



Leading Sustainably

CAIRN HOMES PLC
SUSTAINABILITY REPORT 2021

CONTENTS

Our purpose is to build homes and create places where people love to live and sustainability is woven into every aspect of this.

Our approach is considered and responsible: building high-quality, sustainable homes; creating communities; and striving to improve the built environment in Ireland. We want to take a prominent role in promoting sustainable and attainable building in Ireland, being respectful of both people and planet as we scale our business.

This report sets out the actions we are taking to deliver on that commitment to sustainability and respect for both people and planet, all underpinned by the very essence of our purpose: people, homes, and places. Under each of these headings, we show how progress is being made on our most material issues. We provide hard data and facts set out in line with definitions prescribed in internationally recognised frameworks: Sustainability Accounting Standards Board (SASB) Standards, Taskforce on Climate-Related Financial Disclosures (TCFD), and partial Global Reporting Initiative (GRI).

This will keep us accountable by ensuring our metrics and key performance indicators (KPIs) are comparable to those of our peers. In addition, we show the on-the-ground reality of the implementation of our strategy through case studies that illustrate the depth and breadth of a culture of sustainability at Cairn.



You can also read our Annual Report online at cairnhomes.com/investors

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Overview



OUR ROADMAP

2015

- Cairn successfully listed on the stock exchange



2020

- Transition from CSR to ESG
- First materiality assessment undertaken
- Inaugural Innovation Online Hub focussed on Sustainability
- Using 100% FSC timber
- First use of Rapid Impact Compaction
- First air source heat pumps installed
- All homes have a minimum A rating for energy efficiency certified by BER
- €5m support programme for subcontractors launched during COVID-19



2022 onwards

WHERE WE'RE GOING

- In January 2022, we committed to setting Greenhouse Gas (GHG) emission reduction targets with Science-Based Targets Initiative (SBTi), and expect verification in 2023
- We have measured our Scope 1 and 2 emissions and are in the process of setting our SBTi targets. We are measuring our Scope 3 baseline and conducting Lifecycle Assessments (LCA) of our homes to understand their carbon footprint and how best to reduce it further
- Our actions will focus on our most material impacts: the energy efficiency of our homes in use and the materials we use in building
- Circular economy activities to broaden, starting with our Soil Management Strategy
- Biodiversity improvements to be linked to best practice metrics for measuring our performance
- From 2022, biodiversity metrics will be linked to remuneration
- Initiatives such as 'Home Together' rolled out across our developments
- Continue to improve our disclosure to TCFD
- Equality, Diversity & Inclusion (ED&I) focus increases, as we partner with the Irish Centre for Diversity (ICD) and target their Gold Standard
- Supply chain visibility is a high priority for us under both Environmental and Social verticals – we commit to continuous structured engagement with our suppliers and subcontractors, deepening our knowledge, collaborating and sharing the Cairn way of working

WHERE WE'VE COME FROM



2016-19

- CSR framework developed – people, design and quality, environment and community
- Cairn Arts Programme supports local artists
- Signatory to Business In The Community (BITC) Low Carbon Pledge
- First timber frames piloted
- Awarded the "Excellence in Planning Award" for development in Oak Park, Naas
- Deepening our connections with our communities through "Street Feasts" and community engagement initiatives
- Joined BITC All Ireland Pollinator Plan

2021

- BITC Low Carbon Pledge reaffirmed committing to setting science-based targets by 2024
- EU Green Week: environmental awareness training for all employees
- Timber frames and air source heat pumps have become part of our standard specification for houses, which achieve a minimum certified BER A rating
- Light Gauge Steel piloted to reduce our carbon footprint in developing apartments
- Launched "Home Together" initiative
- Upgraded Safe-T Certificate score from B to A
- Bespoke "Black Hat" Health & Safety (H&S) training provided to 200 subcontractor supervisors
- Training partnership with The Chartered Institute of Building (CIOB), an internationally recognised leader in construction management
- Awarded a B for our first full submission to the Carbon Disclosure Project (CDP)
- First TCFD disclosure

WHERE WE ARE NOW

OUR PURPOSE AND SUSTAINABILITY PRIORITIES

Building homes and creating places where people love to live.

Our sustainability strategy supports us to meet our purpose and ensure our material Environmental and Social impacts and opportunities are managed. The strategy is centred around three pillars: People, Homes and Places and is aligned with the UN Sustainable Development Goals for business.

Social impacts are incorporated in our People pillar and Environmental in our Homes and Places pillars covering climate action, protecting biodiversity, the shift to a circular economy, green procurement and responsible sourcing in our supply chains.

WE ARE WORKING TOWARDS



PEOPLE

Health and Safety

We are committed to providing a safe working environment but beyond that we have developed mental health initiatives to expand upon our support to employees.

Employee Experience

Workforce pipeline and protection is our priority. Without happy and healthy teams, we cannot achieve our vision. We provide a range of wellness supports to our people as well as pursuing ED&I accreditations to ensure we continue to create a workplace that provides a sense of belonging for everyone.

Customer

Our focus on is on providing an excellent customer experience with on-time delivery, end-to-end support through the buying process and beyond, showing consistent care for our customers and their neighbourhoods.



PLACES

Placemaking

We are dedicated to developing lasting and sustainable communities. We plan our new developments carefully to ensure that each is well served by amenities and transport options that allow residents to thrive.

Communities

We work with expert partners to initiate community participation and identifying leaders who will strengthen connections between neighbours. We go beyond the basic needs of our communities and add a bespoke arts, heritage or design project to each development.

Protecting Biodiversity

This is an area of increasing focus for Cairn. Our developments have a material environmental impact on local biodiversity – we strive to mitigate these impacts wherever possible.



HOMES

Climate Action

We are taking action to reduce our carbon footprint through a variety of initiatives that tackle the areas where our activities create the most substantial carbon impacts. This includes soil and waste management, modern methods of construction, the energy efficiency of our homes, and working with our supply chain to identify better ways of working.

Supplying Energy-Efficient Homes

We have a unique opportunity to supply sustainable homes. We deliver A-rated homes that contribute to a more sustainable built environment in Ireland and offer comfort and long-term savings for our customers at competitive prices.

CEO STATEMENT



Our Vision: to lead the future of homebuilding in Ireland by valuing people, building responsibly and creating vibrant, sustainable communities.

2021 has been a year of growth at Cairn, a trend that I hope continues long into the future. Our aspirations for Cairn will not be possible without embedding sustainability into all that we do.

It is important to me both personally and professionally that the homes we build will provide communities with comfort and opportunities to flourish in the years to come.

Our vision is to lead the future of homebuilding in Ireland by valuing people, building responsibly and creating vibrant sustainable communities. This dovetails with our purpose “building homes and creating places where people love to live” and means building homes that will stand the test of time, being mindful of the changes in our climate that the walls we build today will face in the future. It means looking after our people, going beyond business as usual to understand how we can provide a safe, welcoming and inclusive workplace for all.

We cannot achieve all of our ambitions overnight but we can target the most important areas, defining what we will achieve, how we will get there, and when.

To that end, we have put in place a sustainability strategy that will help us to make meaningful improvements each year.

We will continue to support our people. Health and safety is our number one priority and we will maintain the very high standards we have set so far – including achieving an A rating from Safe-T Certificate.

We will build on our expertise in ecology and biodiversity, investing more so that we achieve biodiversity net gain across 40% of our unit commencements by 2024. Our stakeholders have come to expect high standards of biodiversity from our developments including award winning parks, green walls, and protected hedgerows. We will go beyond those expectations to deliver innovative and biodiverse new schemes.

We will introduce new initiatives and continue to pilot new technologies to reduce our carbon footprint in line with our commitment to the SBTi. This builds on the incredible achievements we have already made in reducing our

emissions. On site, we use rapid impact compaction wherever the ground conditions are suitable, reducing waste and haulage to and from sites. Our houses are also timber frame built. We also no longer rely on gas central heating, increasingly supplying heat pumps as an alternative.

We have always said our business is not simply about building homes – we are creating places and communities that will last long after our work is done. We take our responsibility to the new communities we create seriously. This year we piloted “Home Together” an important new initiative designed to bring new neighbours together and to support new community leaders in creating lasting bonds. As such, 2022 sees us introduce biodiversity and people metrics into our remuneration frameworks, to complement the existing customer and health and safety metrics whilst solidifying our commitment to incorporate the important work we will do within these areas into our overall strategy.

The impact of the improvements we implement will be recorded accurately, in line with internationally recognised frameworks so that our stakeholders can easily understand how our performance compares to our peers.

This Sustainability Report will show just how far we have come in our short history, providing proof of our commitment and the calibre of our work to date. This provides a strong foundation demonstrating confidence in our ability to meet the ambitious targets we have set for ourselves in the coming years.

Michael Stanley
Chief Executive Officer

“We are creating places and communities that will last long after our work is done.”

Michael Stanley
Chief Executive Officer

HEALTH AND SAFETY

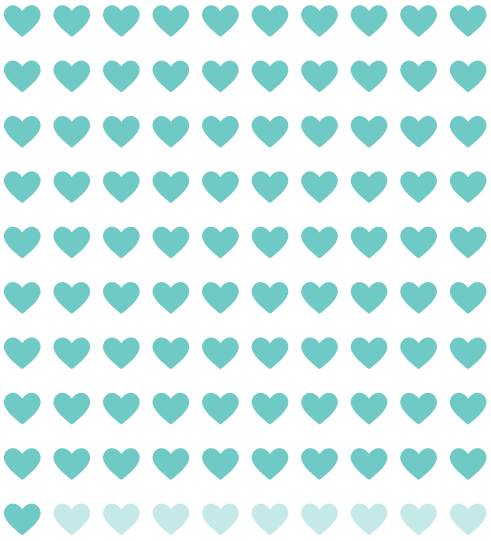
Safe-T Certificate Grade A achieved



ED&I AGENDA ADVANCES

91%

combined score on ED&I related topics based on employee responses to the Great Place to Work survey



MEASURING OUR CARBON FOOTPRINT

Scope 3 baseline is being measured using lifecycle assessments and we have made a formal commitment to set targets with the SBTi



FSC CERTIFIED TIMBER

100%

Forest Stewardship Council certified timber from responsibly managed forests



BIODIVERSITY

Biodiversity initiatives are implemented on all of our sites and our policy targets Biodiversity Net Gain



LIGHT GAUGE STEEL PILOT

Successful Light Gauge Steel pilot undertaken at our Griffith Wood development, paving the way for greater involvement in a Circular Economy



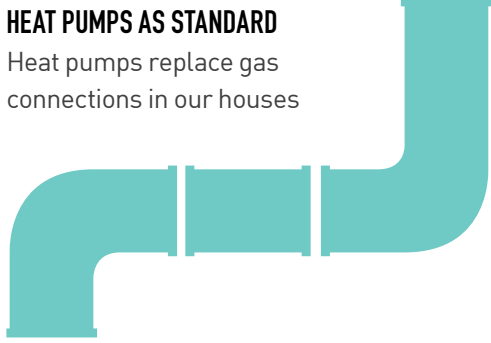
CDP

Carbon Disclosure Project grade B in our first full submission, reflecting how seriously we take climate action at Cairn



HEAT PUMPS AS STANDARD

Heat pumps replace gas connections in our houses



PEOPLE AGENDA



90%

of employees feel connected to the company vision and goals and the part they play

87%

of employees stated they feel positive about their future at Cairn

85%

of employees feel that Cairn supports their career advancement and progression

OUR SUSTAINABILITY STRATEGY

At Cairn, we aim to lead the future of homebuilding in Ireland by valuing people, building responsibly and creating vibrant, sustainable communities.

This vision will be made possible by further embedding ESG into the way we work, from governance to day-to-day operations.



Our Sustainability Strategy

A Cairn home is thoughtfully designed and built to last with a focus on creating shared spaces and environments where communities prosper. We have an unrivalled track record in delivering high quality, energy efficient, A-rated new homes. We delivered our 5,000th new home in 2021 and we are targeting the completion of a further 5,000 A-rated homes in the coming three years.

Cairn is committed to building high-quality, competitively priced, sustainable new homes in great locations. To achieve our vision, we must continue to show leadership in sustainable construction, researching and piloting new initiatives that others in the industry may not have the scale to test, and setting the standard for building in a way that is respectful of people and planet.

Our Progress

We are dedicated to building homes and creating places that contribute positively to communities and society and minimise our impact on the environment.

In 2021, we made significant progress in formalising our Sustainability Agenda and in achieving key milestones relating to the issues most material to Cairn and our stakeholders.

Governance

Our approach to governing sustainability is detailed on the right. The Board maintains oversight and is ultimately responsible for our performance. Three Board Committees have specific remits to oversee individual strands of our sustainability strategy. At an operational level, the Executive Team sets the “tone from the top” displaying leadership in our culture of sustainable construction and respect for people. Day-to-day, our Senior Leadership Team delivers the changes that are needed to achieve our vision supported by the ESG Reporting and Research Team and each function of the business.



