomes which could be seen as contrary to shareholders' expectations.

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.

Legacy payments

The Committee reserves the right to make any remuneration payment or any payment for loss of office 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; 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.

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

Breege O'Donoghue
Chairman of the Remuneration Committee
11 May 2016

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 the requirements of the Companies Act 2014 and Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') , issued by the Financial Reporting Council in the UK and promulgated by the Institute of Chartered Accountants in Ireland.

The Group financial statements are required by law and IFRSs as adopted by the EU to present fairly the financial position and performance of the Group. The Company financial statements are required by law to give a true and fair view of the state of affairs of the Company.

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 the Companies Act 2014; 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 interim Transparency Rules of the Irish Financial Services Regulatory Authority to include a management report containing a fair review of the business 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 the Companies Act 2014, 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 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.

STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)

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 54 and 55 of this Annual Report, confirm that, to the best of each person's knowledge and belief:

- 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, as applied in accordance with the Companies Act 2014, give a true and fair view of the assets, liabilities, financial position of the Group and Company at 29 February 2016 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.

On behalf of the Board

Sir Brian Stewart	**Stephen Glancey**
Chairman	Group Chief Executive Officer