



2 April 2019

CAIRN ENERGY PLC (“Cairn” or “the Company”)

Report and Accounts and Notice of Annual General Meeting

The Company’s annual report and accounts for the year ended 31 December 2018 (the **“Report and Accounts”**) and a notice of annual general meeting (the **“Notice”**) were posted to shareholders today. The Notice convenes the 2019 Annual General Meeting (the **“AGM”**). The AGM will be held in the Castle Suite of The Caledonian, a Waldorf Astoria Hotel, Princes Street, Edinburgh, EH1 2AB at 12.00 noon on Friday 17 May 2019.

A copy of the Report and Accounts and Notice have also been submitted to the National Storage Mechanism and will shortly be available for inspection at: <http://www.morningstar.co.uk/uk/NSM>. The Report and Accounts and Circular are also available on the Company’s website at www.cairnenergy.com.

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

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

The information set out below, which is extracted from the Report and Accounts, is included in this announcement for the sole purpose of complying with Disclosure and Transparency Rule 6.3.5 and the requirements it imposes on issuers as to how to make annual financial reports public. It should be read in conjunction with the Company’s preliminary results announcement, released on 12 March 2019 (the **“Preliminary Results Announcement”**). This material is not a substitute for reading the full 2018 annual report and accounts. Page numbers and cross-references in the extracted information below refer to page numbers and cross-references in the Report and Accounts.

Directors’ responsibility statement

The following statement is extracted from page 117 of the Report and Accounts. This statement is repeated here solely for the purposes of complying with Disclosure and Transparency Rule 6.3.5. This statement relates to and is extracted from the Annual Report and Accounts. It is not connected to the extracted information presented in this announcement or in the Preliminary Results Announcement.

‘Directors’ Responsibility Statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the Group and parent Company Financial Statements in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group and Company for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS issued by the IASB and adopted by the EU have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the Financial Statements and the



Directors' Remuneration Report comply with the Companies Act 2006 and, as regards the Group Financial Statements, Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website (www.cairnenergy.com). Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Following careful review and consideration of the Cairn Energy PLC Annual Report and Accounts 2018 (the 'Accounts'), the Directors consider that the Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's performance, business model and strategy.

Directors' Statement Pursuant to the Disclosure and Transparency Rules

Each of the directors, whose names and functions are listed in the Board of Directors section on pages 66 and 67, confirm that, to the best of their knowledge:

- the Group Financial Statements, which have been prepared in accordance with IFRS as adopted by the EU, give a true and fair view of the assets, liabilities, financial position, and loss of the Group and loss of the Company; and
- the Strategic Report section on pages 1 to 65 of this document includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.'

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

Ian Tyler (*Non-Executive Chairman*)
Todd Hunt (*Non-Executive Director*)
Alexander Berger (*Non-Executive Director*)
Keith Lough (*Non-Executive Director*)
Peter Kallos (*Non-Executive Director*)
Nicoletta Giadrossi (*Non-Executive Director*)
Simon Thomson (*Chief Executive*)
James Smith (*Chief Financial Officer*)

Principal risks and uncertainties

The following description of the principal risks and uncertainties is extracted from pages 34-40 of the Report and Accounts.

"Principal risks & uncertainties

During 2018, through a number of internal forums such as the Board, the Group Risk Management Committee and Management Team, the Group reviewed the risks which could adversely affect the achievement of strategic objectives.

The tables below provide a summary overview of the principal risks to the Group at the end of 2018, the potential impacts, the mitigation measures, the risk appetite and the KPIs or strategic objectives the risks may impact.

Cairn's principal risks are considered, in line with the Group Viability Statement, over a three year period. In addition to this three year assessment, Cairn actively considers emerging risks and threats as part of its risk assessment process. Climate change, biodiversity and cyber security were identified as the top emerging risks which will be actively assessed and monitored (further information can be found in the Working Responsibly section on page 40).