OUR SUSTAINABILITY STRATEGY CONTINUED

Supporting a Sense of Purpose

Our people have demonstrated passion and enthusiasm for sustainability in all its forms; bringing ideas for improved energy efficiency to our homes including heat pumps, whilst also driving forward our social aims by volunteering to take part in our Equality, Diversity and Inclusion Forum and mentoring students in secondary schools.

This culture developed organically and is supported by the ESG Research and Reporting Team who collaborate across the business to facilitate progress and help to further embed the culture of sustainable thinking.

At Cairn we encourage, and are working hard, to provide all employees with the opportunity to drive change and contribute in a way that fosters a sense of purpose for the employee and supports the sustainability agenda for all stakeholders.

Materiality

Our sustainability strategy is underpinned by our materiality assessment, which was completed during 2020 and allowed us to prioritise the material issues that were most aligned to our purpose and most impactful for our stakeholders.

The themes we will prioritise are climate action and energy efficiency, biodiversity, health and safety, employee welfare and community engagement aligned to the three key elements of our purpose: People, Homes and Places.

We are aware that stakeholder expectations are constantly evolving and we commit to refresh our materiality assessment every three years on an ongoing basis to ensure we continue to stay abreast of the issues most material to our stakeholders.



“We are dedicated to building homes and creating places that contribute positively to communities and society and minimise our impact on the environment.”

SUSTAINABILITY STREAMS AT CAIRN

GOVERNANCE AND AGENDA SETTING

Oversight and ultimate responsibility lies with our Board of Directors. Our Executive Team have operational responsibility for Sustainability and sets the “tone from the top” in Cairn.



FRAMEWORK AND PROGRESS INDICATORS

Recording, tracking and reporting our progress. This is paramount to ensuring we understand where we are and where we are going.



ACTIONS DRIVEN BY THE BUSINESS TO DRIVE IMPROVEMENTS

This work is supported by the ESG Reporting and Research Team, who coordinate the collaboration and information flow across the business.



OUR COMMITMENTS

Our vision is to lead the future of homebuilding in Ireland by valuing people, building responsibly and creating vibrant, sustainable communities. Our commitments reflect the areas of sustainability that most materially impact that vision.

[Link to our sustainability priorities:](#)

- PEOPLE
- PLACES
- HOMES



HEALTH AND SAFETY

This is our number one priority and we are committed to maintaining the high standards we have set to date. This means maintaining an A rated Safe-T Certificate and continuously reviewing our processes to ensure all of our people are aware of risks, trained to work safely, and support one another in a “safety first” culture.

[Read more on page 13.](#)



PROTECTING BIODIVERSITY

As homebuilders, we are acutely aware of the potential impact of our work on nature. We understand the importance of protecting existing habitats wherever possible and have committed to prioritising biodiversity by including biodiversity metrics and targets within our remuneration framework.

[Read more on page 31.](#)



CLIMATE ACTION

Climate Action is a key priority within our strategy and we are committed to reducing the climate impacts of our operations and the homes we build. This will be achieved in line with a roadmap to reaching the carbon reduction targets we will set this year with the SBTi. Our most material impacts are in our supply chain and in the energy use of the homes we build.

[Read more on pages 20 and 21.](#)



EMPLOYEE EXPERIENCE

Our people are our most important asset. Our commitment to their welfare means going beyond business as usual to understand how we can provide a safe, welcoming and inclusive workplace for all. In doing so we can attract and retain top talent, harness their insights and knowledge and generate a truly compelling future for our Company, our people, and stakeholders.

[Read more on pages 14 to 17.](#)



COMMUNITY ENGAGEMENT AND SUPPORT

We don’t just build homes, we craft communities and we are committed to ensuring that our legacy endures long after our work is done. In 2021 we piloted ‘Home Together’ an initiative that brings our new communities together and helps to identify community leaders who can take on the mantle of embedding relationships within these communities into the future.

[Read more on pages 29 and 30.](#)



CUSTOMER EXPERIENCE

We are here to support our customers every step of the way. From the first interaction, when viewing a show home right through to moving in and using our energy efficient technology, we are on-hand to guide our customers and are committed to making the process as smooth, stress-free and simple as possible.

[Read more on page 18.](#)





People

In 2021, we continued to focus on our greatest asset – our people. Our number one priority is their health and safety.



2021 ACHIEVEMENTS AND FOCUS AREAS

Our people are central to our success. We strive to create a workplace where everyone feels that they belong, that their safety is a priority, and each employee feels a sense of purpose knowing that they can contribute to delivering Cairn's vision for sustainable homebuilding in Ireland. Our approach to training develops the experience of our employees further, ensuring that best-in-class standards are maintained.

HOLISTIC WELLBEING**20**

mental health first aiders identified and trained representing all sites and teams

**HEALTH AND WELLBEING AWARENESS**

Conducted a Health and Wellbeing site by site roadshow in October to launch our new Health and Wellbeing offering and raise awareness amongst employees of the supports available

**ED&I RESOURCING**

Inclusive interviewing training for all people managers

**HEALTH AND SAFETY**

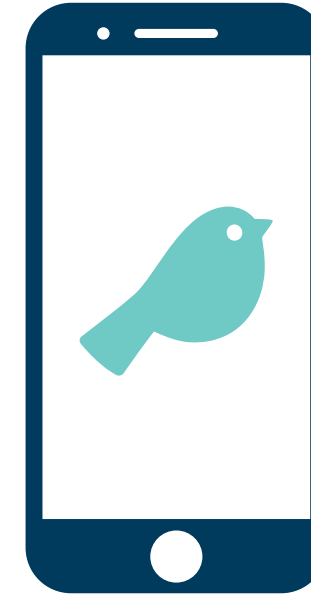
Safe-T Certificate Grade A achieved

**WE'RE LISTENING**

Established Health and Wellbeing and ED&I forums with representation from all departments

**SOCIAL MEDIA IMPACT**

Safety week celebrations and #LightenTheLoad trending

**EVENTS CALENDAR****123 events**

Established a wellbeing calendar of webinars and virtual events supported by our partners

**HEALTH AND WELLBEING ('H&W') PROGRAM EXPANSION**

Expanded our industry leading H&W program for employees by:



Expanded IrishLife healthcare from singles to couples with a reimbursement offering for employees that have healthcare elsewhere

123 DELIVERIES

Healthy fruit deliveries to all sites and central office

13 SERVICES

VHI Employee Assistance Program, hotline and counselling service

456 SESSIONS

Partnership with wellness crew to deliver tailored awareness sessions on key H&W topics for all employees

HEALTH AND SAFETY



Health and Safety is our number one priority and our commitment to that promise was reflected in our 2021 upgrade to a Safe-T Certificate grade A.

We continuously review and update our approach to health and safety, incorporating industry best practice and learnings gained on our sites.

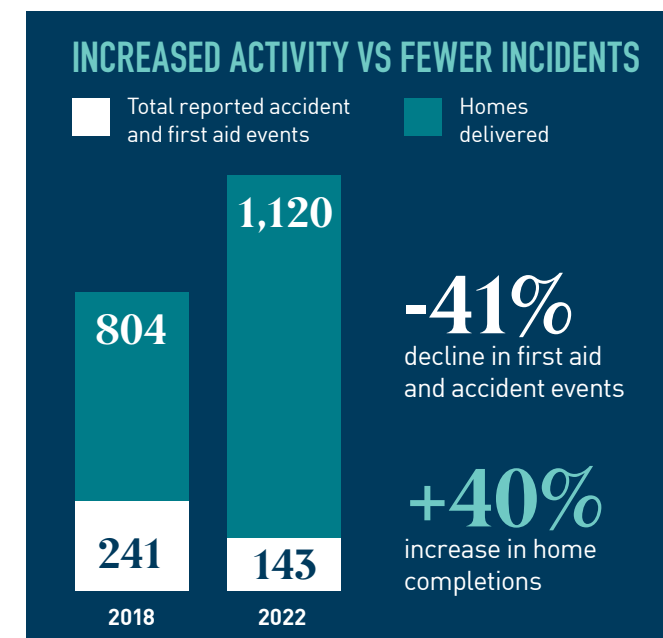
In 2021 we commenced “LT walks” that bring senior leadership presence to site and rolled out bespoke “Black Hat” training to ensure our way of working is consistently understood and deployed on site.

Leadership Team Site Tours

To demonstrate leadership and commitment to health and safety, management safety tours have been instated. This means that a rotation of members visit each site on a regular basis, walking the site and engaging with site teams. These “LT Walks” allow members of senior leadership to get a true understanding of the facts on the ground and to share feedback, both positive and negative.

This process instils a positive safety culture and research shows that this leads to a reduction in accidents and incidents and in turn reduced costs. When team members feel they have a voice and an opportunity to raise any concerns, a more safety conscious culture is nurtured.

Safety tours are ongoing and scheduled several weeks in advance with members of our Senior Leadership Team. A record of these safety tours is maintained with at least three site visits by each of the seven members of the Senior Leadership Team targeted per year.



“Black Hat” Training

“Black Hats” at Cairn refer to supervisors on site who are watching out for health and safety practices. These supervisors are supplied with black hard hats so that their presence on site is visible, leading to greater compliance with expected safety standards.

Our bespoke “Black Hat” training was rolled out in 2021 and is designed to identify the key roles and responsibilities for all contractor supervisors working across the business to ensure that Cairn’s standards were consistently applied. The training is focused on areas that our Black Hats have responsibility for managing in conjunction with the Cairn site management teams. At its core, the training provides participants with the information required to manage these works in a safe manner.

The training is based on the responsibilities and requirements of legislation and regulations along with our expectations of subcontractors with respect to the use of our safety management system. The key components of our safety management system are covered including hazard awareness, risk mitigation and accident and incident management. There are no ‘grey areas’ regarding important tasks for supervisors and contractors.

We work with all contractors to enable them to carry out their works with a clear sense of purpose and “joined-up” thinking. This empowers supervisors to take control of their own works and facilitate open dialogue regarding work planning and Health and Safety management whilst driving innovation.

BLACK HATS TRAINED IN 2021

200

CONNECT, DEVELOP AND INSPIRE

We connect, develop, and inspire Ireland's future:

Connect with like minded people and turn colleagues into friends.

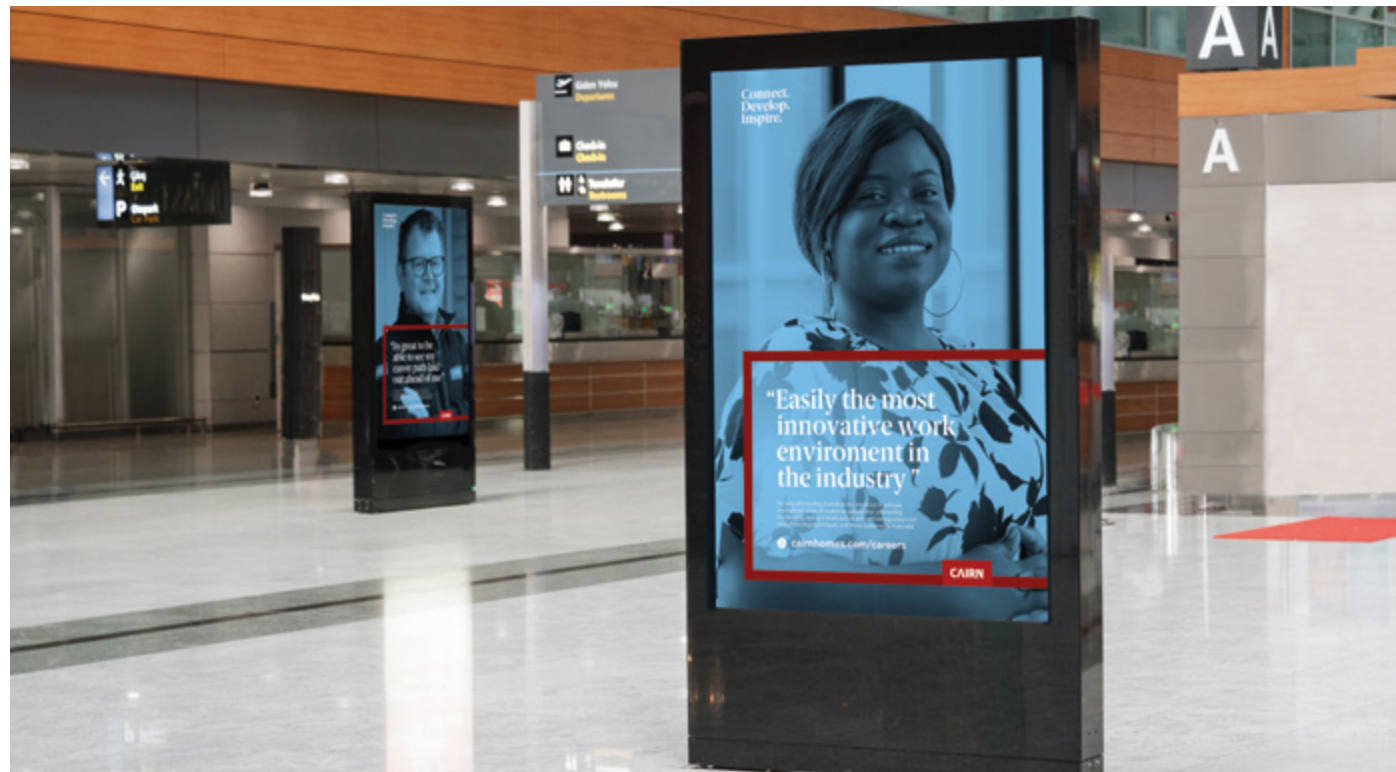
Develop your career and work on innovative local Irish projects.

