

JAGUAR LAND ROVER
AUTOMOTIVE PLC

ANNUAL REPORT FY24/25



Registered Number: 06477691

OUR HOUSE OF BRANDS

Our vision is to become proud creators of the world's most desirable, modern luxury brands, for the most discerning clients.

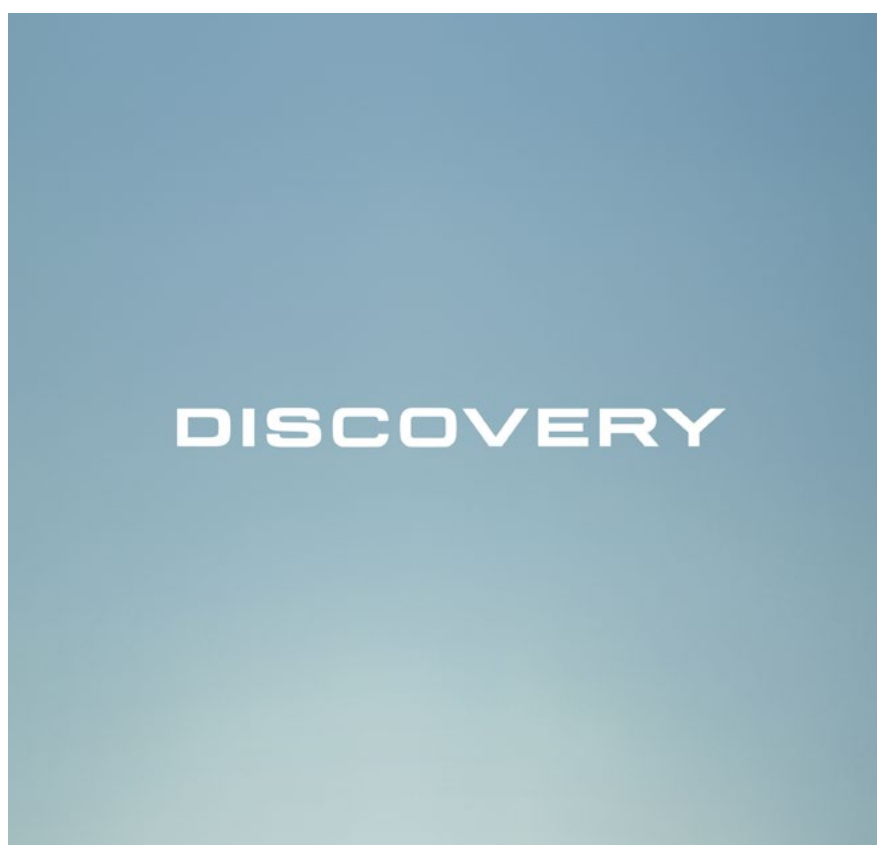
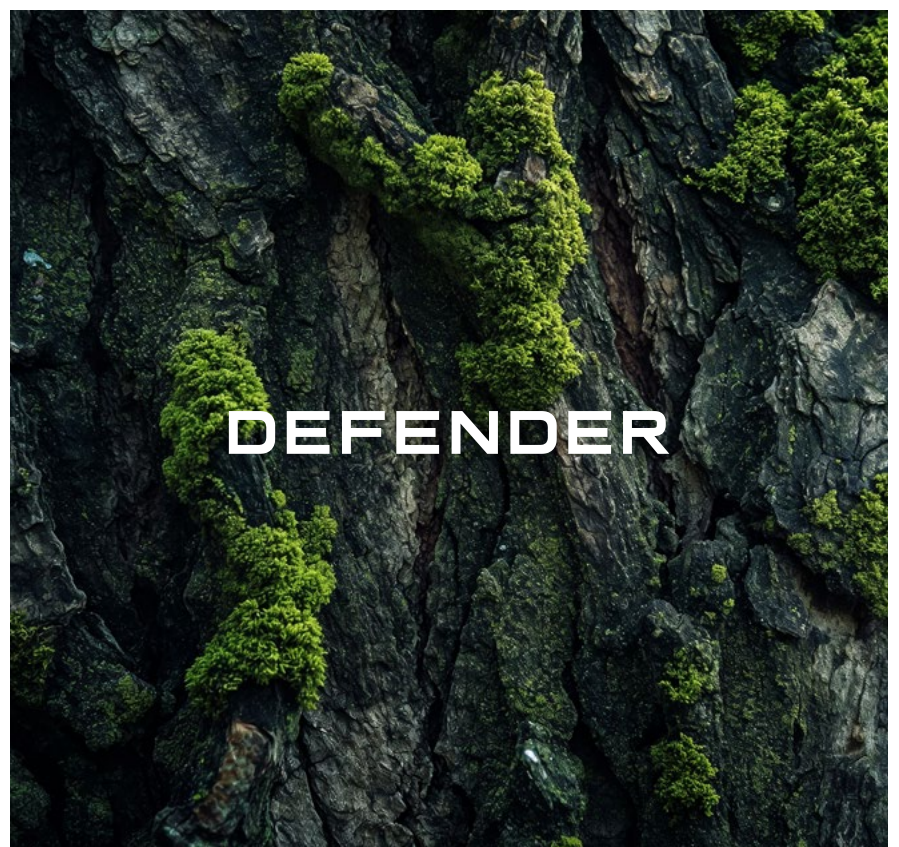
JLR is a house of four distinct British brands that enable our clients to live the exceptional: Range Rover, Defender, Discovery and Jaguar.

The purpose of our House of Brands is to elevate the unique characteristics and status of these much loved British marques.

Each brand has its own unique interpretation of luxury and our modernist design philosophy.

Our desire is to create truly emotionally engaging experiences and build long-term relationships with our clients.

This is how we will build sustainable, long-term equity and value for JLR.





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DEFINITIONS

Jaguar Land Rover Automotive plc is referred to as the Company.

Jaguar Land Rover Automotive plc and its subsidiaries are collectively referred to as the Group and JLR.

The Jaguar Land Rover Automotive plc Board is referred to as the Company's Board of Directors.

Jaguar Land Rover Limited is referred to as JLRL.

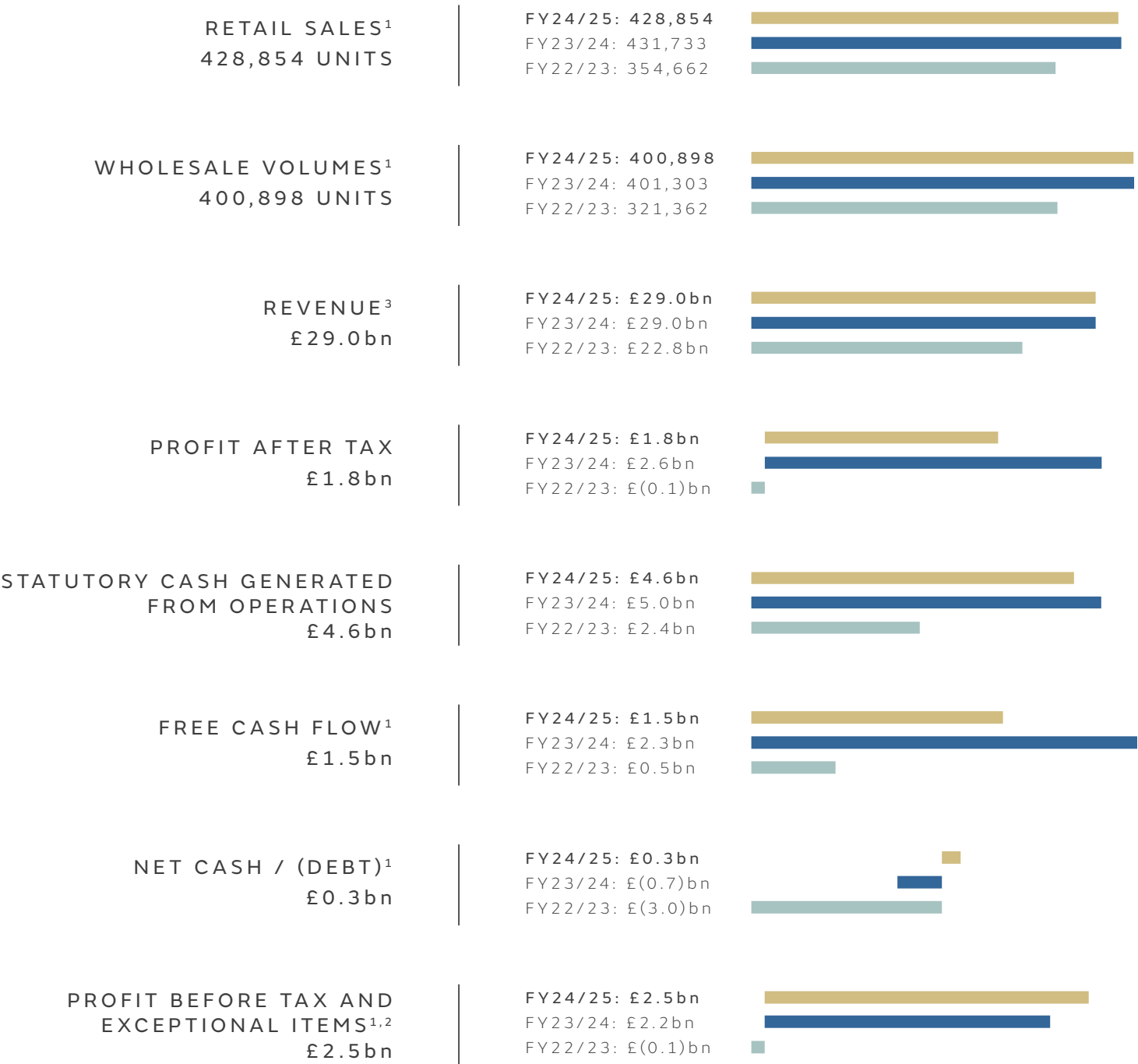
The Jaguar Land Rover Limited Board is referred to as JLRL Board.

