30 March 2021

CAIRN ENERGY PLC ("Cairn" or "the Company")

Report and Accounts and Notice of Annual General Meeting

The Company's annual report and accounts for the year ended 31 December 2020 (the "**Report and Accounts**") and a notice of annual general meeting (the "**Notice**") were posted to shareholders today. The Notice convenes the 2021 Annual General Meeting (the "**AGM**"). The AGM will be held at the Cairn Energy PLC Head Office at 50 Lothian Road, Edinburgh EH3 9BY at 12.00 noon on Tuesday 11 May 2021.

A copy of the Report and Accounts and Notice have also been submitted to the National Storage Mechanism and will shortly be available for inspection at: https://data.fca.org.uk/#/nsm/nationalstoragemechanism. The Report and Accounts and Notice are also available on the Company's website at www.cairnenergy.com.

Defined terms used in this announcement shall, unless otherwise specifically defined herein, have the same meanings as in the Report and Accounts.

COVID-19

In light of the ongoing COVID-19 pandemic and the UK and Scottish legislation and government guidance currently in force as a consequence, there are significant restrictions on public gatherings and non-essential travel that are expected to affect the arrangements for, and attendance at, the AGM. In light of these restrictions, together with the uncertainty as to any additional and/or alternative restrictions or measures that may be introduced by the UK or Scottish governments, and in order to protect the health and wellbeing of our Shareholders, employees, advisers and of the general public, we are proposing to hold the AGM with the minimum attendance required to form a quorum. **Shareholders will not be permitted to attend the AGM in person, but can be represented by the chair of the meeting acting as their proxy.**

Two Shareholders in attendance shall constitute a quorum for the AGM, as set out in the Company's Articles of Association. The Company shall ensure that a quorum is present and that the two Shareholders will be the only persons in attendance, therefore abiding with the laws in place and allowing the business contained in the 2021 Notice of AGM to be conducted. As was the case last year, the AGM will be held purely to conduct the required formal business, however a presentation will be made available on the Company's website at www.cairnenergy.com/investors/shareholder-information/agm/ following the closure of the meeting. The voting results on the resolutions put to the AGM shall be announced to the market and uploaded onto the Company's website following the closure of the AGM.

The Company will continue to monitor the situation and, in particular, any changes to the applicable law or guidance in force as a consequence of the COVID-19 pandemic. In the unlikely event of a material change in circumstances that results in the lifting or relaxation of measures or restrictions relating to travel and public gatherings before the date of the AGM, the Company will consider if it is appropriate, safe and legally permissible to open up the AGM for attendance by Shareholders. If this is the case, an update will be given on the Company's website AGM page at www.cairnenergy.com/investors/shareholder-information/agm/ and by separate announcement through the regulatory news service of the London Stock Exchange.

Given the expectation that Shareholders will not be able to attend the meeting in person, Shareholders are strongly encouraged to ensure that their votes are counted at the AGM by appointing the chair of the AGM as their proxy and submitting their completed Form of Proxy as soon as possible and, in any event, so as to arrive at the offices of the Company's registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, not later than 12.00 noon (BST) on Friday, 7 May 2021.

Shareholders may register their proxy appointment or voting directions electronically via the www.sharevote.co.uk website not later than 12.00 noon (BST) on Friday, 7 May 2021 (further information regarding the use of this facility is set out in the notes to the Notice). For Shareholders who hold their Ordinary Shares in CREST, they may appoint a proxy by completing and transmitting a CREST Proxy Instruction so as to be received by the Company's registrars, Equiniti, not later than 12.00 noon (BST) on Friday, 7 May 2021. We encourage Shareholders to submit their vote electronically were possible. If you do require a copy of the Form of Proxy, this can be downloaded on the Company website at www.cairnenergy.com/investors/shareholder-information/agm/, where you will also find instructions for completion of that Form. Further instructions on voting by proxy are set out in the Notice.

The Board remains committed to allowing Shareholders the opportunity to engage with the Board. If Shareholders have any questions for the Board in advance of the AGM, these can be sent by e-mail to IR.Mailbox@cairnenergy.com. The Board will endeavour to answer key themes of these questions on the Company's website as soon as practical.