Strategic objective: **Deliver exploration success**

Principal risk: Lack of exploration success

Owner: Director of Exploration

<p>Risk appetite</p>	<p>High – Exposure to exploration and appraisal failure is inherent in accessing the significant upside potential of exploration projects and this has been, and remains, a core value driver for Cairn. The Group invests in data and exploits the strong experience of Cairn’s technical teams to mitigate this risk.</p>		
<p>Impact</p> <p>Limited or no value creation</p> <p>Failure of the balanced portfolio business model</p> <p>Negative market reaction</p>	<p>Mitigation</p> <p>Active programme for high-grading new areas through licence rounds, farm-ins and other transactions.</p> <p>Portfolio of prospects and leads that offer opportunities with a balance of geological and technical risks.</p> <p>Highly competent team applying a thorough review process to prospects and development opportunities, and a team of geoscientists with a track record of delivering exploration success.</p> <p>Establishment of Exploration Leadership Team to undertake peer reviews and assurance.</p>	<p>2018 movement</p> <p>No change.</p> <p>This risk remained static in 2018.</p> <p>In 2018, Cairn participated in four exploration wells in the UK & Norway region: PL682 targeting the Tethys prospect in Q1, PL790 containing the Raudåsen prospect in Q2, P2184 targeting the Ekland prospect in Q4 and P1763 containing the Agar discovery and Plantain prospect also in Q4.</p> <p>Agar is estimated by the operator to hold recoverable resources of 15-50mboe. Further evaluation of the development options and broader exploration potential is ongoing.</p>	<p>2019 KPI objectives</p> <p>Successfully drill and evaluate a programme of six exploration wells across our portfolio.</p> <p>Discover potentially commercial hydrocarbons in line with pre-drill expectations.</p> <p>Mature up to six new independent exploration prospects with JV support for drilling in the period 2020-2021.</p>

Strategic objective: **Mature developments**

Principal risk: Delay in Senegal development plan approval

Owner: General Manager, Senegal

<p>Risk appetite</p>	<p>Medium – Developments are commonly subject to cost impacts and schedule delays. The Group therefore has a medium appetite for risk taking in the development stage.</p>
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Impact	Mitigation	2018 movement	2019 KPI objectives
Loss of asset value	Ongoing engagement with Senegal Government.	No change.	Mature the SNE field development project in Senegal
Project delays	Ongoing engagement with JV partners and other stakeholders.	This risk remained static in 2018.	to Final Investment Decision
Negative market Reaction	Development of joint venture funding plan.	Development and Exploitation Plan for the SNE field offshore	
Increase in capital expenditure	Integrated transfer of operatorship plan agreed with Woodside.	Senegal was submitted in October, on schedule, to the Government of Senegal by the joint venture (JV). The JV	
		is targeting a final investment decision in mid-2019 and first oil in 2022.	
		The Government of Senegal approved Woodside Energy (Senegal) B.V. as operator of the	
		SNE field development.	

Strategic objective: **Portfolio management**

Principal risk: Securing new venture opportunities

Owner: Director of Exploration

<p>Risk appetite</p>	<p>Medium – Building and maintaining a balanced portfolio of current and future exploration, development and production assets is core to the Group’s strategy. New opportunities must first meet the Group’s strict investment criteria and successfully securing them will be dependent on the prevailing competitive environment.</p>		
<p>Impact</p> <p>Failure to replenish the portfolio</p> <p>Inability to replace reserves and sustain production levels</p> <p>Loss of investor confidence</p>	<p>Mitigation</p> <p>Geoscience, new ventures and commercial teams work closely to review and identify new portfolio opportunities.</p> <p>Experience and knowledge throughout the organisation in recognising prospective opportunities.</p> <p>Risk assessments and due diligence process undertaken on all potential new country entries.</p> <p>Development of discretionary capital allocation and opportunity ranking system.</p>	<p>2018 movement</p> <p>Decreased.</p> <p>This risk decreased in 2018 due to the Group’s success in securing new venture opportunities.</p> <p>An additional operated licence was secured in the Mexico offshore bid round in H1 2018 to add to the two existing licences. The operated licence (50% WI) with Citla as partner is on Block 15.</p> <p>In Suriname, a frontier area with multiple wells currently drilling in the region, Cairn was awarded an operated exploration agreement (Cairn 100% WI) by Staatsolie on the largest offshore block.</p> <p>In Côte d’Ivoire, Cairn has entered into the continental rift play with Tullow Oil. Cairn has agreed a farm-in for a 30% interest in all seven of Tullow’s onshore licences.</p> <p>In Mauritania, Cairn has an option agreement with Total to enter Block C7, a large offshore exploration block in a proven oil province.</p> <p>Cairn farmed into the P1763 licence in the UK North Sea with Azinor Catalyst in H1 2018 with the option of taking over as</p>	<p>2019 KPI objectives</p> <p>Secure two new venture opportunities that meet corporate hurdles and have risk levels consistent with our Risk Appetite Statement. Measured against tests of control, materiality and commercial robustness.</p>