FISCAL YEAR AT-A-GLANCE

JLR's *Reimagine* strategy aims to deliver a sustainably-rich vision of modern luxury.

We are transforming our business with the aim to become carbon net zero across our supply chain, products and operations by 2039.

Electrification is central to our strategy and we will electrify all our brands by 2030.



1 Please see note 3 of the financial statements on pages 115 - 117 for alternative performance measures.

2 Please see note 4 of the financial statements on page 118 for more information relating to exceptional items.

3 Please see note 5 of the financial statements on pages 119-120 for more information relating to revenue.



CHAIRMAN'S STATEMENT

2024 was characterised by continuing political and economic shifts around the globe. The year experienced stable global growth, falling inflation in major economies including the US, the UK and the Euro area and amidst trade uncertainties.

The world economy saw bright spots in the US and India with continued economic weaknesses in Europe and China. The US economy beat consensus expectations again in 2024 with 2.8 per cent growth, supported by strong consumer spending, easing financial conditions, and rising productivity.

2025 started on a positive note with expectations of stable global growth, falling inflation, and tailwinds from falling interest rates. However, this global macro narrative shifted with rising concerns around global growth and inflation as policy uncertainty rose sharply with dramatic shifts in trade policy.

Amid trade uncertainties, global growth is expected to slow to 2.3 per cent in 2025 from 2.8 per cent in 2024.

Apart from the political and economic shifts, I would like to highlight one transformation which is impacting every facet of everything we know. We are at a historic inflection point. Artificial Intelligence – AI/Gen AI – is not merely another technological shift, it is a civilisational one. AI is swiftly becoming as fundamental to human progress as electricity once was, reshaping our world in ways we are only beginning to comprehend. What makes this moment uniquely significant is its simultaneity. Unlike previous technological revolutions that arrived sequentially across the globe, AI/Gen AI is emerging simultaneously everywhere and with rapid development in other technologies.

AI/Gen AI presents huge opportunities and is improving various aspects of vehicles, from powering sensor technology to accelerating the manufacturing process. There are multiple ways in which AI is being implemented in how vehicles are built and how they operate on the road. AI in cars is improving vehicle safety, increasing fuel efficiency and providing drivers with enhanced connectivity features.

But aside from these momentous global events and trends, 2024 will always hold a deeper and more personal resonance everyone associated with Tata Group. This was the year we lost Mr. Ratan Tata—a man whose personality, integrity and strategic vision shaped our business for a generation. It was his vision that made JLR what it is today, and we remain inspired by his contributions and will continue to strive to live up to his leadership.

JLR delivered a robust financial performance and strong operational progress in FY24/25.

From a financial results perspective, the company delivered consolidated revenues of £29.0 billion, flat compared to the previous year. The company achieved its aim of reaching an adjusted EBIT margin of 8.5 per cent and recorded a positive net cash position at the close of the financial year.

This is a significant milestone for the company, with JLR having announced its objective to be net debt free at the launch of the *Reimagine* strategy in February 2021.

JLR continues to realise its *Reimagine* strategy this year, completing works to transform its UK plants for electric vehicle production and revealing Jaguar's vision for the future encapsulated in the Jaguar Type 00 design vision concept at Miami Art Week. The ambition is to have electric versions of all JLR's brands by the end of the decade and be carbon net zero by 2039.

This goal supports Tata Group's Aalingana strategy, which includes the ambition to be a leader in developing and scaling new technologies and solutions to drive a green transition.

The commitment of our people and our partners during the year cannot be overstated. They continued to deliver the highest standards of care and innovation for our clients, as well as for our communities and the environment.

Looking ahead, we remain vigilant to worldwide volatility, including the impact of changes in global trade conditions and the varying degrees of adoption of electric vehicles across different markets and evolving technologies, to accelerate our car production while personalising them for our buyers.

Despite these dynamics, I remain confident in the future of our luxury brands and the resilience of our business.

I would like to thank our teams for their outstanding efforts and our partners for their support as we deliver JLR's *Reimagine* strategy and provide its clients with the modern luxury experience expected from our brands.



NATARAJAN CHANDRASEKARAN

CHAIRMAN

Jaguar Land Rover Automotive plc

20 May 2025



CHIEF EXECUTIVE OFFICER'S STATEMENT

This financial year, FY24/25, was the first test of JLR's reestablished financial stability. In FY23/24, the company broke a series of its financial records following a period characterised by the global pandemic, semiconductor shortages, inflation, the energy crisis, and geopolitical instability.

Against this backdrop, the robustness of JLR's *Reimagine* strategy was affirmed in FY24/25 as the company set new records, delivered profit before tax of £2.5 billion, versus £2.2 billion year-on-year, and we were proud to confirm the achievement of our strategic goals of 8.5 per cent adjusted EBIT margin and becoming net cash positive. Revenues for FY24/25 were flat year-on-year at £29.0 billion.

Achieving a net cash positive position is a huge milestone for JLR; an ambition first stated at the launch of our *Reimagine* strategy in February 2021. Having eliminated successfully £5.0 billion of debt since the peak in August 2022, the company is now net cash positive thanks to focused, prudent, and strong financial discipline.

The business encountered headwinds this year including a downturn in the Chinese economy, which impacted our China volumes, and an aluminium supply shortage in the second quarter. The latter delayed deliveries of cars to clients and impacted quarterly wholesales, but we recovered strongly in the second half of the financial year. The transition to electric vehicles also moved more slowly than expected, which will impact automotive manufacturers facing tighter emissions regulations. That we reached our net debt zero goal is testament to the quality and resilience of our business and the skill of our people.

In FY24/25, we also broke records, achieving the highest ever quarter one and quarter three revenues in JLR's history, while we also delivered our highest quarter four and full year EBIT margin in a decade. These highlights illustrate that, despite market challenges, our vehicles continue to be highly desirable to clients around the world.

FY24/25 was also a year of significant operational progress for our *Reimagine* strategy.

As part of our £18 billion investment over five years from, 2024 to 2028, we invested £500 million to transform our Halewood facility for the electric era, with considerable progress in the construction of new facilities for pure-electric vehicle production already completed.

That news was followed by the announcement that Range Rover's historic home, JLR's Solihull plant, is now ready to build pure-electric Range Rover models alongside internal combustion and plug-in electric hybrid siblings. This highlights the incredible versatility of our Modular Longitudinal Architecture (MLA) on which Range Rover and Range Rover Sport are built, enabling us to offer powertrains that match the demands of markets around the world.

While our preparations to build electric vehicles reached an advanced stage, we also announced the expansion of our bespoke paint facilities in Nitra, Slovakia and Castle Bromwich, UK, to meet increasing client demand for personalisation across our brands. We have seen demand for our personalised paint options on Range Rover models double in the last three years, as clients look to add their own touch to their luxury vehicles. To support our sustainability strategy, at Castle Bromwich we are installing the latest energy efficient paint technology and filtration techniques to cut power and water use. We will also utilise fully automated spray robots which reduce paint waste versus hand painting methods. The new fully electric paint booth and electric curing ovens at Nitra meanwhile will help to reduce carbon emissions.