Inspire you to get involved in building Ireland's future.

Connect, Develop, Inspire

As we scale our business over the coming years workforce planning, i.e. attracting and retaining the talent we need, will require continuous focus. All organisations are competing with a limited talent pool and are working on our value propositions to stand out from the crowd.

We have developed a new Employee Value Proposition (EVP) framework to encapsulate all that Cairn commits to providing to ensure that we are the employer of choice in the construction sector centred on three key themes: connect, develop, and inspire. Connect with like minded people and turn colleagues into friends, develop your career and work on innovative local Irish projects, inspire you to get involved in building Ireland's future.

**Cairn's Employer Brand**

We have committed to invest in Cairn's employer brand, our Equality, Diversity, and Inclusion (ED&I) commitments (further information on page 17), and targeted recruitment campaigns including:

- Graduate and career fairs at Technical University of Dublin and Graduate Ireland.
- Cairn Website, CairnLive communications platform, LinkedIn page and Social Media Campaign.
- Advertising in national newspapers.
- Digital recruitment campaign targeting quantity surveyors and engineers.
- December recruitment campaign at Dublin Airport.

Great Place to Work

"A Great Place to Work® is one where: you trust the people you work for, have pride in what you do, and enjoy the people you work with."

Robert Levering, Co-Founder, Great Place to Work®

We took part in a 2021 workforce survey which is compiled by the Great Place to Work®. The purpose of the Best Workplaces programme is to support us on our journey to sustain and grow our culture. It will also allow us to identify areas that we need to improve on, implement changes and ultimately allow us to continue to be a great place to work.

We are now certified as a Great Place to Work®. This accreditation validates the initiatives and work we are doing on our culture, employee offering, benefits and more.

**NEW HIRES IN 2021**

102

OVERALL SCORE

79%

TRUST INDICATOR

80%

ED&I SCORE

91%



You can read more about opportunities in Cairn on our website at cairnhomes.com/about/work-with-cairn

EMPLOYEE JOURNEY

At Cairn, we strive to inspire our employees in as broad a sense as possible. This starts with supporting those earliest in their careers but continues throughout the employee journey with learning and development opportunities.

Employee Journey

Our employees are provided with opportunities to develop further within the business through our many learning and development programmes, mentoring, an internal CPD (Continuous Professional Development) platform, and a new dedicated path to chartered status through the CIOB (Chartered Institute of Building), and Engineers Ireland.

We host a number of topical forums including ED&I, Innovation and Health and Safety. Employees are encouraged to share their opinions in a space that welcomes ideas and honesty.



Our Graduate Programme

The purpose of our graduate programme is to:

- Connect Cairn with external stakeholders including third level institutions to ensure we build a pipeline of future talent;
- Build on the Cairn brand as a place that welcomes and supports graduates in their early careers;
- Connect new graduates with one another and the industry;
- Capitalise on the new and upcoming thinkers about to join the industry, inspiring them with our vision for sustainable building in Ireland;
- 'Give Back' to the community; and
- Develop advocates and brand ambassadors for Cairn to allow the goodwill created from positive employee experiences to be amplified. This in turn will feed into an ongoing pipeline of talent for Cairn.

Learning and Development for All Employees

To bring our "Connect, Develop, Inspire" strategy to life, we ensure that all employees have access to development opportunities including:

- Further Education, CPD, conferences, external courses;
- Technical training;
- Health and Safety; and
- Tailored learning through individual requests.

Management Development Programme

To provide additional support to those talented individuals who can lead Cairn to achieve our goals in the future, we run top talent and management development training.

Under our ED&I strategy we have developed a programme for mentoring women at Cairn to allow us to recognise the different challenges our talented female leaders face.

To ensure our management team are equipped to support their teams and to strengthen our EVP, we also provide wellness at work training.

These programmes develop our management team, shaping our future leaders, whilst also connecting our managers to their teams by offering a broad view of what it is to manage and inspire a diverse team.

Leadership Development

Our Senior Leadership Team are continuously looking for ways to become better and more successful leaders. To support that, Cairn provides 360 Degree Feedback, an evolving leaders programme, executive coaching, and more.

Our Senior Leadership Team are responsible and accountable for the overall performance of the business. This means that they must own the "Connect, Develop, Inspire" strategy to get the best out of our teams.

Continuous training and development provides a solid foundation for that by giving our leaders insight on their own strengths and weaknesses as well as knowledge of best practice in leadership of successful teams.

Achieving Our Vision

Supporting our people at every stage in their careers will encourage each employee to achieve their full potential, positioning Cairn as an employer of choice and ensuring that we achieve our vision of building sustainably by valuing our people.

WELLBEING AND ENGAGEMENT

Our 5 Health and Wellbeing Pillars

We have developed a 5 Pillar Strategy related to employee health and wellbeing that brings all of our priorities together to create a simple and effective framework for our approach.

This serves as an important reminder to consider the central priorities in creating a workplace of choice in our industry.

Our first priority is Health and Safety: we are committed to ensuring our employees arrive home safely every day. For further information see page 13.

Our Health and Wellbeing Offering

We understand that health is a broad umbrella for mental, physical and emotional wellbeing and to that end we expanded our industry-leading Health and Wellbeing programme for employees in 2021. The key actions we took as part of that expansion were:

- Rolled out an Employee Assistance Program, hotline and counselling service;
- Delivered fresh fruit to all sites and central office daily;
- Expanded IrishLife healthcare from singles to couples with a reimbursement offering for employees who have healthcare elsewhere;

- Established a new Health and Wellbeing forum with representation from all departments;
- Partnered with SpectrumLife, providing an app for employees with access to a host of digital wellbeing content, virtual events, videos and podcasts, as well as fitness and nutrition trackers;
- Established a wellbeing calendar of webinars and virtual events for employees that are delivered through our partners; and
- Conducted a Health and Wellbeing site roadshow to launch our new Health and Wellbeing offering and raise awareness amongst employees of the supports available.

In 2021, we also increased our focus on Equality, Diversity, and Inclusion (ED&I) to foster a sense of belonging through our ED&I Forum, our policies and our actions. For further information see page 17.

Measuring Employee Engagement at Cairn

We can measure our success in implementing programmes that matter to employees and their impact and we are proud to report the key results of our 2021 employee engagement survey.

KEY RESULTS OF EMPLOYEE ENGAGEMENT SURVEY

POSITIVITY

80%

of employees stated they are positive about their future at Cairn

ENGAGEMENT

90%

of employees feel connected to the Company vision and goals and the part they play

SUPPORT

85%

of employees feel that Cairn supports their career advancement and progression

PROGRESS

90%

of employees believe their voice is heard and they can impact change in their role

RECOGNITION

84%

of employees feel they are recognised and rewarded for doing a good job at Cairn



EQUALITY, DIVERSITY AND INCLUSION (ED&I)

We created an ED&I Forum to deepen the conversations that were already happening across the business.

This provides employees with an opportunity to express their opinions on the direction we take ED&I at Cairn. The forum itself brings a sense of belonging and purpose to members.

Our ED&I Strategy

The strategy is centred on three phases of implementation. In the first phase we focus on:

- creating awareness;
- registering for pledges and obtaining accreditations which will help us benchmark our progress;
- hold bespoke training sessions for the Senior Leadership Team and wider employee base; and
- promote engagement with ED&I.

The second phase will see us establishing a rhythm and sharing a calendar of communications as well as bringing outcomes of and feedback from the forum to the decision-making table and to life.

In phase three we will look at the potential impacts our diverse stakeholders may have on our business as we grow, and how our progress may impact them.



100%
OF OUR EMPLOYEES HAVE BEEN
PROVIDED INTRODUCTORY ED&I TRAINING

60+
PEOPLE MANAGERS PARTICIPATED
IN “UNCONSCIOUS BIAS” AND “INCLUSIVE
INTERVIEWING” MASTERCLASSES

Our ED&I Forum

We want a deeper conversation: the Forum can act as a focus group to facilitate more in depth, qualitative reviews of results of surveys such as our engagement and pulse surveys and the Great Place to Work® survey.

The Forum is an informal way of drawing out issues that arise and ensuring these are addressed sensitively. It also serves as a vehicle to channel innovative ideas on how to embed ED&I further for example by highlighting more diverse celebrations and holidays that matter to our entire employee and customer base.

Finally, the purpose of this Forum is to increase our own awareness, elevating our own knowledge and understanding of the subject areas.

Irish Centre for Diversity (‘ICD’)



The Irish Centre for Diversity’s aim is to work in partnership with organisations to help embed Equality, Diversity, and Inclusion in all they do. Its goal is to positively influence beliefs, attitudes, behaviour and conduct on issues relating to ED&I.

The framework covers three stages: committing (Bronze), embedding (Silver), and leading (Gold) and these marks are awarded on the basis of a robust assessment of policies, procedures, training, recruitment, retention, progression, employee experiences and more.

We have attained the ICD Bronze measure of success in this area through targeted training for our Senior Leadership Team as well as employee sessions. In 2022, we will undertake the ICD “silver survey” on ED&I to help identify areas for improvement and these actions will inform our roadmap to the Gold accreditation.



CUSTOMER EXPERIENCE

Buying a new home is an exciting time in anyone’s life. Our goal is to make sure the experience is as simple and stress free as possible.



Customer Journey

At Cairn, we are here to support our customers every step of the way when buying a new home. From reserving your home right through to moving in with the help of the Cairn team, we are on-hand to guide our customers through the journey.

With over 13,000 people now living in a new Cairn home, our customers have a substantial voice in our business. We continued to prioritise the delivery of an exceptional customer experience at each stage of the journey with every touchpoint optimised including:

- a redesigned and more user-friendly and intuitive website;
- timely and informative emails triggered at each stage of the buying process;
- an enhanced customer care case process; and
- the digitisation of homeowner manuals with all appliance and system manuals and warranties available digitally.

Every home buyer benefits from our Customer Satisfaction Commitment, which features a dedicated Customer Care team that looks after our customers’ needs throughout the buying process and, just as importantly, after our customers have moved into their new homes – we are available to continue to provide guidance.

We expanded our Customer Care team both in head office and on site to ensure our customers are supported throughout their buying journey from their initial enquiries to 12 months after they have moved into their new home.

In 2022, we will roll out our new customer care portal to allow for more streamlined self-service channels to manage customer aftercare including ticketing systems, online resources and video tutorials. We will also maintain our focus on safety with improved viewing, snagging, valuation and closing procedures through our sales and customer care team, all overseen by a health and safety adviser.

Our Approach and Vision

- We are focused on exceptional customer service;
- Quality improvements are monitored by continuous feedback; and
- We are increasing our systems reporting capabilities to ensure timely and accurate feedback is incorporated into our ways of working.

“At Cairn, the homeowner is at the very centre of the design process and we strive to provide an unparalleled customer experience throughout each stage of the home-buying journey.”

Sarah Murray
Director of Customer



Homes

Our success will be defined by the quality of the homes we build and the long-term impact of our actions. At Cairn we take our responsibility for reducing our carbon footprint very seriously and to that end we undertook some innovative research and development activities in 2021.



CLIMATE ACTION

We have formally committed to setting Greenhouse Gas (GHG) emissions reduction targets in line with the Science Based Targets initiative (SBTi) and expect to submit our targets for verification in 2022.

Building on our Business in the Community (BITC) Low Carbon Pledge commitments, we have measured our Scope 1 and 2 emissions and are in the process of measuring our Scope 3 emissions. Through this process we are conducting Lifecycle Assessments (LCA) of our homes to understand their embodied carbon footprint and how best to reduce it further.

Measuring and Reporting our GHG Emissions

We understand that our activities are carbon intensive, and take our responsibility for reducing our carbon footprint seriously. In January 2022 we formally committed to setting targets in line with SBTi criteria.

This work builds on our Low Carbon Pledge with Business in the Community Ireland. As part of the Pledge, we have committed to setting Science Based Targets to reduce our GHG emissions by 2024. This covers Scope 1 (our own processes), Scope 2 (purchased electricity) and Scope 3 (generated by suppliers and the use of our homes) emissions in line with the Paris Agreement and the latest IPCC (Intergovernmental Panel on Climate Change) findings.