Operator. Cairn joins Azinor Catalyst for 50% of the sole risk drilling activity on the Agar discovery and Plantain prospect and 25% of the wider licence with existing partners.

Cairn participated in five applications in the UK 30th Licence Round and in H1 was offered all five licences (three as operator and two as non-operator), incorporating most of the prospectivity we had identified prior to bidding.

Principal risk: Health, safety, environment and security
 Owner: Chief Executive



Risk appetite	Low – The Group continuously strives to reduce risks that could lead to an HSSE incident to as low as reasonably practicable.		
Impact	Mitigation	2018 movement	2019 KPI objectives
Serious injury or death Environmental impacts Reputational damage Regulatory penalties and clean-up costs	<p>Effectively managing health, safety, security and environmental risk exposure is the first priority for the Board, Senior Leadership Team and Management Team.</p> <p>HSE training is included as part of all staff and contractor inductions.</p> <p>Detailed training on the Group's Corporate Responsibility Management System (CRMS) has been provided to key stakeholders to ensure processes and procedures are embedded throughout the organisation and all operations.</p> <p>Process in place for assessing an operator's overall operating and HSE capabilities, including undertaking audits to determine the level of oversight required.</p> <p>Effective application of CRMS in projects.</p> <p>Crisis and emergency response procedures and equipment are maintained and regularly tested to ensure the Group is able to respond to an emergency quickly, safely and effectively.</p> <p>Third party specialists in place to assist with security arrangements and travel risk assessments.</p> <p>Leading and lagging indicators and targets developed in line with industry guidelines and benchmarks.</p> <p>Findings from 'Lessons learned' reviews are implemented from other projects.</p>	<p>No change.</p> <p>This risk remained static in 2018 due to continued strong HSSE performance.</p> <p>The Group's safety performance has been effective overall in 2018, achieving zero lost time injuries, recordable injuries or spills across all Cairn operations.</p> <p>With ongoing operations in a number of countries in 2019, the Group will continue to work responsibly as part of our strategy to deliver value for all stakeholders.</p>	<p>Demonstrate clear progress and achieve defined milestones in relation to HSSE/CR objectives, split into four key categories (Governance, Society, People and the Environment).</p> <p>Achieve lagging HSSE indicators set in line with IOGP targets.</p>

Principal risk: Fraud, bribery and corruption
 Owner: Chief Executive

Risk appetite	Low – Cairn is committed to maintaining integrity and high ethical standards in all of the Group's business dealings. The Group has no tolerance for conduct which may compromise its reputation for integrity.
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Impact	Mitigation	2018 movement	2019 KPI objectives
<p>Fines</p> <p>Criminal prosecution</p> <p>Reputational damage</p>	<p>Business Code of Ethics and bribery and corruption policies and procedures.</p> <p>Due diligence process and questionnaire developed for assessing potential third parties.</p> <p>Annual training programme for all employees, contractors and selected service providers.</p> <p>Financial procedures in place to mitigate fraud.</p>	<p>2018 movement</p> <p>No change.</p> <p>This risk remained static in 2018 due to no reportable instances of fraud, bribery or corruption.</p> <p>The Group was awarded licences in new countries deemed high risk for bribery and corruption. A compliance programme will be implemented for each area of operation.</p>	<p>2019 KPI objectives</p> <p>Demonstrate clear progress and achieve defined milestones in relation to HSSE/CR objectives, split into four key categories (Governance, People, Society and the Environment).</p> <p>Achieve lagging HSSE indicators set in line with IOGP targets</p>