Report and Accounts - Information required by Disclosure and Transparency Rule 6.3.5

The information set out below, which is extracted from the Report and Accounts, is included in this announcement for the sole purpose of complying with Disclosure and Transparency Rule 6.3.5 and the requirements it imposes on issuers as to how to make annual financial reports public. It should be read in conjunction with the Company's preliminary results announcement, released on 9 March 2021 (the "**Preliminary Results Announcement**"). This material is not a substitute for reading the full 2020 annual report and accounts. Page numbers and cross-references in the extracted information below refer to page numbers and cross-references in the Report and Accounts

Directors' responsibility statement

The following statement is extracted from page 124 of the Report and Accounts. This statement is repeated here solely for the purposes of complying with Disclosure and Transparency Rule 6.3.5. This statement relates to and is extracted from the Annual Report and Accounts. It is not connected to the extracted information presented in this announcement or in the Preliminary Results Announcement.

'Directors' Responsibility Statement
The Directors are responsible for preparing the Annual Report and Accounts, the Directors' Remuneration Report and the Financial Statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the Group and parent Company Financial Statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. Additionally, the Financial Conduct Authority's Disclosure Guidance and Transparency Rules require the Directors to prepare its Group Financial Statements in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No. 1606/2002 as it applies in the European Union. Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group and Company for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether for the Group and Company, international accounting standards in conformity with the requirements of the Companies Act 2006 and, for the Group, international financial reporting standards adopted pursuant to Regulation (EC) No.1606/2002 as it applies in the European Union have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the Financial Statements and the Directors' Remuneration Report comply with the Companies Act 2006 and, as regards the Group Financial Statements, Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Company and 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 Company's website (www.cairnenergy.com). Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Following careful review and consideration of the Cairn Energy PLC Annual Report and Accounts 2020 (the 'Accounts'), the Directors consider that the Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's performance, business model and strategy.

Directors' Statement Pursuant to the Disclosure and Transparency Rules

Each of the directors, whose names and functions are listed in the Board of Directors section on pages 72 and 73, confirm that, to the best of their knowledge:

- the Group Financial Statements, which have been prepared in accordance with IFRS as adopted by the EU, give a true and fair view of the assets, liabilities, financial position, and loss of the Group and loss of the Company; and
- the Strategic Report section on pages 2 to 69 of this document includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.'

The names of the directors who have given this responsibility statement are:

Nicoletta Giadrossi (*Non-Executive Chair*)
Keith Lough (*Non-Executive Director*)
Peter Kallos (*Non-Executive Director*)

Alison Wood (*Non-Executive Director)*
Catherine Krajicek (*Non-Executive Director)*
Erik B. Daugbjerg (*Non-Executive Director)*
Simon Thomson (*Chief Executive*)
James Smith (*Chief Financial Officer*)

Principal risks and uncertainties

The following description of the principal risks and uncertainties is extracted from pages 46-51 of the Report and Accounts.

"Principal risks & uncertainties
The following pages provide a summary overview of the principal risks to the Group at the end of 2020, the potential impacts, the mitigation measures, the risk appetite and the KPIs or strategic objectives the risks may impact.

EMERGING RISKS

Within the Group's risk assessment framework, emerging risks are considered as part of the identification phase. These are risks that cannot yet be fully assessed, risks that are known but are not likely to have an impact for several years, or risks which are unknown but could have implications for the business going forward.

COVID-19 is an example of an emerging risk which was identified in Q4 2019 as a known potential risk which was challenging to fully assess. The scale of the global response to COVID-19 and the implications this has had on the industry was difficult to predict. In response to the pandemic, the Group has taken many steps throughout 2020 to ensure the safety of our staff and the continued delivery of our business-critical activities.

As the Group has moved to remote working in response to the pandemic, new and evolving cyber threats was identified as an emerging risk to the Group. The Group's IT team continue to monitor the cyber security environment and implement mitigations as threats are identified.