In addition, we made a significant technical breakthrough in the closed-loop recycling of polyurethane seat foam from our used vehicles by successfully reintegrating it back into the production of new seats, a first for the automotive industry. We also joined forces with global tyre manufacturer Pirelli, to use tyres made with sustainably sourced natural rubber across our brands. The tyres are certified by the Forest Stewardship Council (FSC), and JLR will be the first to adopt FSC®-certified rubber tyres at scale, debuting on the new Range Rover Electric. The commitment will amount to over 250,000 FSC®-certified tyres per year.

All these steps help ladder up to our aim of being carbon net zero by 2039.

Meanwhile, our luxury brands Range Rover, Defender, Discovery, and Jaguar all had noteworthy years.

We further expanded our Range Rover model lineup with the launch of the new Range Rover Sport SV Edition Two, a collection of five Range Rover Sport SV Celestial models, alongside market-specific Range Rover Bespoke editions such as the Ranthambore in India and the Candeo in the United States of America. Development of the Range Rover Electric continued at pace with the vehicle being tested on the frozen lakes of Sweden and the deserts of the United Arab Emirates.

And we launched the superlative Defender OCTA, the most powerful and dynamic Defender ever, to widespread acclaim from the world's media when they test drove it in South Africa.



It was a moment of huge personal pride and excitement to unveil the beautiful Jaguar Type 00 design vision concept to an audience at Miami Art Week, in December. The breathtaking vision concept car drew the attention of almost a billion people around the world and was a bold step towards Jaguar's new future, returning it to the luxury sector where it has thrived in the past. I have a deep personal connection with Jaguar where I began my career, and I cannot wait to reveal more about the first car, an all-electric four-door GT with around 1,000 horsepower.

Our Jaguar TCS Racing Formula E team also returned the brand to success on the racetrack, winning the 2024 ABB FIA Formula E Teams' World Championship, its first racing title since 1991 and a proud and historic moment for the company.

And this year, we celebrated 35 years of the Discovery. The original team behind Discovery were convinced that there was a gap in the market for a new kind of car for curious, active families who wanted to travel far and wide together.

Our cultural transformation continued this year as we celebrated events including Black History Month, Diwali, and Pride. We published our Diversity, Equity and Inclusion Review which noted that JLR has made great strides in making its workplace more inclusive for everyone, through training, coaching and new policies to support colleagues with different challenges, such as offering those experiencing symptoms of menopause the right to seek support at any time and from day one of their employment.

At JLR, we remain committed to building a workplace where every colleague feels respected and valued. Why? Because it reflects the society we live in and the clients we serve and it delivers better business outcomes. We believe a workplace that is diverse, equitable and inclusive is right for JLR, as well as it being the right thing to do. Our eNPS (employee Net Promotor Score) - a direct reflection of job satisfaction - has risen significantly since we began our transformation. More motivated, engaged colleagues deliver better results for our clients.

This year, it was with great pleasure that we strengthened the JLRL Board with the appointments of Steve Marsh and Russell Leslie as Executive Director Vehicle Programmes and Executive Director Enterprise Quality and Customer Satisfaction respectively. We also welcomed three new executives to the JLRL First Line of Leadership with the appointments of Swarna Ramanathan as Chief Strategy Officer, Andrea Debbane as Chief Sustainability Officer and John Beswick as Chief Transformation & Performance Officer.

We also said goodbye to two members of my team this year: Executive Director of Industrial Operations Barbara Bergmeier, as she took the decision to return to her native Germany after two incredible years transforming JLR's industrial operations and; François Dossa, Executive Director, Strategy & Sustainability, who returned to his home in Brazil to take up a new position at TCS Latam as Senior Advisor - New Business & Sustainability Director, based in São Paulo. I would like to thank both Barbara and François sincerely for their incredible contributions to JLR.

Finally, with profound sadness, in early October we learned of the passing of Mr. Ratan Tata. His personal achievements and legacy are unequalled in society, and the mark he leaves on our business and brands is greater than that of any other individual.

It was thanks to Mr. Tata's singular vision that Tata acquired JLR in 2008, and we owe everything we have become since then to his unwavering support and dedication. He led us on an extraordinary journey, inspiring incredible new chapters in our history. Under his generous and trusting guidance, we have felt deeply proud to be part of the Tata story.

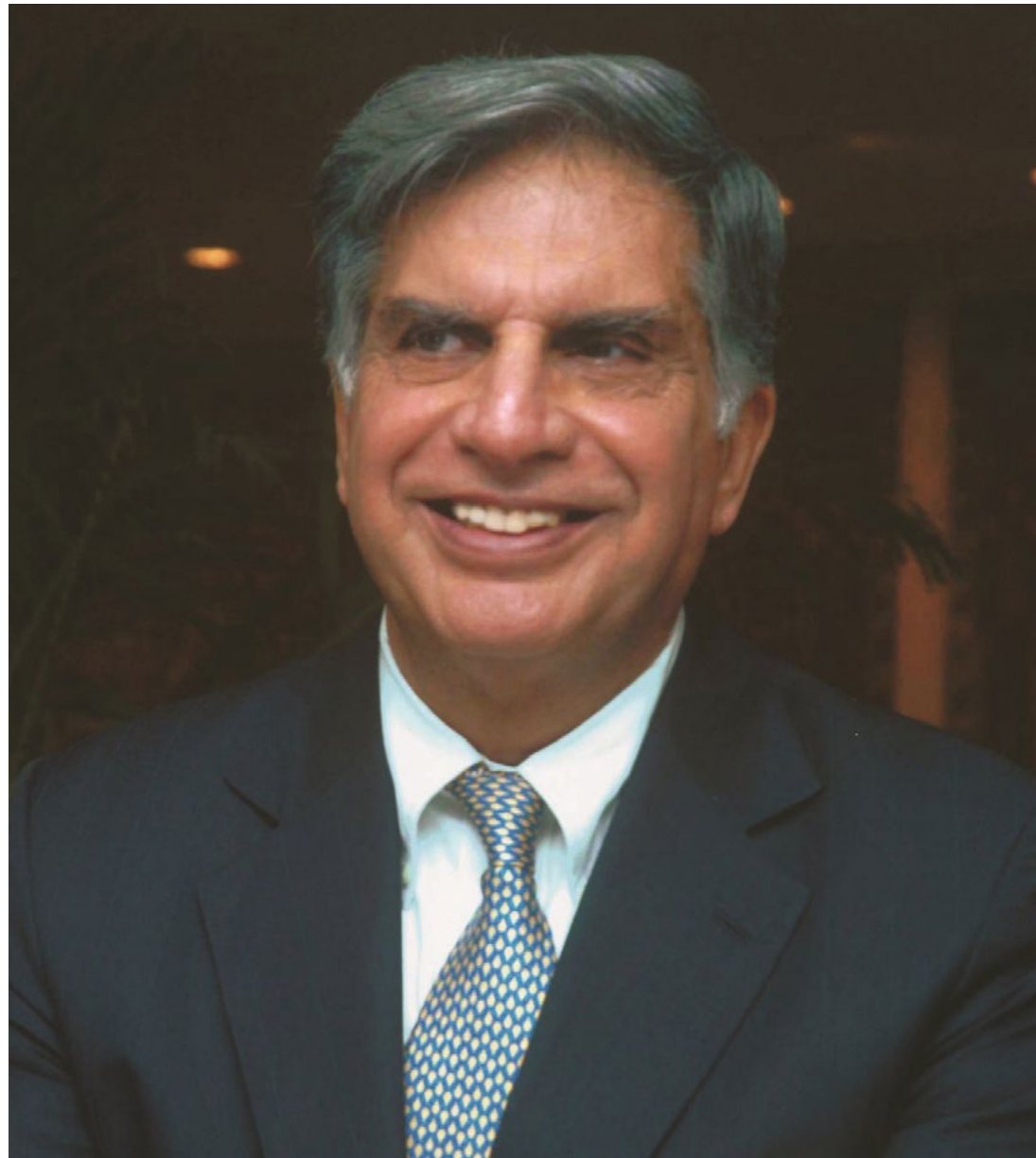
Perpetuating the philanthropic story of the Tata family, JLR this year created the JLR Foundation, a charitable foundation dedicated to empowering children and young people to reach their full potential and catalyse positive social and environmental change. JLR is committed to donating millions to the JLR Foundation, pledging up to £2.5 million to support its charitable work in the first year, with plans to increase funding annually as the Foundation grows.