Strategic objective: **Deliver operational excellence**

Principal risk: Kraken and Catcher operational and project performance
 Owner: Chief Operating Officer

Risk appetite

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

Impact	Mitigation	2018 movement	2019 KPI objectives
<p>Delay or reduction in cash flow</p> <p>Increased operational costs</p> <p>HSE incident</p> <p>Reputational damage</p>	<p>Work closely with the operator’s to deliver risk mitigation plans and project solutions during ongoing commissioning.</p> <p>Positive and regular engagement with operators and partners to share knowledge, offer support and exert influence.</p>	<p>2018 movement</p> <p>Increased risk.</p> <p>This risk increased in 2018 due to operational challenges on the Kraken FPSO.</p> <p>Average gross production from Kraken in 2018 was 30,300 boepd, which was below expectations. Production levels were affected by both weather-related incidents, higher water-cut than originally expected and most significantly, by production system outages on the FPSO. Reservoir performance has been evaluated and at year end, Kraken 2P reserves have</p>	<p>2019 KPI objectives</p> <p>Ensure production and operating cash flow from Kraken and Catcher are at or within guidance on net production volume and lifting cost per barrel.</p>

been reduced to reflect current performance. This has resulted in an impairment in the carrying value of the Kraken asset. The JV is evaluating further investment opportunities in the Kraken area to provide new drilling opportunities, also in 2020.

Gross production from the Catcher Area averaged 43,000 boepd in 2018. This reflected the fields ramp-up to plateau production rates in May and significantly increased plant availability during the second half of the year as final commissioning of secondary systems was completed. As a result, Catcher Area production averaged 69,400 boepd (gross) in November and December, achieving 97 per cent operating efficiency.

Strategic objective: **Deliver operational excellence** continued

Principal risk: Reliance on JV operators for asset performance

Owner: Chief Operating Officer

<p>Risk appetite</p>	<p>Medium – The Group seeks to operate assets which align with the Group's core areas of expertise, but recognises that a balanced portfolio will also include non-operated ventures. The Group accepts that there are risks associated with a non-operator role and will seek to mitigate these risks by working with partners of high integrity and experience and maintaining close working relationships with all JV partners.</p>		
<p>Impact</p> <p>Cost/schedule overruns</p> <p>Poor performance of assets</p> <p>HSE performance</p> <p>Delay in first oil from development projects</p> <p>Negative impact on asset value</p>	<p>Mitigation</p> <p>Actively engage with all JV partners early to establish good working relationships.</p> <p>Actively participate in technical meetings to challenge, apply influence and/or support partners to establish a cohesive JV view.</p> <p>Application of the Group risk management processes and non-operated ventures procedure.</p> <p>Active engagement with supply chain providers to monitor performance and delivery.</p>	<p>2018 movement</p> <p>No change.</p> <p>This risk remained static in 2018.</p> <p>Oil price volatility continues to have a financial impact across the industry and the risk remains that the Group's JV partners may not be able to fund work programme expenditures and/or reprioritise projects.</p> <p>Catcher, Kraken and several exploration projects are operated by joint venture partners. Woodside has also taken over operatorship of the Senegal asset. The Group continues to work closely with a number of other partners in the UK and Norway and Latin America regions.</p>	<p>2019 KPI objectives</p> <p>Mature the SNE field development project in Senegal to Final Investment Decision.</p> <p>Progress the Nova development project against key predefined project milestones.</p> <p>Ensure production and operating cash flow from Kraken and Catcher are at or within guidance on net production volume and lifting cost per barrel.</p> <p>Demonstrate clear progress and achieve defined milestones in relation to HSSE/CR objectives, split into four key categories (Governance, Society, People and the Environment).</p> <p>Achieve lagging HSSE indicators set in line with IOGP targets.</p>