MAINTAIN LICENCE TO OPERATE

Principal risk: Lack of adherence to health, safety, environment and security policies
Owner: Chief Executive

Risk appetite	**Low** – The Group continuously strives to reduce risks that could lead to an HSSE incident to as low as reasonably practicable.		
Impact	Mitigation	2020 movement	2021 KPI objectives

Serious injury or death Environmental impacts Reputational damage Regulatory penalties and clean-up costs Physical impacts of climate change	Effectively managing health, safety, security and environmental risk exposure is the priority for the Board, Executive Committee and Management Team. HSE training is included as part of all staff and contractor inductions. Detailed training on the Group's Corporate Responsibility Management System (CRMS) has been provided to key stakeholders to ensure processes and procedures are embedded throughout the organisation and all operations. Process in place for assessing an operator's overall operating and HSE capabilities, including undertaking audits to determine the level of oversight required. Effective application of CRMS in projects. Crisis and emergency response procedures and equipment are maintained and regularly tested to ensure the Group can respond to an emergency quickly, safely and effectively. Third-party specialists in place to assist with security arrangements and travel risk assessments. Leading and lagging indicators and targets developed in line with industry guidelines and benchmarks. Findings from 'Lessons learned' reviews are implemented from other projects.	**This risk remained static in 2020.** The Group's lost time injury frequency (LTIF) for operated activity in 2020 was 0 per million hours worked. Our total recordable injury rate (TRIR) for 2020 was 0 per million hours worked. There were no recordable spills to the environment over the IOGP lowest spill benchmark. With ongoing operations in several countries in 2021, the Group will continue to work responsibly as part of our strategy to deliver value for all stakeholders.	Achieve a number of specified leading indicators that support Company policies and standards in relation to governance, people and society. Achieve lagging HSSE indicators derived from IOGP targets.

MAINTAIN LICENCE TO OPERATE CONTINUED

Principal risk: Fraud, bribery and corruption

Owner: Chief Executive

Risk appetite	**Low** – Cairn is committed to maintaining integrity and high ethical standards in all the Group's business dealings. The Group has no tolerance for conduct which may compromise its reputation for integrity.

Impact	Mitigation	2020 movement	2021 KPI objectives

Fines Criminal prosecution Reputational damage	Business Code of Ethics and bribery and corruption policies and procedures. Due diligence process and questionnaire developed for assessing potential third parties. Annual training programme for all employees, contractors and selected service providers. Financial procedures in place to mitigate fraud.	**This risk remained static in 2020.** There were no reportable instances of fraud, bribery or corruption. The Group operates in countries deemed high risk for bribery and corruption. A compliance programme will be implemented for each area of operation.	Achieve a number of specified leading indicators that support Company policies and standards in relation to governance, people and society.

Principal risk: Climate change policy and its impacts on energy transition

Owner: Chief Executive

Risk appetite **Medium** – The Group recognises global commitments to achieve a transition to lower carbon sources of energy. In the near-term, global demand for hydrocarbons continues to grow with hydrocarbons expected to remain the principal source of energy for decades to come. In the longer term, Cairn will take investment decisions that ensures its assets remain competitive in an environment where demand for oil may be lower than today.

Cairn's strategy is to play a responsible and competitive role in the production of oil and gas within this transition. Cairn acknowledges the contribution its activities have on carbon emissions, and the Group continues to develop short, medium and long-term actions to minimise and mitigate this contribution and address global climate change policies and regulations.