We are currently in the process of setting these targets. To date we have measured Scope 1 and 2 in line with international best practice – the GHG Protocol Corporate Accounting and Reporting Standard and the aligned ISO 14064-3 standard. We have commenced measuring our Scope 3 emissions across all relevant supply chain categories. Further details are contained within the Disclosures and Policies section.

As part of this, we are conducting Life Cycle Assessments (LCA) of our home types in line with the ISO 14040 LCA Standard. This will establish a detailed and complete understanding of the embodied carbon in our homes and how best to reduce it. We expect this work to complete in 2022 – forming the basis of our target setting process for reduction.

**Reducing our GHG Emissions**

While understanding our carbon footprint and setting reduction targets are important, our plans to achieve those reductions are key.

Scope 1 and 2: We aim to continue to reduce our footprint in operations. We can achieve this through energy efficiencies and by continuing to move to renewable energy sources for our purchased electricity.

Scope 3: Innovating to reduce carbon in the whole life cycle of our homes.

Construction, maintenance and use of buildings and civil engineering works generate c.37% of carbon emissions globally. Furthermore, the industry is responsible for half of raw material extraction, and a significant amount of mass replacements and transfers.

Our research has shown that Scope 3 comprises the vast majority of our total emissions and within Scope 3, the majority of emissions arise from the materials we choose and through homeowners use of the homes we build. This points us to the most impactful changes we can make as we seek to continuously reduce our carbon footprint.

Our actions to date range from innovations in the fabric, structure, materials, construction methods and technologies we use, for example, air-source heat pumps in homes which eliminate the need for natural gas.

We constantly seek new innovations to maximise the energy efficiency in home use, with the result that 100% of our homes are BER (Building Energy Rating) A rated as a minimum standard.

We are also driving further carbon savings through innovations like the use of light gauge steel. This construction method uses circa 30-50% less carbon-intensive concrete.



The sector needs to reduce our impact on global warming, but also to reduce raw material depletion, especially for non-renewable materials via circular economy measures.

Our soil management and stabilisation strategy embraces new technologies from planning through to ground works, avoiding soil import and exports from sites, reducing HGV journeys transporting waste to landfill and enabling reuse onsite.

For further details, see the case studies on light gauge steel and innovative soil management on pages 22 and 23.



CLIMATE ACTION CONTINUED

Disclosure

Our climate-related disclosures are set out within the Disclosures and Policies section of this report under our partial GRI Index disclosures. We have measured Scope 1 and 2 emissions in line with the GHG protocol.

Carbon Disclosures Project (CDP) 2021

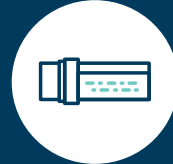
We achieved a Grade B for our first full CDP submission.

**TCFD**

We have assessed and completed our disclosure on climate-related risks and opportunities aligned with the Task Force on Climate-related Financial Disclosures (TCFD) – see Disclosures and Policies for further information.

**INNOVATION AT CAIRN**

We build high quality new homes incorporating many innovations that create energy efficiencies and greater comfort for our customers. As this graphic shows, we build our houses using timber frames as standard, we have adopted heat pump technology as an alternative to gas boilers, and the houses we build are highly insulated.



ROOF, WALL, FLOOR AND
INTERNAL PIPE INSULATION



DEMAND CONTROL
VENTILATION SYSTEM



HEAT PUMP WITH
DUAL ZONE CONTROLS



LED LIGHT FITTINGS



TIMBER FRAMES AS STANDARD,
100% FSC CERTIFIED



UPVC HIGH PERFORMANCE
GLAZED WINDOWS



FUTURE PROOFING FOR
ELECTRIC CAR CHARGING POINTS



CASE STUDY: LIGHT GAUGE STEEL AT WHITETHORN



“Light Gauge Steel is a quick and efficient method of construction. It also allows us to free up other trades.”

Damien O’Brien

Regional Construction Manager

A new way of working using a Light Gauge Steel system as a modern method of construction on Whitethorn Apartments.

“With less waste, faster production, and fewer mistakes in a factory setting, offsite construction is likely to be cost neutral when considered against traditional methods.”

Padraic Nolan

Regional QS

“Moving towards offsite construction allows us to scale and standardise more effectively.”

Ronan Lonergan

Technical Lead

Our Light Gauge Steel Pilot

Our first Light Gauge Steel buildings were commenced at our development in Whitethorn, Naas, Co. Kildare.

As Cairn grows and evolves as a company, we will look to build in new more effective ways, innovating and reacting to market conditions. Light Gauge Steel is a construction method we have been researching in depth for the last two years and we began by setting up a working group to develop two blocks of apartments using this method in mid-2020.

Suitability Assessment

To embed and integrate a new system onto a project we need to ensure it meets commercial, construction and technical requirements. External design team partners carried out a review of the performance of the system, reporting on key elements including acoustic, thermal, fire and structural performance to safeguard against any compliance or building regulation issues.

The process ensured that the system was appropriately assessed and was fit for purpose, substantially de-risking the project for Cairn whilst safeguarding against the project as a product and the Cairn quality brand.

Innovation at Cairn

Given Cairn’s unique position in the industry we can take advantage of our scale and control the design and supply chain to further innovate with factory-made components in construction.

Our employee Innovation Forum is tasked with bringing new technologies to the business and assessing options for the business, examining the potential impacts under the key pillars of health and safety, programme, costs, buildability and sustainability.

FACT SHEET ON LIGHT GAUGE STEEL

From the outside you won’t be able to tell it’s a light gauge steel building. It’s what’s underneath that changes.

Less concrete is used:

30%-50%
POTENTIAL REDUCTION IN
STRUCTURAL FRAME PROGRAMME

25%-40%
POTENTIAL REDUCTIONS IN OVERALL
BUILDING LOADS ON FOUNDATIONS

The construction process is very similar to timber frame i.e. a panelised off site system. This means there is less scope for human error – creating a higher quality product.

Steel is also more recyclable than timber or concrete, so the primary structure could be recycled and used again.

Fewer personnel are needed on site – a safer overall site compared to block built homes.

CASE STUDY: INNOVATIVE SOIL MANAGEMENT

In 2021, we developed a soil management strategy that embraces new technologies and covers our process from planning through to groundworks.

Planning the Optimal Site Level

We undertake specialist surveys of the levels of our sites before we submit a planning application to determine the most appropriate ground level for the development. In doing so we reduce the requirement for either excavating material or bringing additional soil to site to bring the site to the designed finished floor levels. This intervention at the design stage directly impacts our carbon footprint by reducing the number of heavy goods vehicle journeys to and from site carrying soil.

Circular Economy: Targeting Net Zero Soil Import

Once on site, wherever possible, the required level is achieved by transferring soil within the site rather than importing and exporting soil. This process, known as “cut and fill” is used on all our sites however this year we have adopted an enhanced approach. Our civil engineers are working with specialist consultants utilising innovative technology to create detailed surveys and maps of levels for three pilot sites. This approach gives us the ability to work towards net zero soil import and export. Where this is not possible, we leverage our total landbank using our excess soil for fill on other sites, with the end goal of sending as little soil to landfill as possible.

Soil Stabilisation on Site

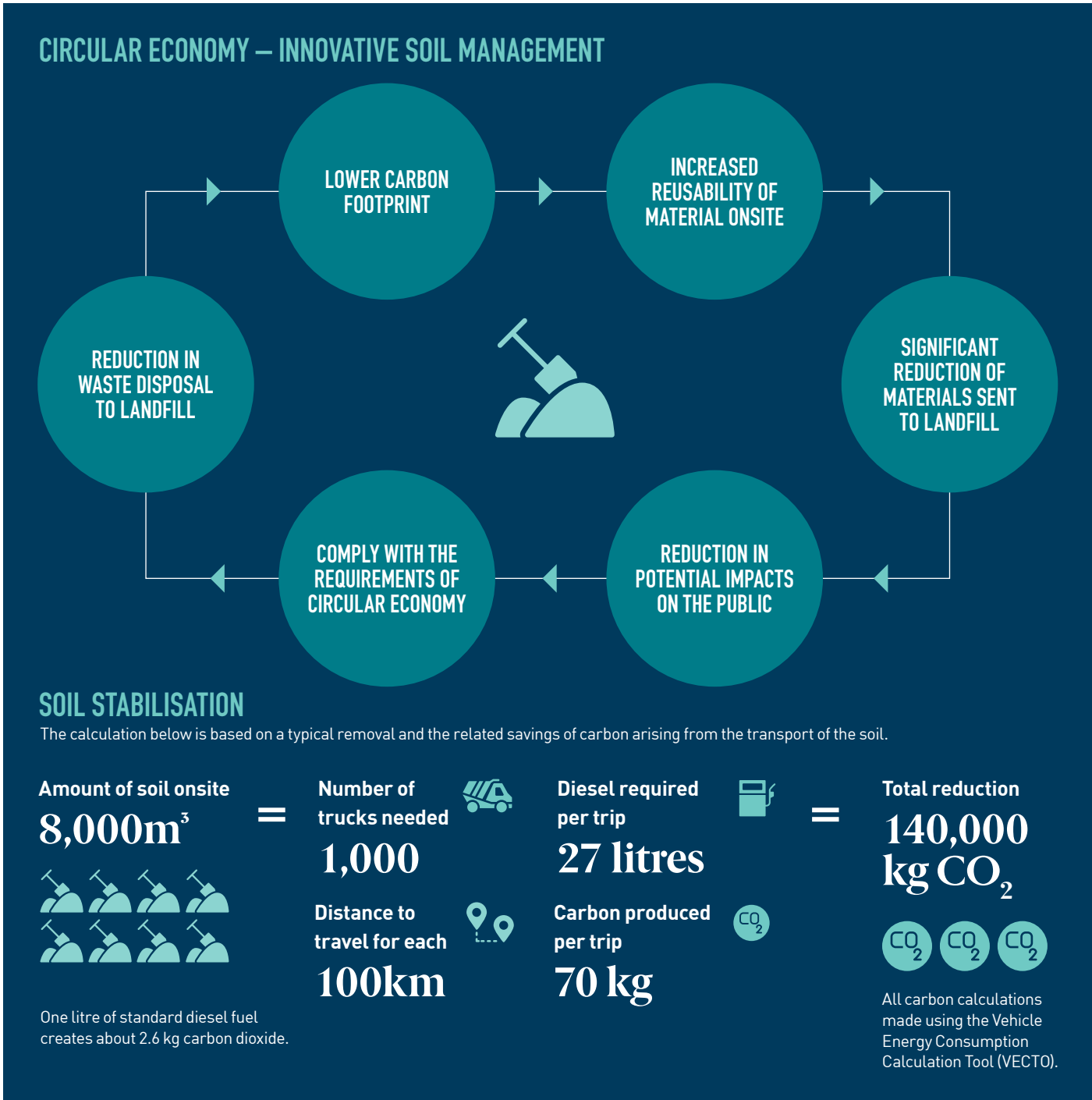
The process for stabilising soil begins with classification and sampling of the material intended for re-use. This process will identify the material type and produce a treatment plan for the stabilising process. For example, rapid impact compaction is an option for some sites while materials of a clay type may require lime for the stabilising process, and sandy soils may require a cement stabilising additive.

We have identified strategic schemes using specifically procured Site Investigation Material to roll this out on a substantial scale. Testing for a wider range of soil types means contaminants can be identified early and the soil can be better managed.

Impact

Being more efficient about how we measure, control and use our soil is a key target for Cairn as we seek to find value in how we approach our groundworks.