Strategic objective: **Deliver a sustainable business**

Principal risk: Access to debt markets

Owner: Chief Financial Officer

Risk appetite	Low – The Group seeks to develop and implement a funding strategy that allows a value generative plan to be executed and ensures a minimum headroom cushion from existing sources of funding is maintained.		
Impact	Mitigation	2018 movement	2019 KPI objectives
<p>Work programme restricted by reduced capital availability</p> <p>Loss of value</p>	<p>Committed work programme is fully funded from existing sources of finance, principally existing cash balances, operating cash-flows and debt funding.</p> <p>Disciplined allocation of capital across portfolio.</p> <p>Continue to assess other forms of financing and pursue claim for restoration of value for Indian investment.</p>	<p>Increased.</p> <p>This risk increased in 2018 due to the potential challenges of achieving a full funding solution in Senegal.</p> <p>The reserves based lending facility was refinanced and tenure extended during 2018.</p> <p>Senegal project finance launched in November 2018.</p> <p>The Group has entered a hedging programme for Catcher and Kraken crude.</p> <p>A number of financial institutions and investors have recently made policy decisions to exit oil and gas sector investment. To date, this has not affected Cairn but if this trend accelerates there could be a future impact.</p>	<p>Implement funding strategy to support exploration, appraisal and development activity and to mitigate any downside revenue scenarios.</p>

Strategic objective: **Deliver a sustainable business** continued

Principal risk: Political and fiscal uncertainties

Owner: Chief Financial Officer

Risk appetite

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

Impact

Loss of value
Uncertain
financial
outcomes

Mitigation

Operate to the highest industry standards with regulators and monitor compliance with the Group's licence, Production Sharing Contract and taxation requirements.

External specialist advice consulted on legal and tax issues as required.

Maintain positive relationships with Governments and key stakeholders.

Ongoing monitoring of the political and regulatory environments in which we operate.

2018 movement

Increased risk.
This risk increased in 2018 due to the increased activity or addition of new acreage in countries with higher above ground risk.

Cairn continues to source new opportunities globally and this can be in jurisdictions deemed at higher risk of political or fiscal uncertainty.

The Group acquired new licences in Suriname, Cote d'Ivoire and Mauritania in 2018. The Group will strive for full compliance with licence, Production Sharing Contract and taxation requirements across all assets.

The Group has also considered the potential impacts from Brexit and concluded that Cairn will not be materially affected. The Group recognises that there are a number of uncertainties around Brexit, including the potential impact on EU nationals employed by Cairn. The Group continues to monitor the situation closely.

2019 KPI objectives

Implement funding strategy to support exploration, appraisal and development activity and to mitigate any downside revenue scenarios.



Principal risk: Volatile oil and gas prices
 Owner: Chief Financial Officer

Risk appetite

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

Impact	Mitigation	2018 movement	2019 KPI objectives
Reduction in future cash flow Value impairment of development projects JV partner capital constraints	Sensitivity analysis conducted to assess robustness of Group financial forecasts for funding plan. Operators’ cost initiatives delivering material cost reductions on development projects. Exploration projects are ranked based on the probability of commercial hydrocarbons and success case break even oil price. Hedging programme commenced.	No change. This risk remained static in 2018. Although oil prices have been more constant in 2018, oil price outlook remains volatile.	Implement funding strategy to support exploration, appraisal and development activity and to mitigate any downside revenue scenarios.