Impact	Mitigation	2020 movement	2021 KPI objectives
Providers of capital limit exposure to fossil fuel projects Increasing costs Climate-related policy changes Reduced demand for oil Stranded assets Reputational damage Retaining and attracting talent	Measuring and reporting our GHG emissions in line with the Task Force on Climate-related Financial Disclosures (TCFD). Promotion of efficient energy use in activities with business partners and service providers. Consideration of climate change in investment decisions. Portfolio resilience modelling based on the International Energy Agency Sustainable Development Scenario. Endorsement of Global Gas Flare Reduction Partnership. Improved alignment with UN SDGs. Active participation in industry initiatives. Participation in EU Emissions Trading System.	**This risk remained static in 2020.** There was continued and increased attention to climate change from a range of stakeholders in 2020. This attention has led, and we expect it to continue to lead, to additional regulations designed to reduce greenhouse gas (GHG) emissions. The Group is focused on driving down emissions in our production, in our other activities and throughout our supply chain. Cairn has endorsed the World Bank global initiative to Zero Routine Flaring by 2030 as part of our energy transition strategy in support of the UK Government and our own commitment to net zero carbon emissions by 2050. The Group invested in the NECCUS (carbon capture, utilisation and storage) project aiming to reduce	Complete Phase 1 of CCUS (carbon capture, utilisation, and storage) application and evaluation. Further develop the framework, in line with the UN SDGs, for the social investment plans across the Group, including quantifying the overall impact of the programme(s). Communicate our climate change performance and our processes for governance, risk management and target setting using the CDP, SASB and TCFD frameworks.

	Implementation of mangrove rehabilitation in Suriname for coastline and community protection.	carbon emissions from industrial sources in Scotland. The Group conducted a scenario analysis to assess the viability of Cairn's portfolio under different scenarios of future demand impacted by action on climate change. The results indicated that existing production and development assets remain NPV positive.	

DELIVER A SUSTAINABLE BUSINESS

Principal risk: Diminished access to debt markets

Owner: Chief Financial Officer

Risk appetite **Low** – The Group seeks to develop and implement a funding strategy that allows a value generative plan to be executed and ensures a minimum headroom cushion from existing sources of funding is maintained.

Impact	Mitigation	2020 movement	2021 KPI objectives
Work programme restricted by reduced capital availability Loss of value	Disciplined allocation of capital across portfolio. Continue to assess other forms of financing and pursue claim for restoration of value for Indian investment. Hedging programme to reduce exposure to commodity price volatility.	**This risk decreased in 2020.** The disposals of the Group's business in Norway, completed in February, and of the Senegal assets, completed in December 2020, the near-term committed capital programme is significantly reduced. Several financial institutions and investors have recently made policy decisions to exit oil and gas sector investment. To date, this has not affected Cairn but if this trend accelerates there could be a future impact.	Demonstrate balance sheet strength reflected in three categories: meeting financial tests in line with funding strategy; portfolio management; and recovery of Indian arbitration proceeds.

Principal risk: Political and fiscal uncertainties

Owner: Chief Financial Officer

Risk appetite **Medium** – The Group faces an uncertain economic and regulatory environment in some countries of operation. The Group is willing to invest in countries where political and/or fiscal risks may occur provided such risks can be adequately managed to minimise the impact where possible.

Impact	Mitigation	2020 movement	2021 KPI objectives

Loss of value Uncertain financial outcomes	Operate to the highest industry standards with regulators and monitor compliance with the Group's licence, Production Sharing Contract and taxation requirements. External specialist advice sought on legal and tax issues as required. Maintain positive relationships with governments and key stakeholders. Ongoing monitoring of the political and regulatory environments in which we operate. Working responsibly is an important factor in maintaining our access to funding.	**This risk remained static in 2020.** Cairn continues to source new opportunities globally and this can be in jurisdictions deemed at higher risk of political or fiscal uncertainty. In 2020, the Group acquired new operated licences in countries with an increased risk profile. The Group will strive for full compliance with licence, Production Sharing Contract and taxation requirements across all assets. The Group has also considered the potential impacts from Brexit and concluded that Cairn will not be materially affected. The Group continues to monitor the situation closely.	Demonstrate balance sheet strength reflected in three categories: meeting financial tests in line with funding strategy; portfolio management; and recovery of Indian arbitration proceeds.

DELIVER A SUSTAINABLE BUSINESS CONTINUED

Principal risk: Volatile oil and gas prices

Owner: Chief Financial Officer

Risk appetite

Medium – Exposure to commodity prices is fundamental to the Group's activities; however, the Group manages its investment programme to ensure that a threshold economic return is delivered and the business model is funded even in sustained downside price scenarios.