This year has tested JLR, and we have risen to the challenges. Despite headwinds, we have again set new records and demonstrated our company's underlying strength. This strong and consistent performance, the commitment of our people, partners and clients and the appeal of our luxury brands will support our response to current global economic challenges and the evolving global trade environment.



ADRIAN MARDELL
CHIEF EXECUTIVE OFFICER
Jaguar Land Rover Automotive plc
20 May 2025

REMEMBERING MR. RATAN TATA



PADMA VIBHUSHAN

MR. RATAN N TATA

28.12.1937 – 09.10.2024

It is with a profound sense of loss that we bid farewell to Mr. Ratan Naval Tata, a truly uncommon leader whose immeasurable contributions have shaped not only the Tata Group but also the very fabric of India.

For the Tata Group, Mr. Tata was more than a chairperson. He inspired by example. With an unwavering commitment to excellence, integrity and innovation, the Tata Group under his stewardship expanded its global footprint while always remaining true to its moral compass.

Mr. Tata's dedication to philanthropy and the development of society has touched the lives of millions. From education to healthcare, his initiatives have left a deep-rooted mark that will benefit generations to come. Reinforcing all of this mark was Mr. Tata's genuine humility in every individual interaction.

His legacy will continue to inspire us as we strive to uphold the principles he so passionately championed.

OUR BUSINESS

STRATEGIC REPORT

OUR PURPOSE, CULTURE
TRANSFORMATION JOURNEY
AND STRATEGY

Guided by our Purpose, *Live the Exceptional with Soul*, and acting according to our Creators' Code, we have set a clear vision to be proud creators of modern luxury and deliver our *Reimagine* strategy.

Our unique company Purpose, *Live the Exceptional with Soul* was co-created by over 1,000 colleagues from our organisation. The unveiling of our purpose in 2021 initiated JLR's cultural transformation, establishing the conditions necessary to realise our *Reimagine* strategy.

At JLR, *Live the Exceptional with Soul* guides our shared understanding and drives our decisions. We become proud creators of modern luxury by acting according to our Creators' Code.

Our Creators' Code is intentionally sequenced, leading with Customer Love, followed by People Love behaviours: Unity, Integrity and Growth. Only when Customer Love and People Love behaviours are combined can we deliver impact – a high performing organisation delivering business success that balances people, planet and profit.

Our products are known for their unique, luxury designs, rich heritage and strong brand identity. The qualities that make us unique require the right culture to nurture and flourish, so that we continue to stay relevant and industry leading.

At the same time, the world where JLR operates is changing rapidly, which presents us with constant opportunities and challenges. Our clients and communities are increasingly conscious of aligning their own personal values with the brands they support, follow, or work for.

For JLR to stay relevant and respond swiftly to changes, it is important that we foster a culture that adds lasting strength and resilience to the business, so that colleagues can drive transformational impact both within and beyond JLR.





THE CULTURE WE ARE CREATING

Three years into our decade-long mission to create our own culture, we are focused on sustainable change that will drive business performance.

Guided by *Live the Exceptional with Soul*, we are intentionally creating an inclusive and psychologically safe space to speak the truth. We are empowering our colleagues to be flexible and growth focused and to lead with authenticity, purpose and vision, as well as building trust for deeper collaboration, through active listening, respect and transparency.

PURPOSE AND CULTURE TRANSFORMATION IN ACTION

Our culture transformation includes interventions that have the most impact on our performance.

Throughout FY24/25, we have delivered bespoke cultural moments to engage leaders and teams to foster our People Love behaviours: Unity, Growth and Impact. These interventions have reached colleagues in the UK, China, North America, and Europe. We also ran large scale learning and development experiences for our wider leadership population, see page 55.

First launched in 2015, Team Improvement Circle (TIC), our global colleague engagement programme, is a voluntary programme where small teams of colleagues and our supply partners from the UK, Brazil, China, India, North America and Slovakia utilise problem-solving techniques to lead and deliver initiatives to improve the workplace. In 2025, the Global TIC Convention will be held in Ireland. In FY24/25, more than 2,000 colleagues completed a total of 539 circles, in which more than 100 individuals from 14 teams presented their ideas at the Global TIC Convention in India.

We are a proud, inclusive employer and believe that becoming a more diverse business is fundamentally linked to high performance. In FY24/25, we have 14 colleague-led networks, each advocating for or celebrating a different cause, belief or faith. We welcomed a new network, RISE, in 2024, promoting social mobility.

FLAGSHIP CULTURE TRANSFORMATION ACTIVITIES

Reimagine Modern Leadership

Our leaders have a huge impact on creating the environment for a high performing organisation.

Deeply rooted in our Purpose and Creators' Code, *Reimagine Modern Leadership (RML)* was a direct action arising from JLR's Purpose launch in 2021, reinforcing our commitment to developing our people.

RML is a bespoke, intentional development journey for JLR's leaders to find their authentic style of leadership through modules that are rich in personal discovery, evolution and growth. Since 2021, every module has been co-created in-house with an external partner to reflect the unique opportunities and challenges that our leaders face, taking into account the specific requirements of JLR.

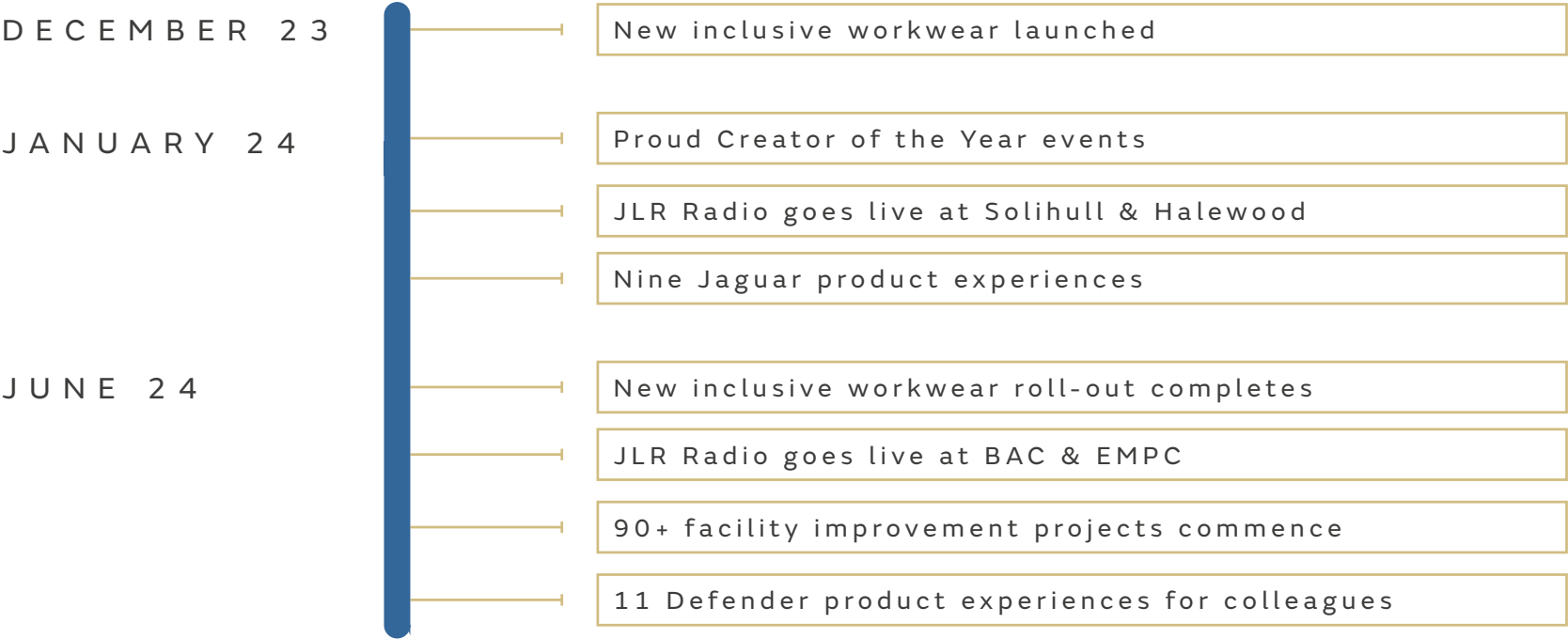
Since 2021, total attendance to the multiple modules has exceeded 12,000, for our global leader population of 6,000. In 2024, the face-to-face RML experiences reached Europe, North America and China. For more, on our 2024 experiences, see page 55.