Strategic objective: **Deliver a sustainable business** continued

Principal risk: Inability to secure or repatriate value from Indian assets

Owner: Chief Financial Officer

<p>Risk appetite</p>	<p>Medium – The Group faces an uncertain macroeconomic and regulatory environment in some countries of operation. The Group is willing to invest in countries where political and/or fiscal risks may occur provided such risks can be adequately managed to minimise the impact where possible.</p>		
<p>Impact</p>	<p>Mitigation</p>	<p>2018 movement</p>	<p>2019 KPI objectives</p>
<p>Loss of value</p>	<p>Arbitration hearings were held in August in The Hague and involved testimony by expert and fact witnesses and addressed Cairn's claims under the UK-India Bilateral Investment Treaty, India's defences and issues of jurisdiction.</p> <p>Continued engagement with the Indian Government.</p> <p>Committed work programme is fully funded from existing sources of funding, excluding proceeds from the India claim, principally Group cash and committed debt facilities.</p>	<p>No change.</p> <p>This risk remained static in 2018. The Indian Income Tax Department has continued to enforce its retrospective tax claim against Cairn whilst the Treaty arbitration has been ongoing.</p> <p>All submissions and procedural steps for the international arbitration under the UK-India Bilateral Investment Treaty (the 'Treaty') are now complete.</p> <p>Drafting of the final award by the Tribunal is ongoing.</p> <p>Cairn's claim under the Treaty is for monetary compensation of ~US\$1.4 billion, the sum required to reinstate the Company to the position it would have been in, but for the actions of the Indian Income Tax Department since January 2014.</p> <p>In March 2019, the panel advised that the timetable for issuing the award will be more protracted than originally anticipated and is unlikely to be before late 2019.</p> <p>Cairn continues to have a high level of confidence in the merits of its claims in the arbitration.</p>	<p>Progress the UK-India Bilateral treaty arbitration to conclusion and receipt of awarded sums in event of success.</p>



Related party transactions

The following description of related party transactions is extracted from page 177 of the Report and Accounts:

“7.9 Related Party Transactions

The Company’s subsidiaries are listed in note 7.7. The following table provides the Company’s balances which are outstanding with subsidiary companies at the balance sheet date:

	31 December 2018 US\$m	31 December 2017 US\$m
Amounts payable to subsidiary undertakings	(83.2)	(64.3)
Amounts receivable from subsidiary undertakings	2.5	1.1
	(80.7)	(63.2)

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

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

	2018 US\$m	2017 US\$m
Amounts invoiced to subsidiaries	37.2	14.0
Amounts invoiced by subsidiaries	5.8	4.7

Directors’ remuneration

The remuneration of the Directors of the Company is set out below. Further information about the remuneration of individual Directors is provided in the audited part of the Directors’ Remuneration Report on pages 87 to 113.

	2018 US\$m	2017 US\$m
Emoluments	3.4	3.4
Share-based payments	2.4	3.6
	5.8	7.0

Pension contributions were made on behalf of Directors in 2018 of US\$0.2m (2017: US\$0.2m).

820,131 LTIP share awards to Directors vested during 2018 (2017: 1,438,565). Share-based payments shown above represent the market value at the vesting date of these awards.

Other transactions



During the year the Company did not make any purchases in the ordinary course of business from an entity under common control (2017: US\$nil).”

Directors’ emoluments and remuneration of key management personnel

The following description of directors’ emoluments and remuneration of key management personnel is extracted from page 159 of the Report and Accounts:

“4.4 (c) Directors’ emoluments and remuneration of key management personnel

Details of each Director’s remuneration, pension entitlements, share options and awards pursuant to the LTIP are set out in the Directors’ Remuneration Report on pages 87 to 113. Directors’ remuneration, their pension entitlements and any share awards vested during the year are provided in aggregate in note 7.9.

Remuneration of key management personnel

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

	2018 US\$m	2017 US\$m
Short-term employee benefits	6.9	6.3
Post-employment benefits	0.4	0.4
Share-based payments	4.0	3.7
	11.3	10.4

In addition employer’s national insurance contributions for key management personnel in respect of short-term employee benefits were US\$0.9m (2017: US\$0.9m).

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

During 2018, 1,460,908 shares awarded to key management personnel vested under the LTIP (2017: 2,526,328).”

Forward looking statements

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