Impact	Mitigation	2020 movement	2021 KPI objectives
Reduction in future cash flow Value impairment of development projects JV partner capital constraints	Sensitivity analysis conducted to assess robustness of Group financial forecasts for funding plan. Operators' cost initiatives delivering material cost reductions on development projects. Exploration projects are ranked based on the probability of commercial hydrocarbons and success case break-even oil price. Hedging programme commenced.	**This risk increased in 2020.** The oil price fell sharply in Q1 and Q2 2020 as a result of the OPEC price war and suppressed demand from the coronavirus pandemic, recovering somewhat over the balance of 2020. Volatility is expected to continue as the coronavirus pandemic continues to develop.	Demonstrate balance sheet strength reflected in three categories: meeting financial tests in line with funding strategy; portfolio management; and recovery of Indian arbitration proceeds.

Principal risk: Failure to secure prompt and/or full payment of India arbitration award

Owner: Chief Financial Officer

Risk appetite

Medium – The Group faces an uncertain macroeconomic and regulatory environment in some countries of operation. The Group is willing to invest in countries where political and/or fiscal risks may occur provided such risks can be adequately managed to minimise the impact where possible.

Impact	Mitigation	2020 movement	2021 KPI objectives
Loss of value	Arbitration proceedings under the UK-India Bilateral Investment Treaty were largely concluded in 2018. The tribunal ruled unanimously in Cairn's favour in December 2020. Continued engagement with the Indian Government. Committed work programme is fully funded from existing sources of funding, excluding proceeds from the India claim, principally Group cash and committed debt facilities.	**This risk remained static in 2020.** Cairn announced on 23 December that the tribunal established to rule on its claim against the Government of India has found in Cairn's favour. Cairn's claim was brought under the terms of the UK-India Bilateral Investment Treaty, the legal seat of the tribunal was the Netherlands and the proceedings were under the registry of the Permanent Court of Arbitration. The tribunal ruled unanimously that India had breached its obligations to Cairn under the UK-India Bilateral Investment Treaty and has awarded to Cairn damages of US$1.2 billion plus interest and costs, which now becomes payable.	Demonstrate balance sheet strength reflected in three categories: meeting financial tests in line with funding strategy; portfolio management; and recovery of Indian arbitration proceeds.

DELIVER EXPLORATION SUCCESS

Principal risk: Lack of exploration success

Owner: Director of Exploration

Risk appetite

High – Exposure to exploration and appraisal failure is inherent in accessing the significant upside potential of exploration projects and this has been, and remains, a core value driver for Cairn. The Group invests in data and exploits the strong experience of Cairn's technical teams to mitigate this risk.

Impact	Mitigation	2020 movement	2021 KPI objectives
Limited or no value creation	Active programme for high-grading new areas through licence rounds, farm-ins and other transactions.	**This risk decreased in 2020.** In Q1 2020, an oil discovery was confirmed on the non-operated	Mature prospects achieving commercial thresholds that can be

Failure of the balanced portfolio business model Negative market reaction	Portfolio of prospects and leads that offer opportunities with a balance of geological and technical risks. Highly competent team applying a thorough review process to prospects and development opportunities, and a team of geoscientists with a track record of delivering exploration success. Exploration Leadership Team in place to undertake peer reviews and assurance.	Saasken-1 exploration well (15% WI) in Block 10 in the Sureste Basin. Preliminary estimates by Operator, Eni, indicate the discovery may contain 200 to 300 million barrels of oil in place. On Block 9, Cairn completed its second operated well in Mexico in Q1 2020. The exploration objectives of the Bitol-1 (50%WI) were found to be dry and the well was permanently plugged and abandoned. On Block 7 (30% WI) the Ehecatl-1 well, operated by Eni, completed operations. The well did not find reservoired hydrocarbons and was permanently plugged and abandoned. The risk decreased because of the reduction in the near-term committed drilling programme.	considered for future exploration drilling. Add new commercial resources to replace reserves and grow value.