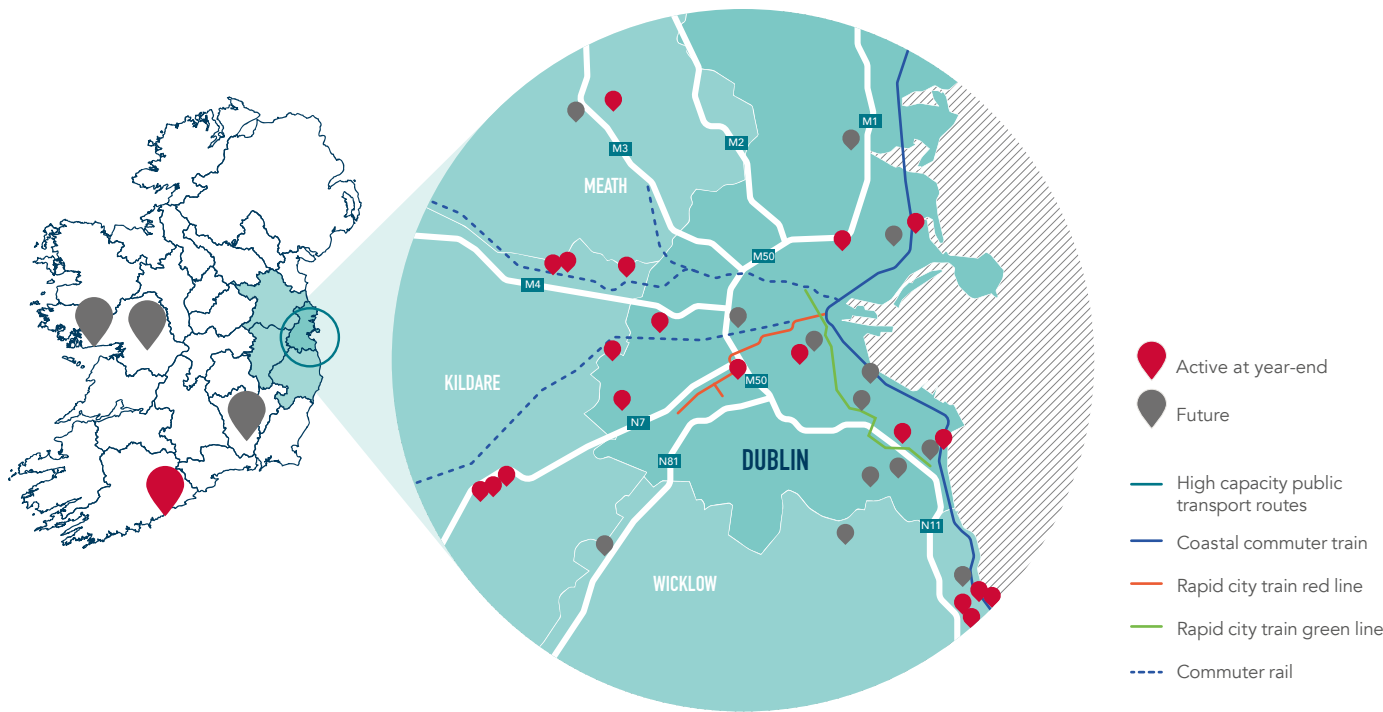
We employ a suite of Site Investigation packages and level mapping software that allow us to make advanced business decisions about our landbank to provide a best value approach and reduce our carbon footprint.



SUPPLY OF HOMES – OUR STRATEGY

In 2021 we sold our 5,000th home and we are committed to delivering at least another 5,000 homes over the next three years, significantly boosting supply in Ireland where the imbalance between supply and demand has been the defining feature of the housing crisis.

QUALITY HOMES IN GREAT LOCATIONS



Our Strategy

An integral part of our philosophy is to cater for all segments of the market, from families purchasing their first home, to those downsizing to suit their changing lifestyle needs, to providing social and affordable homes.

Cairn has a landbank that broadly facilitates multiple price points across a range of locations from Dublin’s city centre to its newest suburb, Clonburris, where we will supply 5,000 of the 9,000 new homes for c.23,000 people. In early December 2021, we submitted our planning application for the first competitively priced homes at Clonburris.

Sustainable Transport and Infrastructure

Sustainable communities are places where people want to live and work, and a well-functioning housing system needs to be supported by transport routes. Homes built by Cairn are strategically positioned around critical infrastructure such as high-capacity public transport routes including train, tram, bus corridors, pedestrian routes and cycle lanes. Offering affordable and reliable alternatives to personal vehicle ownership will be key to meeting the diverse needs of existing and future residents that are sensitive to the environment and contribute to a high quality of life.

Local community infrastructure also plays a crucial role in our approach to placemaking. We strive to ensure that our homeowners can participate in workforce or education with ease, have access to healthcare amenities and take part in social activities. Our apartments and homes are established within proximity of many amenities and leisure facilities comprising of established schools, vibrant village centres, major urban parks as well as commercial infrastructure for employment opportunities.

“Given the mission-critical objective of the Government and local authorities to increase the supply of housing and apartments in the Greater Dublin Area, Clonburris is a project that really moves the needle.”

Michael Stanley
Chief Executive Officer



SUPPLY OF HOMES – OUR STRATEGY CONTINUED

Delivering at Scale

Our scale and capacity to provide quality A-rated homes across all segments of the market is critical. We can deliver housing across multiple developments aligned with the Irish government’s new housing policy, “Housing for All”, (September 2021). The aim of Housing for All is

“to provide 300,000 new homes by 2030 to address pressure on the housing market and that equates to 33,000 new homes per annum on average to 2030, including over 9,500 new-build social and 6,000 affordable homes per annum.”

To achieve that number of new homes requires a concerted effort from every part of the homebuilding supply chain. It is worth noting that the 20,532 housing completions in Ireland in 2021 were still the lowest annual total since 1991, excluding the post Celtic Tiger era period.

More Affordable Energy Bills

Cairn has an unrivalled track record in delivering high-quality, energy-efficient homes. We are committed to providing our customers with significant energy and carbon savings. All our new homes are rated minimum A BER (Building Energy Rating) and are NZEB (Nearly Zero Energy Buildings) compliant. Importantly, with air source heat pumps now part of our standard specification, this will eliminate the need for costly and carbon-intensive fossil fuel-sourced heating.

The relative savings for our customers are significant. According to the Sustainable Energy Authority of Ireland

(SEAI), the cost to heat an A-rated, 100m², semi-detached, three-bedroom home in 2021 was €380 per annum. For the equivalent D-rated home, this rises to €1,850 per annum. However, given the continued spike in energy prices, that gap continues to widen – with greater savings for our customers.

Renting is More Expensive than Owning

Monthly mortgage outgoings for Cairn first-time buyers are significantly lower than renting an equivalent-sized home in nearby locations. For a three-bedroom starter home, that saving is €1,041 per month; it is therefore 80% more expensive to rent than own a Cairn home.

OWNERS

12%


of homeowners in Ireland are under 39

RENTERS

58%

of renters in Ireland are under 39

OWNING VERSUS RENTING



CAIRN 3 BED STARTER HOME
PRIVATE SALES IN 2021

€378,000

Average selling price (including VAT) in 2020 across Cairn developments in Dublin:

- Shackleton Park and Gandon Park (Lucan);
- Graydon (Newcastle); and
- Parkside (Malahide Road).

FTB MONTHLY MORTGAGE COST

Purchase price	€378,000
Mortgage – 90% LTV	€340,200
Mortgage interest rate	2.30%
Monthly Mortgage Repayment (30 year C&I)	€1,309
Cheaper to Own	€1,041

MONTHLY RENTAL COST

Lucan	€2,400
Citywest	€2,400
Newcastle	€2,200
Malahide Road	€2,400
Average	€2,350
More Expensive to Rent than Own	+80%



Places

Placemaking is at the heart of our approach to delivering new homes.

PLACEMAKING

What makes a great place?

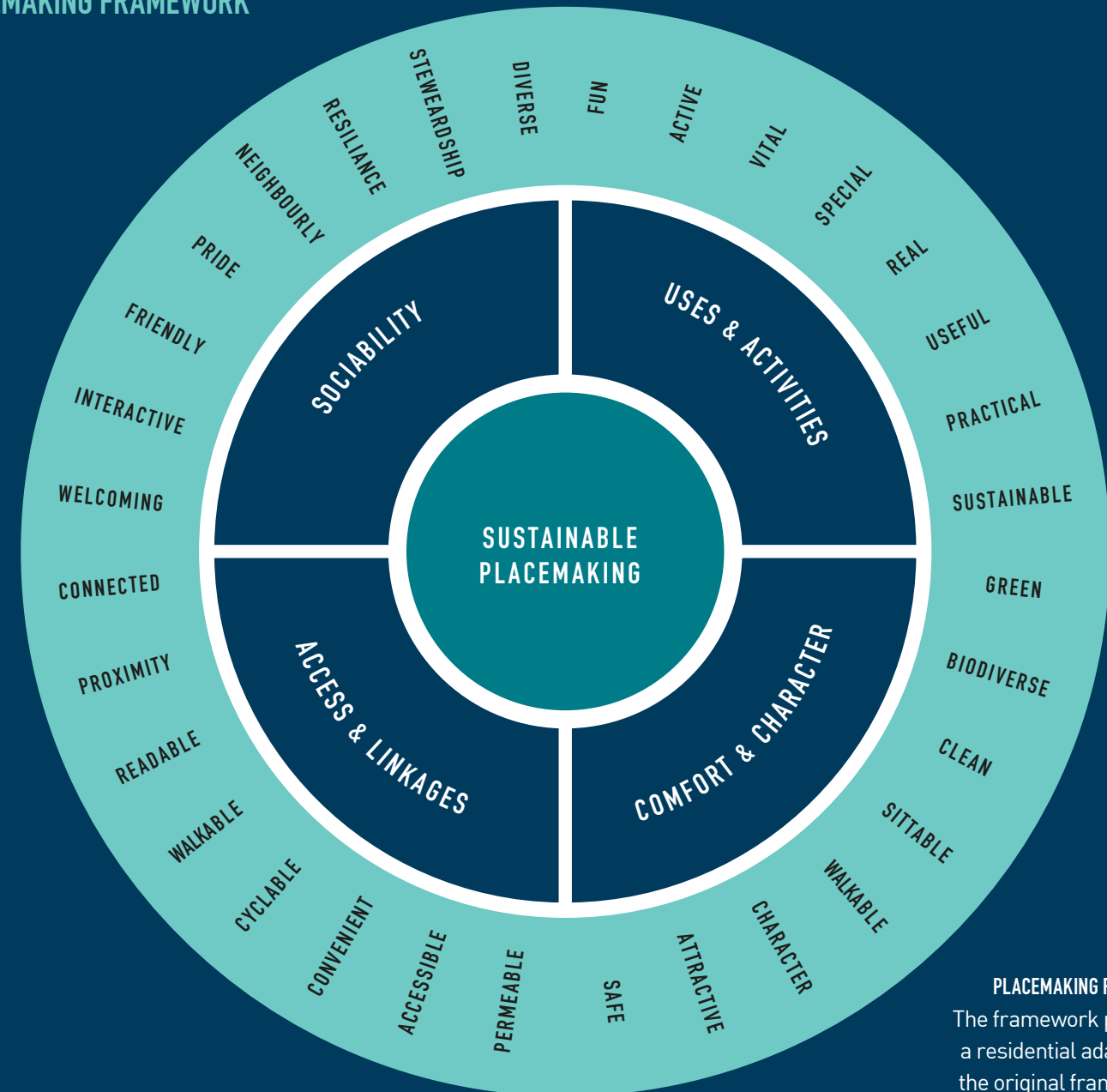
Placemaking focuses on the interaction between people and their environment and achieving a high quality of life, sense of place and belonging. A successful place will contribute to the health and wellbeing of all who live there, as well as the desirability and long-term value of that location.

In our experience, the key to successful placemaking lies in how we respond to the site. What features and characteristics can be complimented by the design? How does the development respond to its surroundings?

These factors help inform everything from the mix and density to the character of the new neighbourhood, strengthening the connection between people and the places they share.

Placemaking is a collaborative process by which we can shape our public realm in order to embed a vibrant community within our developments and connect our new communities to their neighbours within the development and beyond.

PLACEMAKING FRAMEWORK



PLACEMAKING FRAMEWORK:
The framework pictured is a residential adaptation of the original framework as developed by The Project For Public Spaces at www.PPS.org

PLACEMAKING CONTINUED

Our approach to placemaking

Our unique business model allows for connected thinking around creating places that work – throughout the planning, design and development of a neighbourhood. We continue to help foster strong community ties post occupancy and beyond into the wider community.



ACCESS AND LINKAGES

A successful, sustainable place is intuitive to navigate and fun to explore. It is cyclist and pedestrian friendly, with links to existing modes of public transport and allows for reduced car usage. We work to optimise accessibility, permeability and how people move around and through our developments. It is vital to maximise the value of existing or new infrastructure and we partner with local authorities and utilities to ensure we provide not just homes but access to services. You can view a map showing the accessibility of our developments on page 24.



SOCIABILITY

A socially active neighbourhood increases the sense of belonging and security in an area. By creating shared spaces that encourage interaction and by helping to design and support events and initiatives that encourage residents to meet, we can lay the groundwork for cohesive, resilient, and happy communities.

We work with residents and local organisations to help develop strong neighbourly bonds with the wider community through engagement with local groups and grass roots sponsorships and partnerships. You can read more about our new community initiative, “Home Together”, on page 29.



USES AND ACTIVITIES

Amenities and activities bring new places to life and create a sense of purpose – a place to live, shop, play, socialise, work and learn. Communally enjoyed activities and facilities help build cohesive communities. From office and retail, schools and crèches to sports facilities, gyms and playgrounds, we provide facilities that improve the quality of life for everyone that lives in and around the neighbourhoods we create and create active focal points and for community to grow around.



COMFORT AND CHARACTER

A place should present itself well and be aesthetically pleasing with a distinctive character and sense of place. It should feel clean, safe and provide places for residents to socialise, play and relax. Our design approach is one where the natural features and topology of the site dictates how we position our soft and hard landscaping features – ensuring we strike the right balance between natural forms and human function.

For more information see our Disclosures and Policies section.

HECTARES OF GREEN SPACE PROVIDED IN OUR NEW COMMUNITIES

20

CRÈCHES BUILT ON CAIRN DEVELOPMENTS

6

INVESTMENT IN INFRASTRUCTURE TO THE BENEFIT OF LOCAL COMMUNITIES

€105m

NUMBER OF HOME TOGETHER INITIATIVES

3

HOME TOGETHER



“We think it’s very positive and that it shows that Cairn care enough about the residents/community creation to team up with Home Together.”