Manufacturing People Transformation

Manufacturing People Transformation (MPT) aims to improve the workplace experience for all our manufacturing colleagues. In FY24/25, more than 100 motivated volunteers were actively involved in delivering big-impact projects.

We have continued to roll out our new, inclusive workwear designed with the voices of our people in mind. We have also offered in-car product experience for 2,000 manufacturing colleagues in the UK to help them connect with the exceptional products that they create.

Working closely with site and functional leads, MPT prioritises projects that make the biggest impact in manufacturing. Examples include JLR Radio and Our JLR App: an app developed especially for our frontline colleagues without a company device, so they can collaborate, communicate and engage with one another, regardless of their location. In FY24/25, Our JLR App was rolled out to 12,000 colleagues across the UK and Nitra. Brazil will soon join this ever-growing community.



A roadmap of our Manufacturing People Transformation activities in FY23/24 and FY24/25.





Recognition

We are putting greater emphasis on colleague recognition to ensure our colleagues feel valued when they do great work.

In FY24/25, more than 4,000 global colleagues were nominated in our new Exceptional Creator Awards – the highest accolade in our organisation.

Rec-Ignition – our peer-to-peer appreciation messaging service where anyone can recognise anyone – saw roughly 11,650 appreciation messages sent every month. This figure represented a 14 per cent uplift compared to the previous year.

A total of 20,000 Creator Kudos (a token reward that recognises day-to-day excellence) were given out in FY24/25.

2,788 UK colleagues received our new Exceptional Creator Award

11,650 appreciation messages sent every month

20,000 Creator Kudos were given out in FY24/25

Customer Love and Culture

Customer Love is the leading behaviour in our Creators' Code, and the subject continues to be a key focus to drive exceptional client experience for JLR in FY24/25 and beyond.

In FY24/25, we conducted a series of Customer Love labs, where more than 2,600 voices from across our business contributed nearly 50,000 data points which were distilled into three action spaces to embed a client-focused mindset into our cultural DNA.

Wellbeing

In FY24/25, we completed JLR's first ever wellbeing survey, which consisted of 16 questions including five questions called 'WHO5' from the World Health Organisation. Scoring a WHO index of 75 out of 100, this survey not only revealed a positive start in our journey, but is also crucial to ensure that we are providing the wellbeing support needed across our sites.

We continue to roll out Centres for Wellbeing across global sites, with plans to add four centres at our sites in Budapest, Hungary, Bangalore, India, Shanghai, China and Portland, USA, on top of the eight existing centres at our UK, Ireland and Slovakia sites. Colleagues have access to 20 self-service Health Stations across our UK sites, to help monitor their health.

Across Digicare+, Thrive - our employee assistance programme - and a range of workshops, we support colleagues with sleep, menopause and more. We are working with the NHS in the UK to offer more than 4,000 Solihull colleagues a full health check as well as training in heart resuscitation.



IMPACT OF CULTURE TRANSFORMATION

In the 2024 Tata Business Excellence Assessment (TBEM), it was referenced that “our Purpose Framework, Creators’ Code and cultural transformation was one of the areas from across the whole of JLR that the rest of the Tata Group could learn from.”

Internally, the JLR global Engagement and Performance Excellence Indices both showed positive year-on-year trends through FY24/25. Significant progress has been made since our Purpose and Culture Transformation journey began three years ago. More work is planned so that we can put People Love and Customer Love front of mind in the years to come.

The investment we are making in transforming our business culture has garnered attention from the outside world, with several high-profile accolades for leaders and senior staff, as well as programme-level awards for newly launched Purpose-orientated initiatives. A snapshot of these awards includes:



ADRIAN MARDELL
CEO

British LGBTQ+ Awards
Top Business Ally 2024

JLR
REIMAGINE MODERN
LEADERSHIP PROGRAMME

British Training Awards - Highly Recommended
Large Organisation of the Year



JLR WOMEN IN ENGINEERING
AND ALLIES NETWORK
LEVEL UP CAMPAIGN

Women Automotive Network -
Best DE&I Innovation Award 2024

JLR SCHOOLS’ PARTNERSHIP
PROGRAMME

Design & Technology Associations Excellence Awards -
Outstanding Industry Engagement (Industry Partner)



REIMAGINE

Reimagine is our strategy for transforming JLR into an exceptional, progressive and more sustainable business.

With sustainability at the heart of everything we do, we aim to achieve our goal of being carbon net zero by 2039 by offering our clients a pure-electric variant from each JLR brand by the end of the decade.

Through *Reimagine*, we have delivered the highest full year profit in a decade and achieved our target of becoming net cash positive by FY24/25.

As part of our strategy, we have created a house of four truly exceptional brands: Range Rover, Defender, Discovery, and Jaguar; each with its own DNA, unique interpretation of modern luxury and strategy to become a distinct, desirable and profitable brand.

Under this structure, we elevate the unique characteristics and status of each individual British marque, creating an emotional connection with our clients, from leading by example with Range Rover, to embracing the impossible with Defender, and enjoying family adventures with Discovery.

This past year we launched the fearlessly creative Jaguar brand, truly a copy of nothing.

We also opened the waiting list for our first pure-electric car conceived under the *Reimagine* strategy, Range Rover Electric, which stood at 59,867 at the end of the financial year.

The electric future of all our brands is fundamental in our journey to carbon net zero, but it must be delivered at the pace at which different markets electrify around the world. To do this, we have a flexible powertrain strategy enabling us to offer internal combustion, plug-in hybrid and pure electric powertrains according to the demands of individual markets. Our Modular Longitudinal Architecture (MLA) on which Range Rover and Range Rover Sport are based, offers all three options to clients.

Following the reveal of the Jaguar Type 00 design vision concept vehicle in December 2024, we will unveil the first production all-electric Jaguar on our dedicated Jaguar Electrified Architecture (JEA), taking another step towards electrifying all our brands by 2030.

Industrial Transformation

Reimagine is also about transforming our facilities to deliver this electrified future. We have completed the first test builds of Range Rover Electric in Solihull, following a considerable investment to upgrade and digitise our production lines ahead of client builds commencing. At Halewood, Merseyside, we are investing £500 million to enable the parallel production of existing internal combustion and plug-in electric hybrid vehicles with next generation pure-electric models built on the Electrified Modular Architecture (EMA). Our Electric Propulsion Manufacturing Centre in Wolverhampton is now ready to produce battery packs and electric drive units.

Beyond our products, *Reimagine* is committed to driving environmental, human and community impact for a truly exceptional business. To do this, our sustainability strategy is divided into three areas: Planet Regenerate, Engage for Good, and Responsible Business.



Planet Regenerate is focused on environmental impacts and includes our climate ambitions, circular economy strategy and emerging plans on nature and biodiversity. We aim to achieve net zero carbon emissions across our supply chain, products, and operations by 2039 with all brands offering pure-electric options by 2030.

Engage for Good draws upon Tata Group's 150-year tradition of social responsibility and community support. Our goal is to set a standard for creating meaningful human and community impact, prioritising care for the environments and communities where we operate with a focus on supporting the most vulnerable and disadvantaged.

Our Responsible Business pillar includes our activity to address Environmental, Social & Governance (ESG) legislation, including developing the right commitments, transparently reporting progress and having effective risk management in place.

Partnerships accelerating *Reimagine*

A key element of *Reimagine* is about partnerships with leaders in their field. In a groundbreaking move in China, we are reviving the beloved Freelander brand through a licensing agreement with Chery Jaguar Land Rover (CJLR). CJLR will launch a range of electric vehicles under the Freelander name, initially in China, the world's largest EV market, with potential for global expansion.

Building on our successes in motorsport, we announced our first foray into Dakar, with Defender OCTA providing the platform for an extremely robust and durable rally specification Defender, which will compete as part of a three-year FIA World Rally-Raid Championship (W2RC) campaign, beginning in 2026.

Innovation and Ventures

Through our Open Innovation and Corporate Venture Capital activities, we have established partnerships with a global community of cutting-edge startups that are shaping the future of mobility, sustainability and industrial innovation.