PRODUCTION PERFORMANCE

Principal risk: Underperformance on Kraken and Catcher assets

Owner: Chief Operating Officer

Risk appetite

Low – Delivering operational excellence in all the Group's activities is a strategic objective for the Group and the Group works closely with all JV partners to mitigate the risk and impact of any operational delay or underperformance. Therefore, the Group has a low appetite for risks which may impact on operating cash flow.

Impact	Mitigation	2020 movement	2021 KPI objectives
Delay or reduction in cash flow Increased operational costs HSE incident Reputational damage	Work closely with operators to deliver risk mitigation plans and project solutions during ongoing commissioning. Positive and regular engagement with operators and partners to share knowledge, offer support and exert influence.	**This risk remained static in 2020.** Combined net oil production averaged ~21,350 bopd. Kraken production outperformed original expectations but there were operational issues on Catcher which resulted in periods of downtime which curtailed production.	Convert Resources to Reserves. Deliver net production and operating costs within guidance targets.

PRODUCTION PERFORMANCE AND DELIVER EXPLORATION SUCCESS

Principal risk: Misalignments with JV operators

Owner: Chief Operating Officer

Risk appetite

Medium – The Group seeks to operate assets which align with the Group's core areas of expertise, but recognises that a balanced portfolio will also include non-operated ventures. The Group accepts that there are risks associated with a non-operator role and will seek to mitigate these risks by working with partners of high integrity and experience and maintaining close working relationships with all JV partners.

Impact	Mitigation	2020 movement	2021 KPI objectives
Cost/schedule overruns Poor performance of assets HSE performance Delay in first oil from development projects Negative impact on asset value Ability to effect change towards lowering carbon footprint	Actively engage with all JV partners early to establish good working relationships. Actively participate in operational and technical meetings to challenge, apply influence and/or support partners to establish a cohesive JV view. Application of the Group risk management processes and non-operated ventures procedure. Active engagement with supply chain providers to monitor performance, and delivery.	**This risk reduced in 2020.** Oil price volatility continues to have a financial impact across the industry and the risk remains that the Group's JV partners may not be able to fund work programme expenditures and/or reprioritise projects. The sale of the Group's Senegal asset has reduced this exposure. Catcher, Kraken and several exploration projects are operated by joint venture partners. The Group continues to work closely with a number of other partners in the UK, West Africa and Latin America regions.	Convert Resources to Reserves. Deliver net production and operating costs within guidance targets. Conduct our operated and non-operated exploration and appraisal activities successfully, on time and on budget.

NEW VENTURES

Principal risk: Failure to secure new venture opportunities

Owner: Director of Exploration

Risk appetite

Medium – Building and maintaining a balanced portfolio of current and future exploration, development and production assets is core to the Group's strategy. New opportunities must first meet the Group's strict investment criteria and successfully securing them will be dependent on the prevailing competitive environment.

Impact	Mitigation	2020 movement	2021 KPI objectives

Failure to replenish the portfolio Inability to replace reserves and sustain production levels	Geoscience, new ventures and commercial teams work closely to review and identify new portfolio opportunities. Experience and knowledge throughout the organisation in recognising prospective opportunities. Risk assessments and due diligence process undertaken on all potential new country entries. Development of discretionary capital allocation and opportunity ranking system. Portfolio is continually reviewed and high-graded to enhance quality.	**This risk remained static in 2020.** In March 2020, Cairn entered into an asset exchange agreement with Shell UK Limited in which Cairn transferred a 50% WI in P2379 in exchange for 50% WI of P2380. Each licence, in the vicinity of the Nelson platform, contains a firm commitment to drill an exploration well, with both wells planned to be drilled in the period from H2 2021 to H1 2022. In July 2020, in Côte d'Ivoire, Tullow indicated that they intended to withdraw from six out of seven blocks and remain in licence C1-520 only. Notices of withdrawal were submitted to the Joint Venture in September. Cairn opened negotiations with Tullow and subsequently took operatorship in blocks C1-301 and C1-302.	Mature prospects achieving commercial thresholds that can be considered for future exploration drilling.

