

Targets Relating to the 2021 LTIP Awards

Cairn Homes plc (“Cairn” or the “Company”) announces the targets for its FY 2021 Long-term Incentive Plan (LTIP), which will be granted to Executive Directors during May 2021. As set out on page 94 of the 2020 Annual Report, the Remuneration Committee (the “Committee”) detailed that the targets for the FY 2021 LTIPs would be confirmed prior to the grant of awards in May 2021 and disclosed on the Company’s website. Following a comprehensive review of targets, the Committee confirms that the following metrics and targets will apply to the 2021 LTIP awards:

Metric	Weighting	Threshold Target (25% vesting)	Maximum Target (100%)
EPS	80%	14.2c	23.7c
Stakeholder Measures: <ul style="list-style-type: none"> • Customer Satisfaction • Health and Safety 	20%	Stakeholder measures will pay out based on customer satisfaction performance. In order for the stakeholder measure to pay out, a Health & Safety underpin must be achieved. That underpin will require a sustained and strong level of Health & Safety performance over the performance period which will be assessed by the Committee.	

There is no change to the metrics used year-on-year or the relative weighting of each metric. The targets for the financial measure were set after a rigorous review of internal forecasts and took into account external expectations of future performance. The stakeholder measures – which are non-financial – will draw a sharp focus on wider areas central to delivering our strategy. In each of the Annual Reports during the performance period, the Company will provide an update on performance against the non-financial measures.

The overall stakeholder experience during the performance period will be reviewed as part of the Committee's determination of final vesting levels.