As the sole OEM investor in CesiumAstro, ChipFlow, and evenergy, we are playing a leading role in the development and application of novel technologies with automotive and cross industry use cases.

Our investment in CesiumAstro is accelerating the development of advanced in-vehicle connectivity and high-performance communication systems, a key enabler for both Software Defined Vehicle (SDV) and future digital experiences for our customers. Partnering with ChipFlow, we are supporting the evolution of open-source semiconductor design, fostering greater flexibility and efficiency in automotive chip development. Meanwhile, our collaboration with evenergy is enabling smarter, grid-responsive EV charging solutions, reinforcing our commitment to sustainability and intelligent energy management.

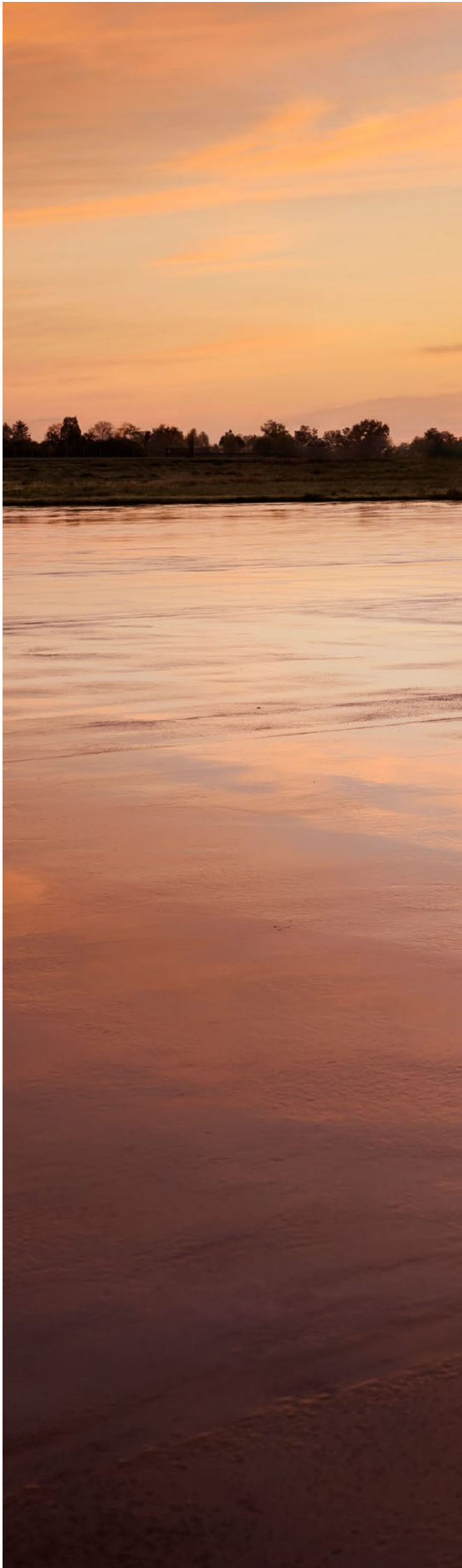


Alongside our corporate investment arm, InMotion Ventures Studio ideates, incubates, and commercialises new ventures that are strategic to our future.

With its core mission of building new business models that will bring new customers, new sources of revenues and profits, and ultimately increase JLR's enterprise value, it has thus far successfully incubated two ventures in luxury Mobility Services – Pivotal, a luxury vehicle subscription business, and THE OUT, a luxury car rental business. Built entirely at InMotion Ventures Studio from the ground up, these two businesses exemplify JLR's robust entrepreneurship and intrapreneurship culture. Through these businesses, we are reaching new demographics of luxury consumers and building more direct relationships with new as well as current clients.

Pivotal and THE OUT have thousands of customers spending up to £2,350 a month on subscription and £1,000 on average per rental, while over 80 per cent of Pivotal customers are new to JLR brands and 20 years younger than the average JLR client. These investments, strategic engagements and JLR-backed startups exemplify how our innovation ecosystem is driving customer love and technological breakthroughs that align with our *Reimagine* strategy and the future of mobility.

With *Reimagine* as our strategy, we continue to transform our global business today for an exceptional, progressive and more sustainable future.



OUR YEAR IN REVIEW

FY24/25 proved the strength of our *Reimagine* strategy as the company withstood headwinds to deliver profit before tax of £2.5 billion, versus £2.2 billion in the prior year, and achieve our financial goals of 8.5 per cent adjusted EBIT margin and net debt zero. We continued to transform our facilities for electrification; unveiled the reimagined Jaguar brand; continued Range Rover Electric testing; and established the JLR Foundation to empower children and young people to reach their potential.

RANGE ROVER

Celebrating over half a century as the original luxury SUV, Range Rover showcased 55 years of design leadership and future-facing philosophy with an immersive Futurespective: Connected Worlds at Milan Design Week. This activity followed a multitude of accolades that have cemented the Range Rover brand as a leader in luxury, winning Walpole's 'Made in UK' award at the annual Walpole British Luxury Awards and an inaugural entry into Interbrand's Top 100 Best Global Brands.

The continued growth and success of the Range Rover brand is confirmed by growth in wholesales for Range Rover and Range Rover Sport by 8.9 per cent and 19.7 per cent respectively, with the brand seeing some of the highest loyalty and client repurchase rates.

This year, Range Rover took major strides towards launching its first pure-electric model. Client anticipation for Range Rover Electric grew during FY24/25 with the waiting list standing at 59,867 by the end of the financial year. Meanwhile, our engineers tested Range Rover Electric to the extremes, to ensure it delivers as a true Range Rover experience. Our prototypes went to the frozen lakes of Sweden to test elements including the battery, electric drive units and traction control in temperatures as low as minus 40° C. Later in the year, engineers visited the deserts of the United Arab Emirates to rigorously trial its thermal management technologies in temperatures reaching 50° C.

Range Rover also achieved new heights of luxury as we revealed superlative editions of Range Rover SV Bespoke. This included the Range Rover Candeo, the most highly crafted SV Bespoke model to date. Featuring exquisite hand applied paint and 18 carat solid gold badging, Candeo signals the future of SV Bespoke personalisation for Range Rover clients.

We also introduced the Range Rover Ranthambore, our first specially-crafted vehicle for India. All 12 were sold, signalling the country's rapidly growing luxury market.

It is for this reason that we also announced we would be manufacturing Range Rover and Range Rover Sport outside the UK for the first time, at our plant in Pune, India, exclusively for the Indian market. The move, which will offer Indian clients shorter wait times and greater vehicle availability, was announced as we opened the doors to our new experiential Range Rover House in the Indian coastal town of Alibaug, an exclusive villa offering guests a curated luxury experience. Range Rover has now hosted a total of 52 Range Rover Houses around the world.

Closer to home, this year Range Rover began an official partnership with the Wimbledon Tennis Championships. This saw an exclusive Range Rover fleet, including extended range plug-in electric hybrid Range Rover and Range Rover Sport, transporting players, their teams and event officials throughout The Championships.



DEFENDER

Defender continued its era of success in FY24/25 as one of our bestselling models. During the year we launched the new Defender OCTA, the most powerful and dynamic Defender ever, which was driven by global media for the first time to widespread acclaim. OCTA takes Defender into new performance and luxury territory and attracted more than 3,000 orders just after launch.

During the year, we also announced Defender will compete with a works team in Dakar, as part of a three-year FIA World Rally-Raid Championship (W2RC) campaign, beginning in 2026. The competition car is based on Defender OCTA, illustrating the vehicle's extreme robustness and durability.

Defender also headlined as the official vehicle partner of the Glastonbury Festival, the iconic, five-day music festival in Somerset, UK, where a fleet of 25 plug-in electric hybrid Defenders chauffeured artists to the stage with their batteries powered only by energy from the onsite solar panels.

This year marked 70 years of Defender supporting the work of the British Red Cross and Red Crescent Movement in communities in 50 countries, impacting the lives of over two million people.

Defender and long-standing partner Tusk also extended their joint commitment to protect endangered species and biodiversity in Africa this year, through an ambitious programme to fund six flagship Tusk partner projects across the continent, with the first three announced in Namibia, Botswana and South Africa.

To close the year, we also announced a new Defender Awards initiative to champion and support small scale charities and nonprofit organisations from seven countries that work on humanitarian and conservation projects at a local level. The award covers four categories: Defenders of the Land, Defenders of the Sea, Defenders of the Wild and Defenders of Humanity, with winning entrants set to receive a £100,000 bursary, a Defender vehicle for front-line use and mentoring support from community experts.