Related party transactions

The following description of related party transactions is extracted from page 187 of the Report and Accounts:

"8.8 *Related Party Transactions*

The Company's subsidiaries are listed in note 8.2. The following table provides the Company's balances which are outstanding with subsidiary companies at the balance sheet date:

	At 31 December 2020 US$m	At 31 December 2019 US$m
Amounts payable to subsidiary undertakings	**(8.1)**	(86.9)
Amounts receivable from subsidiary undertakings	**–**	1.8
	(8.1)	(85.1)

The amounts outstanding are unsecured, repayable on demand and will be settled in cash.

The following table provides the Company's transactions with subsidiary undertakings recorded in the loss for the year:

	Year ended 31 December 2020	Year ended 31 December 2019

	US$m	US$m
Amounts invoiced to subsidiaries	**13.7**	10.4
Amounts invoiced by subsidiaries	**56.8**	10.6

Directors' remuneration

The remuneration of the Directors of the Company is set out below. Further information about individual Directors' remuneration is provided in the audited section of the Directors' Remuneration Report on pages 94 to 121.

	Year ended 31 December 2020 US$m	Year ended 31 December 2019 US$m
Emoluments	**3.4**	3.3
Share-based payments	**0.4**	–
	3.8	3.3

Pension contributions of US$0.2m (2019: US$0.2m) were made on behalf of Directors in 2020.

290,683 LTIP share awards to Directors vested during 2020 (2019: none). Share-based payments disclosed above represent the market value at the vesting date of these awards in that year.

Other transactions

During the year the Company did not make any purchases in the ordinary course of business from an entity under common control (2019: US$nil).

In December 2020 the Company received a dividend from its subsidiary, Capricorn Oil Limited, of US$484.6m, of which US$183.3m was settled in cash and US$301.3m by offset against previous borrowings.

The Company waived a loan of US$138.7m due from Capricorn Senegal (Holding) Limited in December 2020."

Directors' emoluments and remuneration of key management personnel

The following description of directors' emoluments and remuneration of key management personnel is extracted from page 166 of the Report and Accounts:

"(c) Directors' emoluments and remuneration of key management personnel

Details of each Director's remuneration, pension entitlements, share options and awards pursuant to the LTIP are set out in the Directors' Remuneration Report on pages 94 to 121. Directors' remuneration, their pension entitlements and any share awards vested during the year are provided in aggregate in note 8.8.

Remuneration of key management personnel

The remuneration of the Directors of the Company and of the members of the management and corporate teams who are the key management personnel of the Group is set out below in aggregate.

	Year ended 31 December 2020 US$m	Year ended 31 December 2019 US$m
Short-term employee benefits	**6.4**	6.7
Termination benefits	**0.2**	–
Post-employment benefits	**0.3**	0.4
Share-based payments	**2.9**	3.2
	9.8	10.3

In addition, employer's national insurance contributions for key management personnel in respect of short-term employee benefits were US$0.9m (2019: US$0.9m).

Share-based payments shown above represent the cost to the Group of key management personnel's participation in the Company's share schemes, measured under IFRS 2.

During 2020, 613,791 shares awarded to key management personnel vested under the LTIP (2019: none)."

Forward looking statements

This announcement contains or may contain forward-looking statements regarding Cairn, our corporate plans, future financial condition, future results of operations, future business plans and strategies. All such forward-looking statements are based on our management's assumptions and beliefs in the light of information available to them at this time. These forward-looking statements are, by their nature, subject to significant risks and uncertainties and actual results, performance and achievements may be materially different from those expressed in such statements. Factors that may cause actual results, performance or achievements to differ from expectations include, but are not limited to, regulatory changes, future levels of industry product supply, demand and pricing, weather and weather related impacts, wars and acts of terrorism, development and use of technology, acts of competitors and other changes to business conditions. Cairn undertakes no obligation to revise any such forward-looking statements to reflect any changes in Cairn's expectations with regard thereto or any change in circumstances or events after the date hereof.