Amy

Glenheron resident

In the spring of 2021, we teamed up with Neighbourhood Network to run a series of community building exercises in Cairn developments, known as the “Home Together” initiative.

Our Aim

The ambition of our partnership with Neighbourhood Network is to create happy, healthy places for people to live, where neighbours feel connected and supported by each other. The principle behind Home Together is fundamentally about facilitating the creation of a new community and allowing that community to flourish independently. We support local leaders to build inclusive, resilient groups in their new environment.

How It Works

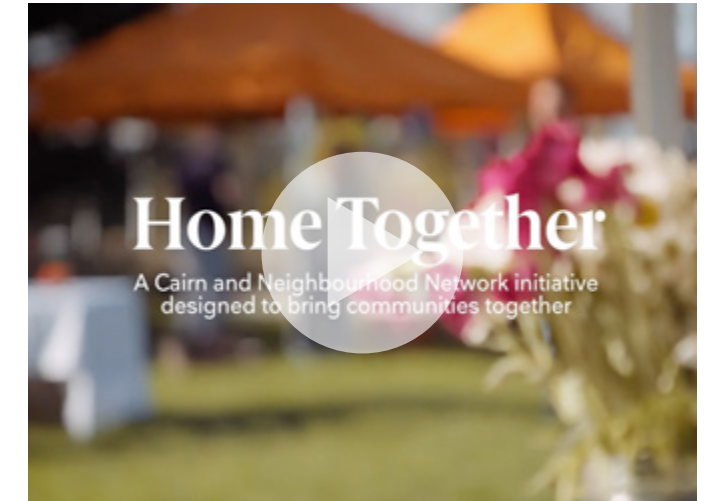
A team from Home Together engages with our customers over a period of weeks, running a series of events designed to bring people together, introducing them and slowly enabling them to take over the running of their own events before withdrawing.

To determine the most appropriate activities, residents are asked to complete a questionnaire, the responses from which inform our placemaking strategy. This allows the team to gauge opinion and to measure how the feeling of neighbourliness is changing.

During 2021 we set out to provide each development with the tools to build a culture of connectedness with their neighbours. The program saw coffee mornings, treasure hunts, dog shows, and Street Feasts take place throughout the year, as we led residents through our bespoke community development process.

Many residents in new housing developments like to get to know and work with each other. That process can be slow – particularly in the midst of a pandemic. The Home Together initiative has shown that it is possible to kickstart and accelerate the evolution of healthy, happy neighbourhoods.

We are proud of the great events that took place, and more importantly, the impact that was achieved.



HOME TOGETHER CONTINUED

“I hope things like this will inspire people to do a little bit more and get to know people. To take your guard down a bit and say ‘oh I saw you at that event last week’ or ‘I saw you at the coffee stand’ and things like that. Just get to know each other more.”

Ro

Mariavilla resident

“You guys are doing massive work to try to make us feel at home and giving us that extra push, we just need to open up to meet new faces... I really loved everything that has happened so far!”

Marija

Mariavilla resident

Throughout the project, residents emphasised the importance of green areas, a sense of community, a welcoming atmosphere and safety. As most people are of a similar age group, mostly young families moving into new communities, there was tremendous interest and support for community building within the neighbourhoods. The Home Together events gave neighbours an opportunity to share interests and set up lasting and sustainable groups and friendships.

We saw a number of ideas for new events and activities pop up in each development, including a gardening group, a craft group, a tidy towns/cleanup group, a woodwork group, a mothers’ mornings, a bake sale group for teenagers, a women in STEM group, a yoga group, a fitness group and a tai-chi group.

In our first survey several respondents mentioned that neighbours seemed friendly and they would like to get to know them better but they didn’t have the opportunity to because of the COVID-19 pandemic. With that in mind, it is wonderful to see that almost all respondents, 97% of those surveyed, had met new neighbours through Home Together events.

100% of respondents said that they believe events like Home Together inspire people to meet new neighbours. We feel that this campaign has been a triumphant success and we are hopeful that community spirit will continue to grow.

89%**SAY THEIR COMMUNITY
FEELS MORE FRIENDLY NOW****100%****THINK HOME TOGETHER
EVENTS INSPIRE PEOPLE
TO MEET NEW NEIGHBOURS****70%****LOVE PARTICIPATING
IN COMMUNITY EVENTS****97%****MET NEW NEIGHBOURS THROUGH
HOME TOGETHER EVENTS**

PROTECTING BIODIVERSITY

This year we formally adopted a Biodiversity Policy centred on an ambition to achieve Biodiversity Net Gain.



We recognise and acknowledge that construction can have negative impacts on local ecosystems and our approach is to reduce those impacts and seek out ways to support and create new habitats.

Our Biodiversity Policy, formally adopted in 2021, will influence all stages of product delivery from site planning, detail design, operations, to aftercare. All Cairn developments going through the planning system are subject to an environmental impact assessment and these will be enhanced with deeper ecological surveys to meet our goals and achieve Biodiversity Net Gain on 40% of unit commencements by 2024. A Biodiversity Action Plan to minimise impacts and optimise opportunities for habitat creation will support this.

We will mitigate the direct impact on local biodiversity on each of our developments, regardless of type, size, or location. This will be achieved through a development-specific biodiversity programme that replaces or improves the local biodiversity of each new Cairn development, or otherwise contributes to the improvement of Ireland’s biodiversity.

We continue to support the All-Ireland Pollinator Plan with our Pollinator Friendly planting and landscape works across all of our developments, and have been acknowledged by the National Biodiversity Data Centre as a Pollinator Friendly business since 2018.

We have become business supporters of Birdwatch Ireland, an independent conservation organisation, and in 2022 will sponsor the Irish Garden Bird Survey. Birdwatch Ireland have collaborated with us on implementing a nesting box project as part of our Archers Wood development including the installation of barn owl and woodpeckers nesting boxes.

We have commissioned a wildlife friendly show garden for our Hawkins Wood development. It is hoped that this will be impactful in showcasing to our customers the potential for supporting biodiversity in small urban spaces.

For our upcoming Clonburris development, we collaborated with a local nursery and collected seed from native Hawthorn trees on site. These seeds will propagate Clonburris Hawthorns that will be replanted on the site and gifted to our customers.



PROTECTING BIODIVERSITY ON CAIRN DEVELOPMENTS

Graydon

In our Graydon development in Newcastle we commenced additional understorey planting to regenerate a 200 metre hedgerow. In addition, we planted a 50 m² micro woodland and completed a new park centred on a burgage plot hedgerow of medieval origins with new native tree planting and wildflower meadows.

Newcastle

We donated pollinator-friendly plants to the Newcastle Tidy Towns Committee to add to the planting beds in their village.

Archers Wood

Within our Archers Wood development we have constructed 230 metres of Green Wall; a more sustainable alternative to concrete retaining walls. These Green Walls have been seeded with a bespoke mix of grasses and native wildflowers. We completed the planting of over 4,000 native trees in perimeter woodlands and hedgerow alignments.

Griffith Wood

We have planted a new belt of native trees such as pines, oaks, hazel, holly and birch along our site boundary using specially grown semi mature stock for immediate impact.

Citywest Quarter

We completed the installation of 200 m² of wildflower meadow within the apartment courtyard gardens and 270 m² of green roof over the bike stores.

Greystones

We have sown c.1,500 m² of wildflower meadow in the Seabourne apartment complex as part of the reinstatement works associated with a new storm drain.

These site-specific projects are bolstered further by our pollinator-friendly strategies across all Cairn schemes.

These include:

- Pollinator-friendly mixes of perennials and flowering shrubs in all front gardens.
- Native tree planting in open spaces and private gardens.
- Mixed bulb drifts of pollinator-friendly plants.
- The provision of a packet of pollinator-friendly bulbs and information to every new home-owner.

Disclosures and Policies






SASB STANDARDS INDEX


The activity metrics are reported as of the last day of the fiscal year, as per SASB guidelines.

Activity Metric	Code	Category	Unit of Measure	2021
Number of lots controlled	IF0401-A	Quantitative	Number	c.17,700
Number of selling communities	IF0401-B	Quantitative	Number	11*
Number of homes delivered (sold)	IF0401-C	Quantitative	Number	1,120






* We had 11 developments with 5 or more homes for sale as at 31/12/21.

KPI	Code	Performance and Disclosures	Cairn Strategic Priority
LAND USE AND ECOLOGICAL EFFECTS			
Number of (1) lots and (2) homes delivered on redevelopment sites	IF-HB-160a.1	1) Cairn had 3,382 lots contractually available on redevelopment sites as at the end of 2021 (c.19% of our total landbank). The total number of lots available is an estimate based on the expected future development potential of the landbank. 2) In 2021, 234 (21%) of the 1,120 homes sold were on redevelopment sites.	 Homes
Number of (1) lots and (2) homes delivered in regions with High or Extremely High Baseline Water Stress	IF-HB-160a.2	No homes or lots in regions with High to Extremely High Baseline Water Stress.	 Homes
Total amount of monetary losses as a result of legal proceedings associated with environmental regulations	IF-HB-160a.3	No losses were recorded.	 Homes




SASB STANDARDS INDEX CONTINUED

KPI	Code	Performance and Disclosures	Cairn Strategic Priority
LAND USE AND ECOLOGICAL EFFECTS CONTINUED			
Discussion of process to integrate environmental considerations into site selection, site design, and site development and construction	IF-HB-160a.4	<p>Site Selection</p> <p>Prior to acquisition all candidate sites are subject to a rigorous due diligence process which includes scoping of environmental and ecological sensitivities and constraints. The process is led by our multi-disciplinary Planning Team with additional support from our Environmental Health and Safety team. We obtain additional expert scientific and engineering input on environmental issues that arise.</p> <p>As part of this process all candidate sites are assessed under a number of environmental and sustainability criteria such as proximity to public transport networks; access to schools, childcare and community facilities; greenfield or brownfield condition; known contamination; flood risk; and other environmental impacts.</p> <p>Site Design</p> <p>At the commencement of site design all projects are scoped out for Environmental Impacts. This process is led by our in-house Planning Team with assistance from Planning and Environmental Consultants. This establishes whether a full Environmental Impact Assessment (EIAR) is required or a series of focussed impact assessments on key issues. The Impact Assessment is fully integrated into the design process and our baseline studies and early impact assessment feedback into the developed design. The EIAR is coordinated by the Planning Consultants who attend all design team meetings to ensure full coordination and consideration of all issues.</p> <p>Once the planning application for a project is submitted, the Cairn Environmental Team review all applicable environmental planning compliance documents. This includes the Environmental Impact Assessment Report, Construction Environmental Management Plan (CEMP), Bat Report, Appropriate Assessments, Ecological Impact Assessment, and others as appropriate.</p> <p>Once all environmental planning compliance documents are reviewed, the Cairn Environmental Team engage with the site project manager to ensure all environmental mitigation measures are addressed at the earliest stages of a project and monitored on an ongoing basis.</p> <p>Site Development and Construction</p> <p>Site-specific CEMP and a waste management plan are drafted by the Cairn Environmental Team for all sites and these address all environmental risk associated with that site.</p> <p>The CEMP will outline the environmental risks and detail best practice environmental management which will enable the site to proceed while limiting its environmental impact. The waste management plan summarises how waste will be managed, stating the responsibilities within the site team, and includes estimates of expected waste, and reusability of soil under Article 27 of the European Communities (Waste Directive) Regulations 2011.</p> <p>The CEMP provides both the site team and Cairn Environmental Team a platform to work from and ensures all environmental risks are managed and reduced. All environmental concerns raised by the public and/or any third-party regulatory body will be dealt with in a timely manner and addressed immediately throughout the construction phase of a project.</p> <p>Any environmental Planning Condition issued by the Local Authority will be addressed prior to works commencing. Cairn will engage with third party environmental consultants to ensure compliance with a sites environmental planning conditions. All necessary environmental monitoring will be adhered to with all consultant reports saved and recorded for future reference.</p>	 Homes