DISCOVERY

This year, we celebrated 35 years of the iconic Discovery. A product of British ingenuity, it was conceived in the 1980s and unveiled at the 1989 Frankfurt Motor Show.

The original team behind Discovery were convinced that there was a gap in the market for a new kind of car for curious, active families who wanted to travel far and wide together. It was designed to be adept off-road, whilst providing exceptional levels of comfort and the latest in-car technology.

Since its inception, Discovery has delivered on this ambition, with innovative early models featuring a stepped roof to accommodate a third row of side-facing seats, creating space for conversation. Over the years, Discovery has introduced new levels of luxury and comfort, from leather interiors to Air Suspension as standard and now, seamless connectivity for all three rows of the family.

For a decade, Discovery Sport has maintained a reputation for versatility, with seven stadium seats all packaged in a footprint no larger than a five-seat vehicle. More recently, Discovery Sport was updated with a minimalist interior featuring the latest technology and connectivity, and it was made available as a plug-in hybrid, combining luxury, adaptability and sustainability.

We know that 50 per cent of Discovery owners love animals, which is why we introduced a Pet Pack in FY24/25, enabling Discovery and Discovery Sport owners to take their four-legged family members with them, wherever they go. Alongside this, we introduced a Bike Adventures Pack to further facilitate our client's passions.



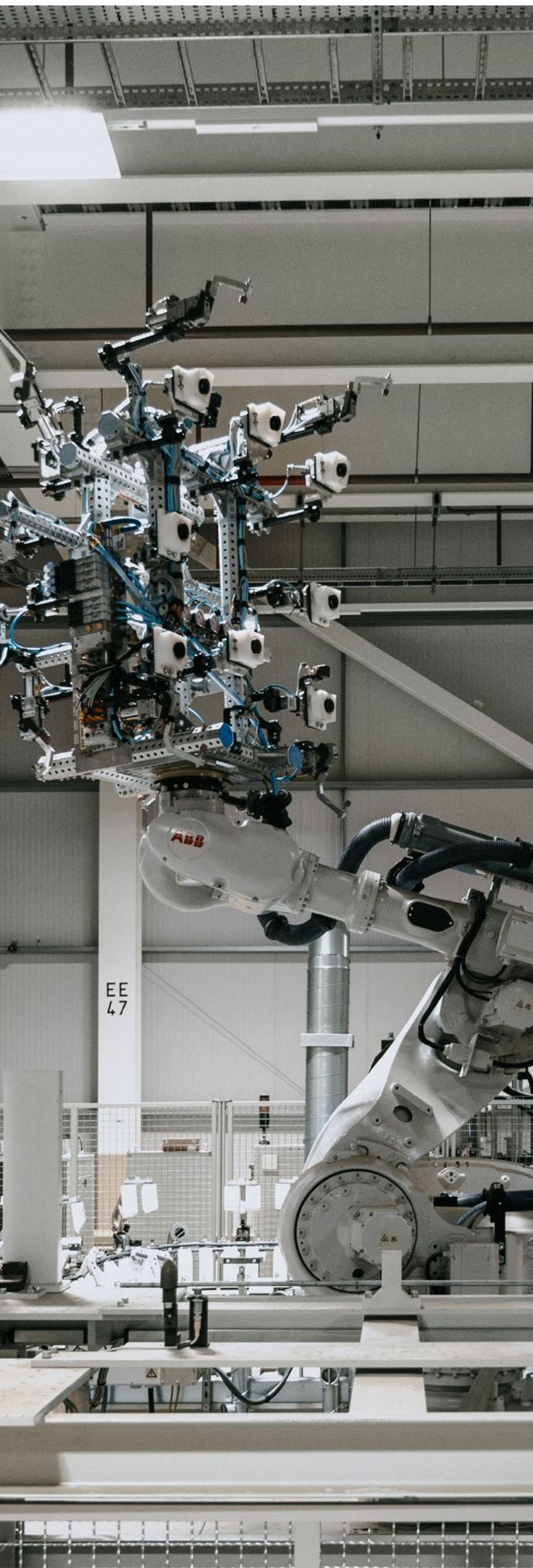
JAGUAR

This year marked the beginning of Castle Bromwich's new future producing body panels for our next-generation electric vehicles and offering personalised paint options at new SV Bespoke paint facilities. This followed the planned end of production for the current lineup of Jaguar XE, XF and F-TYPE at Castle Bromwich in the UK, and E-PACE and I-PACE in Graz, Austria. Workers at Castle Bromwich came to see the last models rolling off the production line, a poignant moment for the historic plant which made Spitfire aircraft during the Second World War. Jaguar F-PACE will continue production at Solihull until March 2026 and production in China of the XF-L, XE-L and E-PACE with CJLR will end in September 2025.

As one curtain fell at Castle Bromwich, another was lifted. Core to our *Reimagine* strategy, announced in February 2021, is the complete reimagining of Jaguar, returning it to its luxury position where it was most successful in the past. Jaguar took its first public steps into this reimagined future with the unveiling of its new brand, and the exuberant Type 00 design vision concept vehicle at Miami Art Week in December. Both were bold and disruptive moments that attracted the attention of over a billion people around the world, building excitement ahead of the first new Jaguar model.

Finally, our all-electric motorsport team, Jaguar TCS Racing, won the 2024 ABB FIA Formula E Teams' World Championship. This was Jaguar's first World Championship win since 1991 and a truly historic moment for the brand, which entered Formula E in 2016.





Enterprise

This year, work to transform our plants for pure-electric vehicle production neared completion. At our Halewood plant in Merseyside, over one million construction hours have been completed to install EV build lines, hundreds of new robots, and the latest digital technology, as the plant prepares to deliver our first pure-electric medium-sized SUVs on our Electric Modular Architecture (EMA), alongside existing Evoque and Discovery Sport models.

Meanwhile after the installation of a new digitised system to convey batteries to the build lines, the first pure-electric test build Range Rover rolled off the production line of our historic Solihull plant in November. Range Rover will offer clients pure-electric, internal combustion and extended range plug-in electric hybrid options, thanks to its flexible Modular Longitudinal Architecture (MLA).

In FY24/25, the installation of new build lines at the Electric Propulsion Manufacturing Centre (EPMC) in Wolverhampton was completed. The EPMC will supply Solihull and Halewood with electric drive units (EDUs) and battery packs for our next-generation pure-electric vehicles including Range Rover Electric, the new Jaguars and the medium- sized SUVs on the EMA platform.

In an industry first in China, we announced that the dormant and much-loved Freelander brand would be reborn following a licensing agreement with our joint venture partner, Chery Jaguar Land Rover (CJLR). CJLR will offer a portfolio of electric vehicles based on Chery's EV architecture, exclusively under the Freelander name. Freelander vehicles will initially retail in China, the world's largest and fastest-growing EV market, but over time have the potential to retail globally. The move underlines our commitment to China and complements JLR's existing business in China.

This year, we also deepened our connection with the Tata Group which gives JLR an incredible breadth of talent and knowledge to draw on.

We announced a new partnership with Tata Communications (TCL), which will introduce the TCL MOVE™ platform on our next-generation electric vehicles, providing continuous 5G connectivity and access to intelligent services across the remotest locations in 120 countries.

As our Open Innovation Programme entered its third year, we announced the launch of a new Open Innovation Hub, in Bangalore, India, to benefit from India's rapidly growing startup sector. The hub will identify and work closely with startups to focus on deep tech including artificial intelligence, big data and analytics, Internet of Things (IoT), Advanced Driver Assistance System (ADAS) and sensors and devices. The new hub is the fifth to open since our Open Innovation Programme launched in April 2022. The programme has engaged with over 2,500 startups globally, resulting in 33 formal collaborations so far.

Our global tech hubs continued to support the development of connected and autonomous technologies for our next-generation vehicles this year, and we announced a \$180 million investment in our Portland tech hub over the next decade. Engineers in Portland, USA are working on elements of car connectivity to provide a luxury driving experience, including augmented reality parking and head-up displays, enabling the driver's phone to act as a key, and V2X systems, enabling vehicles to talk to each other.



Electrification

JLR's electrification plans would not be possible without its highly skilled people. So it was with great pride that we announced 20,000 JLR colleagues and partners have now been trained under our Future Skills Programme, equipping our workforce with the expertise they need to thrive in the electrified and digital era of automotive. Training is also underway for a further 11,000 JLR manufacturing colleagues, who will be building our next-generation electric vehicles.