SASB STANDARDS INDEX CONTINUED

KPI	Code	Performance and Disclosures	Cairn Strategic Priority
WORKFORCE HEALTH AND SAFETY			
(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	IF-HB-320a.1	<p>During 2021, there were 4 incidents more serious than first aid. There were 0 fatalities.</p> <p>The TRIR is 1.86 overall.</p>	 People
DESIGN FOR RESOURCE EFFICIENCY			
(1) Number of homes that obtained a certified HERS® Index Score and (2) average score	IF-HB-410a.1	<p>The HERS certification standard is not applicable in Ireland. We provide our Building Energy Ratings (BER) as an alternative.</p> <p>(1) 1,120 homes sold in 2021, all BER A rated</p> <p>(2) A rating is our average: 67% of our homes were rated A2 and 33% were rated A3. (BER ratings range from A1 [most efficient] to G [least efficient]).</p>	 Homes
Percentage of installed water fixtures certified to WaterSense® specifications	IF-HB-410a.2	<p>Although WaterSense specifications are not applicable in Ireland, we ensure that all of our homes are fitted with water fixtures that aim to minimise the amount of water used by the homeowner.</p>	 Homes
Number of homes delivered certified to a third-party multi-attribute green building standard		<p>To date, we certify our homes to the “Building Energy Rating” BER standard and all of our homes are A rated.</p> <p>Additionally, our homes are NZEB compliant and meet strict energy use and resource efficiency standards.</p> <p>During 2022 we will assess the suitability of the multi-attribute green building certifications explicitly designed for homes that are available in Ireland.</p>	 Homes
Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers	IF-HB-410a.4	<p>Ireland has one of the most rigorous energy standards for new homes in Europe. At Cairn, all of our homes are designed to meet or exceed these standards, as well as other efficiency standards defined by planning authorities and government, as well as EU regulation.</p> <p>Homebuyers are increasingly demanding greater resource efficiency, driven by climate-related concerns, rising energy costs, sustainability demands and lender preferences. This creates a dynamic landscape for home design which can give rise to increasing development costs and, where expectations are not met, adverse impacts on the value of the homes we build. This can give rise to a variety of development, financial and compliance risks, as well as opportunities.</p> <p>As part of Cairn’s sustainability commitments, we persistently seek ways to improve the resource efficiency of the homes we build to ensure it remains at the forefront of sustainable home design and so meeting the demands of our target market. This includes developing homes that use more sustainable building material (such as light gauge steel), always meet a Building Energy Rating of A3 or above, and which have a lower impact on their environment.</p> <p>The building energy rating of the homes we build is one of the core benefits to our home buyers and is communicated through all marketing materials for our developments.</p> <p>Our Annual and Sustainability Reports are available to the public such that key information is available to all interested stakeholders. Additionally, our corporate social media accounts are used to communicate with a broad range of stakeholders on innovation and change at Cairn.</p>	 Homes



SASB STANDARDS INDEX CONTINUED

KPI	Code	Performance and Disclosures	Cairn Strategic Priority
COMMUNITY IMPACTS OF NEW DEVELOPMENTS			
Description of how proximity and access to infrastructure, services, and economic centres affect site selection and development decisions	IF-HB-410b.1	<p>Proximity to services and public transport is a central tenet of our sustainable development model and is a strategic consideration in site selection.</p> <p>Prior to acquisition all candidate sites are subject to a rigorous due diligence process which includes scoping of environmental and ecological sensitivities and constraints. The process is led by our multi-disciplinary Planning Team with additional support from our Environmental Health and Safety team. We obtain additional expert scientific and engineering input on environmental issues that arise. Our Corporate Development Team evaluate the local amenities and transport links available to our prospective customers.</p> <p>As part of this process all candidate sites are assessed under a number of criteria including proximity to public transport networks; access to schools, childcare and community facilities; greenfield or brownfield condition; known contamination; and other environmental impacts.</p> <p>We build quality homes in great locations; in practice this means that we build close to existing public transport nodes and urban centres. A map showing the locations of our developments is available on page 24 of this report, demonstrating our strategic commitment to this priority.</p> <p>100% of all active developments are within 1km of a public transport node and many are connected to road and rail as well as sustainable transport options such as cycleways.</p> <p>We provided 3.2ha of new public parks and green infrastructure in 2021 contributing to the 20ha of open space provided since Cairn was founded.</p>	 Places
Number of (1) lots and (2) homes delivered on infill sites	IF-HB-410b.2	<p>1) Cairn had 2,663 lots contractually available on infill sites as at the end of 2021 (c.15% of our total landbank). The total number of lots available is an estimate based on the expected future development potential of the landbank.</p> <p>2) In 2021, 236 (21%) of the 1,120 homes sold were on infill sites.</p>	 Places
(1) Number of homes delivered in compact developments and (2) average density	IF-HB-410b.3	<p>1) Cairn had c.17,700 lots contractually available on compact developments as at the end of 2021 (100% of our total landbank). The total number of lots available and expected density is an estimate based on the expected future development potential of the landbank.</p> <p>In 2021, 1,118 of the 1,120 homes sold were on compact developments.</p> <p>2) The average density for developments planned in 2021 is 66 units per hectare.</p>	 Homes





SASB STANDARDS INDEX CONTINUED

KPI	Code	Performance and Disclosures	Cairn Strategic Priority
CLIMATE CHANGE ADAPTATION			
Number of lots located in 100-year flood zones	IF-HB-420a.1	<p>None of our homes are within any flood zone. Where part of a site is within a potential flood zone this area would be incorporated in the open space design to ensure no risk to property.</p> <p>100% of our developments incorporate Sustainable Urban Drainage Systems designed to accommodate 1 in 100 year flood events.</p>	 Places
Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	IF-HB-420a.2	<p>Cairn has adopted a robust risk management framework that identifies climate-related issues as a principal risk and uncertainty on the following time horizons: “Here and now” (one year or less); “medium term” (1-3 years); and “long term” (more than 3 years).</p> <p>Climate change risk is considered on the basis of risks associated with its exposure to the transition to a carbon-neutral economy, and physical risks affecting construction activity and developments.</p> <p>When considering climate change risks, we seek to identify and consider all material existing and emerging factors relevant to the business’ core activities, including policy risk, brand risk, economic risks, development risks, and compliance risks. Risks are assessed for likelihood and materiality based on a range of financial and non-financial factors.</p> <p>All risks (other than “low” risks), are managed and alleviated unless they are accepted by the business, with high risks being tolerable only with the approval of the Board, and extreme risks not being tolerated in any circumstances. In line with our risk management framework, decisions on how risks are to be managed are determined on a case-by-case basis, informed by a range of factors that are considered in the context of the specific risk and its wider business impact.</p>	

GRI INDEX






Disclosure Title and Description	Disclosure Number	Performance and Disclosures	Cairn Strategic Pillar																																								
EMPLOYMENT																																											
Total number and rate of employee turnover	GRI401-1	<div>The employee turnover for the period was 41 employees or 17% of our average headcount for the year.</div> <div>Turnover by Gender and Age</div> <table><thead><tr><th></th><th>All</th><th>0-30</th><th>30-50</th><th>50+</th></tr></thead><tbody><tr><td>All</td><td>17%</td><td>26%</td><td>13%</td><td>27%</td></tr><tr><td>Female</td><td>18%</td><td>18%</td><td>16%</td><td>100%</td></tr><tr><td>Male</td><td>17%</td><td>29%</td><td>11%</td><td>25%</td></tr></tbody></table>		All	0-30	30-50	50+	All	17%	26%	13%	27%	Female	18%	18%	16%	100%	Male	17%	29%	11%	25%	<div> People</div>																				
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Total number and rate of new employee hires	GRI401-1	<div>Hiring by Gender and Age</div> <table><thead><tr><th></th><th>All</th><th>0-30</th><th>30-50</th><th>50+</th></tr></thead><tbody><tr><td>All</td><td>102</td><td>32</td><td>59</td><td>11</td></tr><tr><td>Female</td><td>31</td><td>12</td><td>18</td><td>1</td></tr><tr><td>Male</td><td>71</td><td>20</td><td>41</td><td>10</td></tr></tbody></table> <table><thead><tr><th></th><th>All</th><th>0-30</th><th>30-50</th><th>50+</th></tr></thead><tbody><tr><td>All</td><td>100%</td><td>31%</td><td>58%</td><td>11%</td></tr><tr><td>Female</td><td>30%</td><td>38%</td><td>31%</td><td>9%</td></tr><tr><td>Male</td><td>70%</td><td>63%</td><td>69%</td><td>91%</td></tr></tbody></table>		All	0-30	30-50	50+	All	102	32	59	11	Female	31	12	18	1	Male	71	20	41	10		All	0-30	30-50	50+	All	100%	31%	58%	11%	Female	30%	38%	31%	9%	Male	70%	63%	69%	91%	
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DIVERSITY AND EQUAL OPPORTUNITY																																											
Percentage of women on the Board and in management	GRI405-2	<div>There are three women on our Board of 10 (30% female), while our Senior Leadership Team is comprised of five men and three women i.e. 37.5% women.</div>	<div> People</div>																																								
Percentage of employees that are women	GRI405-1	<div>26% of the average headcount of 238.5 employees over the course of 2021 were women.</div> <div>Diversity by Gender and Age – 12 month average</div> <table><thead><tr><th></th><th>All</th><th>0-30</th><th>30-50</th><th>50+</th></tr></thead><tbody><tr><td>All</td><td>238.5</td><td>46</td><td>160</td><td>33</td></tr><tr><td>Female</td><td>62.0</td><td>11</td><td>50</td><td>1</td></tr><tr><td>Male</td><td>176.5</td><td>35</td><td>110</td><td>32</td></tr></tbody></table> <table><thead><tr><th></th><th>All</th><th>0-30</th><th>30-50</th><th>50+</th></tr></thead><tbody><tr><td>All</td><td>100%</td><td>19%</td><td>67%</td><td>14%</td></tr><tr><td>Female</td><td>26%</td><td>24%</td><td>31%</td><td>3%</td></tr><tr><td>Male</td><td>74%</td><td>76%</td><td>69%</td><td>97%</td></tr></tbody></table>		All	0-30	30-50	50+	All	238.5	46	160	33	Female	62.0	11	50	1	Male	176.5	35	110	32		All	0-30	30-50	50+	All	100%	19%	67%	14%	Female	26%	24%	31%	3%	Male	74%	76%	69%	97%	
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GRI INDEX CONTINUED

Disclosure Title and Description	Disclosure Number	Performance and Disclosures	Cairn Strategic Pillar
LOCAL COMMUNITIES			
Percentage of operations with implemented local community engagement, impact assessments, and/or development programs	GRI413-1	100% of our developments meet this standard.	 Places
EMISSIONS			
Gross direct (Scope 1) GHG emissions	GRI305-1	1,522 tCO ₂ e (2020: 1,741 2019: 1,664).	 Homes
Gross location and market-based energy indirect (Scope 2) GHG emissions	GRI305-2	695 tCO ₂ e (2020: 626 2019: 862).	
ENERGY			
Total energy consumption within the organisation	GRI302-1	10,211,304 is the total absolute kWh for FY2021 including gas, electricity, diesel and petrol purchased by Cairn.	 Places
Energy intensity ratio for the organisation	GRI302-3	10,211,304 is the total absolute kWh for FY2021 including gas, electricity, diesel and petrol purchased by Cairn. The intensity value reflects kWh per home sold in FY2021 of 9,117 kWh ¹ per completion (there were 1,120 homes sold in the year). The number of sqm sold was 39,321 so our intensity = 260 kWh per sqm sold in FY2021.	
Building energy intensity	EPRA	10,211,304 ¹ is the total absolute kWh for FY2021 including gas, electricity, diesel and petrol purchased by Cairn. The intensity value reflects kWh per employee FY2021 of 37,960. There were 269 employees on the last day of 2021.	 Places

¹ It is important to note that these intensity values do not reflect the energy in use of a Cairn-built home, rather it is a means of assessing the energy used by Cairn over 12 months for a given level of output. This will allow like-for-like comparisons to be made year-on-year as we scale the business and increase output.

GRI INDEX CONTINUED

Disclosure Title and Description	Disclosure Number	Performance and Disclosures	Cairn Strategic Pillar
WASTE			
Total weight of waste generated including breakdown by disposal route	GRI306-5	6,811 tonnes of construction waste was generated in 2021. 4% was sent to landfill (272 tonnes) with 96% either recycled or recovered (538 tonnes recycled and 6,001 tonnes recovered).	 Places
BIODIVERSITY			
Percentage of sites with biodiversity impact assessments in place	Industry	100% of our sites have a biodiversity assessment.	 Places
EMPLOYMENT			
Number of graduates/apprentices/trainees enrolled in reporting year	Industry	10 interns and 6 graduates were enrolled in 2021.	 People
GENDER PAY GAP			
Gender Pay Gap	GPG legislation UK	19.7%  To read our Gender Pay Gap Report click here.	 People

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INDEX

Area	Recommended Disclosures	Performance and Disclosures
GOVERNANCE		
Disclose the organisation’s governance around climate-related risks and opportunities.	a) Describe the board’s oversight of climate-related risks and opportunities.	<p>The Board comprises 10 members, of which two (the Chief Executive, Michael Stanley and the Chief Financial Officer, Shane Doherty) are executive members. The Board is led by the Non-Executive Chairman, John Reynolds. Reporting to the Board, the Executive Directors maintains full strategic and operational oversight of the Company’s sustainability agenda, which incorporates our response to the transition risks associated with the shift to a lower-carbon economy, and the physical risks it faces in respect of climate change.</p> <p>The Board is informed of and has oversight of climate-related issues through two channels:</p> <p>Strategy channel</p> <p>At each Board meeting (of which there are approximately eight each year), the Executive Directors present a comprehensive overview of progress towards our strategic objectives, together with factors that are affecting or may affect those objectives, and factors that may influence future strategy. Climate-related issues are identified as a key lever in our strategic focus areas and, consequently, form an integral part not only of the strategic reporting cycle, but also the annual strategic review.</p> <p>Risk management channel</p> <p>The Audit & Risk Committee of the Board monitors and reviews the effectiveness of the Company’s risk management system, and advises the Board on principal risks and uncertainties, as well as the risk aspects of its strategy, specifically climate-related risk as a principal risk, and core element of strategy. As part of this activity, the Audit & Risk Committee maintains oversight of the risk register and monitors our response to risk.</p> <p>We have identified that a failure to anticipate and address the strategic, market, regulatory and operational impacts of climate change as a principal risk. The appetite for this risk reflects that identifying and proactively responding to the challenges of climate change is core to our purpose and strategy. Consequently, the risk management framework supports and promotes the identification and management of climate-related issues on a business wide basis, managed through our embedded risk management process.</p> <p>The Board actively considers both strategic climate-related influences and risks (as identified through the channels described above) when guiding the Company’s strategy, considering its response to risk, and overseeing the development, implementation and outcome of associated goals, objectives and budgets. This culminated in the inclusion of sustainability within our LTIP, which in turn is underpinned by sustainability metrics incorporated into our remuneration frameworks (approved by Board), ensuring that targets and objectives of employees, including Executive Directors, and the business, are aligned.</p>
	b) Describe management’s role in assessing and managing climate related risks and opportunities.	<p>The Executive Directors and Senior Leadership Team, supported by Cairn’s ESG Reporting and Research Team and ESG Innovation Forum, direct the management of climate-related issues, in the context of their impact on the Company’s strategic intent, as well as the risks posed to the business (including as identified by the Company’s risk management framework). Where necessary, these teams are advised by third party experts, ensuring advice is objective and current.</p> <p>The Chief Executive Officer retains responsibility for defining the strategic direction of the business and Cairn’s climate-related performance and does so with the benefit of guidance from specialist teams within the business including the Technical and ESG Research and Reporting Team. Separately, the Chief Financial Officer is responsible for ensuring the financial impacts of climate-related issues are fully understood and reflected in company budgets.</p> <p>All employees in Cairn, regardless of seniority, are responsible for supporting the delivery of goals and objectives, identifying and managing risks, and generally promoting company values. Through our People Strategy, the Chief People Officer ensures that climate-related issues, and our response to them, is both communicated and incorporated into employees’ annual objectives and associated incentives. The Chief People Officer is also responsible for ensuring the Company’s resources and capabilities match its climate-related responses.</p>

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INDEX CONTINUED

Area	Recommended Disclosures	Performance and Disclosures
STRATEGY		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	<p>Our risk management framework, which identifies climate-related issues as a principal risk and uncertainty, considers all risks on the basis of three horizons:</p> <ul style="list-style-type: none">• “Here and now”, being risks to the immediate term (one year or less) goals and objectives of the business;• “medium-term”, being risks with a horizon of between 1 year and 3 years; and• “long-term”, being risks with a horizon of more than 3 years. <p>These horizons have been adopted bearing in mind the development cycle, as well as overall strategic timeframes, and have been reviewed by the Audit & Risk Committee of the Board.</p> <p>The risk management framework supports the assessment of climate-related risks and opportunities, requiring engagement at all levels of the business to ensure comprehensive identification and evaluation. The Senior Leadership Team actively engages in this process and regularly meets throughout the year to review risks and opportunities identified by functional management, augment those with risks identified by the Senior Leadership Team, and ensure new and emerging risks and opportunities are identified and managed.</p> <p>The assessment of risks requires that we consider the likelihood of the risk occurring, and then the impact of the risk should it occur (having regard to controls we have already effectively implemented). This assessment supports decisions on how we apply Cairn’s risk appetite to each risk and informs the materiality of the risk (or associated opportunity).</p> <p>Here and now</p> <p>Cairn is actively addressing current transition risks and physical risks. In the context of development planning, we are already responding to greater planning constraints and associated conditions that reflect both a policy shift toward developments that have a lower carbon impact, and a need to respond to the physical impacts of climate change. These conditions can have an impact on the fundamental design of developments, the specification of individual units, and the density of housing that can be provided. Equally, the conditions can impact on the construction methodologies adopted, as well as the timeframe for development. All of these factors impact both the underlying cost of developments, and the development capacity of the Company.</p> <p>During the construction phase of developments, the adverse impact of climate driven events such as prolonged periods of intense rainfall, an increase in the severity of winter storms, or extremes of temperature, are factors that are monitored, evaluated and managed by the Company.</p> <p>Our Technical, Construction and Environmental teams develop responses and remediations on a development-by-development basis with a view to mitigating the financial and other impacts.</p> <p>Medium to long-term</p> <p>Whilst also a “here and now” climate-related issue, the carbon-intensity associated with our construction activities has a medium and long-term horizon. The failure of Cairn to address this could adversely impact our ability to develop sites that meet climate-led demands or conditions, or which are affordable to our target market.</p> <p>We have also identified climate-related issues as being generally a risk and an opportunity for our business. This means ensuring our environmental, climate change and sustainability responses meet the needs of our home buyers, whilst also following rapidly changing national housing and climate strategies.</p>

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INDEX CONTINUED

Area	Recommended Disclosures	Performance and Disclosures
STRATEGY CONTINUED		
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	<p>Cairn recognises that climate change represents a principal risk and uncertainty to its strategic intent. As a consequence, our process for identifying and reviewing that strategic intent incorporates a comprehensive analysis and understanding of the climate-related risks and opportunities presented by Our Purpose and Our Vision.</p> <p>This understanding, defined by our risk appetite in this respect, then informs our strategy, its underlying goals and objectives, and the outcomes we plan.</p> <p>This creates a positive feedback process in which climate-related risks and opportunities play a fundamental role in defining strategy, with associated goals and objectives to mitigate or capitalise on opportunities having budgeted cost and margin impacts.</p>
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.	<p>Both our Sustainability and Climate Action policies outline our intentions with regards to business strategy and climate change. The business is aware that our changing climate is exceedingly putting pressure on current business models. The risks associated with the changes that will be incurred over time are incorporated into our sustainability strategy.</p> <p>Our science based target setting is underway and with this process we have decided to model various reduction targets on current and future developments. This allows us to understand the potential changes that will be required operationally from the business and the outcomes they will cause. The next step in our strategy workstream is to incorporate climate scenario analysis into our planning. This will be completed in 2022 and will result in the alignment of possible action plans to each scenario.</p>

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INDEX CONTINUED

Area	Recommended Disclosures	Performance and Disclosures
RISK MANAGEMENT		
Disclose how the organisation identifies, assesses, and manages climate-related risks.	a) Describe the organisation’s processes for identifying and assessing climate-related risks.	<p>Identification</p> <p>The identification and assessment of climate-related risks and opportunities is supported by Cairn’s risk management process (as described in the Risk Report in the Annual Report). Risk management is an important business driver and its value as a process means we take a business-wide approach, allowing us to consider the potential impact and opportunity presented by all types of risk affecting our business, including climate-related risks.</p> <p>When considering climate-related risks, the Company seeks to identify and consider all material existing and emerging factors relevant to our core activities:</p> <ul style="list-style-type: none">• policy risks (how Government policy in respect of climate may impact on our business model, for example through planning policies or economic policies);• brand risks (how our brand is impacted by our response to climate-related risk, for example because our developments do not meet customer requirements);• economic risks (how climate-led factors impact economic conditions, such as increases in supply chain costs);• development risks (how climate-related issues impact on our ability to deliver developments, including through local development plans); and• compliance risks (such as how the Company complies with regulatory constraints on what and how we build). <p>Within our risk register, specific climate-related risks include the risk that the cost of appropriately dealing with extracted waste exceeds expectations, that environmental demands require development design or other changes and risks to the resilience of our supply chain.</p>
	b) Describe the organisation’s processes for managing climate-related risks.	<p>Managing climate-related risk</p> <p>Identifying and proactively responding to the challenges of climate change is core to our purpose and strategy. This means that all risks (other than “low” risks), are managed and mitigated unless they are accepted by the business, with high risks being tolerable only with the approval of the Board, and extreme risks not being tolerated in any circumstances.</p> <p>In line with our risk management framework, decisions on how risks are to be managed are determined on a case-by-case basis, informed by a range of factors that are considered in the context of the specific risk and its wider business impact. These decisions are reviewed by functional management and the Senior Leadership Team, and is subject to oversight by the Audit & Risk Committee. This ensures that risk responses align with and inform our strategy and purpose and that appropriate materiality assessments have been made.</p>
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation’s overall risk management.	<p>Integration</p> <p>The risk management process has been designed to:</p> <ul style="list-style-type: none">• help define strategies, including controls, to mitigate risks, or capitalise on the opportunities they may present;• establish a process to consider risks and opportunities in the context of Cairn’s risk appetite; and• ensure risks, mitigating controls and responsibilities for managing risk and opportunities are recorded and monitored. <p>Our approach to the assessment of risk is consistently applied by reference to the probability of the risk arising, and the consequences of the risk (which includes a materiality assessment based on a range of financial and non-financial factors). Our response to the risk is then dependent on:</p> <ul style="list-style-type: none">• the overall risk rating (low, medium, high, or extreme); and• the Company’s appetite for the risk. <p>In respect of climate-related risk, identifying and proactively responding to the challenges of climate change is core to our purpose and strategy. This means that as part of our overall risk management process, we proactively identify and manage risks associated with climate change in a way that ensures we can continue to deliver on our vision.</p>

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INDEX CONTINUED

Area	Recommended Disclosures	Performance and Disclosures
METRICS AND TARGETS		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process.	<p>For the 2021 reporting period we will be disclosing the following metrics to assess and manage climate related risks and opportunities as set out within the “Disclosures and Performance” section.</p> <ul style="list-style-type: none">• Building Energy Intensity Ratio;• Gross direct (Scope 1) GHG emissions;• Gross location and market-based energy indirect (Scope 2) GHG emissions;• GHG emissions (S1&S2) intensity ratio for the organisation (per home built);• Total energy consumption within the organisation; and• Total weight of general waste generated, including breakdown by disposal route. <p>In 2022, we are taking our commitments further by incorporating sustainability into our remuneration frameworks. This demonstrates the importance we place on accountability for our sustainability commitments. We are:</p> <ul style="list-style-type: none">• Incorporating environmental metrics on biodiversity net gain into our long-term incentive plan; and• Incorporating social metrics, including our customer and people framework with a health and safety underpin, into our short-term incentive plan. <p>All metrics and targets are reported in line with appropriate standards including SASB, GRI, EPRA and DEFRA.</p>
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<p>Our Scope 1 and 2 emissions are reported under GRI-405-1 and GRI-405-2. We are in the process of measuring our Scope 3 baseline and expect to disclose that information over the coming year. These will be measured in line with the GHG protocol.</p> <p>As a homebuilder, we operate in an energy intensive industry. Emissions are the key driver of global temperature rise and result in many of the regulatory changes we are now faced with. Measuring our carbon emissions allows us to gain a full and thorough understanding of the emissions we produce directly and indirectly. This allows us to inform the choices we make in our activities and procurement processes. A business-as-usual trajectory could impose the following non-exhaustive sample of risks to our stakeholders:</p> <p>Customer: A home that is not efficient or resilient to potential climate scenarios. Shareholder: An investment that would not be adaptable in the face of climate change and lose value. Operations: A method of construction that is outdated, energy and carbon intensive and behind the curve within the industry.</p>
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<p>As a homebuilder operating in an energy intensive industry, we have a responsibility to ensure we set meaningful targets to abate and mitigate GHG emissions.</p> <p>In response to this we have:</p> <ul style="list-style-type: none">• Committed to setting science-based targets with the SBTi for scope 1, 2, and 3. We expect to make that submission within the next 12 months;• Committed to ensuring 40% of our unit commencements are on verified biodiversity net gain developments by 2024;• We are signatories of Business in the Community Ireland’s Low Carbon Pledge.

OUR POLICIES

This year we undertook a comprehensive review of our policies relating to our key material issues. We have revised some of our existing policies and created new policies as needed to communicate our ways of working to our stakeholders. This process will be continuous to allow us to review and improve our policies in line with best practice.

OUR POLICIES

To find out more about our policies please click on the links below:

ENVIRONMENT

- 🌐 Sustainability
- 🌐 Biodiversity
- 🌐 Climate Action
- 🌐 Environment
- 🌐 Sustainable Procurement

SOCIAL

- 🌐 Anti-Slavery
- 🌐 Board Diversity
- 🌐 Dignity at Work
- 🌐 Equality Diversity and Inclusion
- 🌐 Health and Safety

GOVERNANCE

- 🌐 Anti-bribery
- 🌐 Anti-trust
- 🌐 Business Continuity
- 🌐 Confidential Reporting