In an expansion of our technical partnerships to support electrification, we signed a multi-year deal to use Fortescue's advanced battery intelligence software, Elysia, in future vehicles, starting with the new Range Rover Electric. Fortescue's Elysia software will help give clients a better ownership experience through faster charging, improved reliability, and increased range.

We have also built an award-winning intelligent automation, artificial intelligence (AI) and data capability that has driven a real impact for our business. We now have more connected and aligned financial, sales, and operational plans driving more cohesive decision-making. We have also integrated data from multiple sources into a single platform, which has improved our forecasting accuracy and allows us to better optimise inventory, reduce costs and adapt to changing markets.

One unique example of how we are using AI is through the trial of a new four-legged robotic assistant named Robodog at our battery build and test facility in Lyons Park, Coventry. The AI-powered Robodog has become of critical importance, spotting potential operational issues and equipment wear and tear early, ensuring test and development continues to run on schedule.





Sustainability and Community

Circularity is a critical part of our approach to addressing environmental impacts beyond tailpipe emissions. This year, we revealed groundbreaking new ways in which our products and equipment will be recycled and reused. All these innovations support our ambition to be a carbon net zero business by 2039.

We announced a new partnership with energy storage start-up, Allie Energy, to create a Battery Energy Storage System (BESS) to provide zero emissions power on-the-go using second-life Range Rover and Range Rover Sport plug-in electric hybrid battery packs. Each BESS can store 270kWh of energy at full capacity, enough to power the average UK household for nearly a month.

We have made a significant technical breakthrough in the closed-loop recycling of polyurethane seat foam from used vehicles by successfully reintegrating it back into the production of new seats, a first for the automotive industry. We are putting the material through its full production process, aiming to test its use at scale in pre-production vehicles early next year, which is the next step towards rolling out recycled seat foam across our entire range.

At Goodwood Festival of Speed 2024, JLR and Pirelli announced a joint initiative to deploy FSC®-certified sustainable rubber across its range of luxury vehicles. This makes JLR the first luxury manufacturer to offer this form of tyre across its portfolio of products, with the first set to debut on Range Rover Electric.

As we aim to become a carbon net zero business by 2039, this year we announced a £65 million investment in expanding our special paint facilities in Nitra, Slovakia and Castle Bromwich, UK to meet growing demand for personalised luxury vehicles. At Nitra, the new fully electric paint booth and electric curing ovens will help to avoid carbon emissions, while a new heat exchanger will recover heat from the paint shop flue gas and transfer it into the heating and cooling water production, improving system efficiency. Paint shops are very energy intensive, and they represent one of our biggest opportunities for emissions savings.

Towards the end of the financial year, we established the JLR Foundation, an independent charity with a mission to empower disadvantaged children and young people globally to reach their full potential by supporting access to education, creativity, knowledge and opportunities. Led by Laura Brown and a diverse Board of Trustees, the Foundation builds on our longstanding commitment to education and youth development, aligning with our *Reimagine* strategy and Tata's philanthropic heritage. We will donate up to £2.5 million to the Foundation in its first year, rising in future years. The charity will use the funds to award grants to organisations that benefit children and young people by providing resources, education and opportunities to help them to become tomorrow's leaders.

People

We are committed to creating a workplace where every colleague feels respected and valued. We want our workplace to reflect our society and the clients we serve, because it delivers better outcomes and business performance. We believe it is also the right thing to do.

We know our policies are the right ones for JLR because our employee Net Promotor Score (eNPS) - a direct reflection of employee job satisfaction - have significantly risen since we began our transformation. More motivated, engaged colleagues deliver better results for JLR and our clients.

This year, we announced a new policy for colleagues experiencing symptoms of menopause. Those affected now have the right to seek support at any time and from day one of their employment. There is no requirement for a medical certificate or other evidence to qualify for leave or workplace adjustments. The policy was developed as part of our commitment to supporting a safe and inclusive workplace that reflects the health and wellbeing of colleagues at every stage of life. It includes flexible working, access to fans, additional breaks, changes to workwear, and sick leave for menopause symptoms.

We recruited 200 undergraduates from diverse and under-represented backgrounds to work across our UK facilities in FY24/25. The talented undergraduates took up roles throughout July and August across the West Midlands, Halewood and Manchester with skills ranging from manufacturing, electrical and software engineering, design, strategy development and more.

Electrification is also helping us to attract people from diverse backgrounds. Electric vehicle manufacture often requires more process-oriented approaches rather than intense manual work, making it accessible to a wider range of employees, including those from neurodiverse backgrounds.

And finally, during the year, we reached the proud milestone of having hired 1,500 former servicemen and women since our support for the armed forces began 10 years ago with the signing of the Armed Forces Covenant. We also celebrated 10 years of working in partnership with Mission Motorsport, the Forces’ Motorsport Charity, leading to the us employing an average of 150 veterans a year. The transition into civilian life after finishing a forces career can be challenging, as civilian recruiters may not always fully appreciate military CVs and their unique skillsets. We support veterans by employing a dedicated Armed Forces Engagement Manager, running an Armed Forces Community support network, providing CV and interview advice, and offering prospective colleagues site visits.



A large, three-dimensional JLR logo is mounted on a light-colored building facade. The logo is white and stands out against the background. The building is partially visible, showing a corner and some architectural lines. The sky is a clear, deep blue.

OPERATING ENVIRONMENT

External challenges have had varying levels of impact on our business throughout FY24/25. We have responded to these challenges and improved our performance, year-on-year. Our commitment to our *Reimagine* strategy continues as we transition to becoming proud creators of the world's most desirable luxury brands for the most discerning clients.

CHALLENGES

Supply Constraints

The automotive industry is often impacted by supply constraints, and whilst the easing of the supply constraints from prior years continued, our production volumes in the second quarter of the year were impacted by a temporary supply disruption.

During the summer of 2024, a Tier 1 supplier of high-grade aluminium to the automotive sector suffered flooding at its plant in Switzerland. As a result, there was short-term impact on our production and consequently operating volumes in Q2, however we recovered strongly in H2, with minimal impact to our production schedules and clients' orders.

Rising Costs

In recent years, our marketing costs have been lower than historical levels due to the business being supply-constrained. Our rich mix of Range Rover, Range Rover Sport, and Defender has enjoyed strong demand throughout the year with minimal levels of variable marketing expense, although we are now seeing an increase in these costs across our product portfolio. We will continue to maintain a demand-led model, but fixed marketing investment and variable marketing expenses are expected to continue to rise in response to tougher market conditions.

China Market Conditions

The China market continued to face headwinds throughout the year, as our locally produced cars operate in a highly competitive environment, and retailer insolvencies and credit availability impacted volumes. We continue to offer retailer support and focus on marketing and sales effort through model mix optimisation to improve retailer profitability. At the start of the year we announced the news that the Freelander brand will create complementary growth in China through a licensing agreement with our joint venture partner, Chery.

Geopolitical

Geopolitical challenges, including increasing geopolitical tensions and regulatory and legislative changes, have global reach and can impact supply chains. While we have not observed any direct impacts on our business in the last year as a result of specific events, we proactively scenario plan against a range of outcomes to ensure we're able to effectively respond as a business. In addition, we are closely monitoring trade measures of the new administration in the US and evaluating impact of the global tariff environments.



OPPORTUNITIES

Transition to Electrification

Jaguar has been reimagined as an all-electric, luxury brand embodied by its Type 00 design vision concept, which debuted at Miami Art Week in December 2024. The first reimagined production car will be the most powerful Jaguar ever, with a range of c. 700 kilometres.

The Range Rover Electric has undergone rigorous testing in the year and nears its testing completion programme. The vehicle's capabilities surpass any other luxury electric SUV and over 59,867 clients signed up to the waiting list as at 31 March 2025.

JLR and Chery are forging an innovative collaboration model that epitomises our growth path for the future through the licensing of Freelander. The blend of Chery's advanced EV technology with the distinctive appeal of the Freelander brand will provide China and global consumers with a unique electric vehicle experience.

Our shift to electrification is central to transforming our business and to achieving carbon net zero by 2039. We aim to offer electric versions of all of our brands by the end of the decade.

Execution of *Reimagine*

During the year, we announced a £500 million investment to transform our historic Halewood facility to support the parallel production of electric vehicles, alongside existing combustion and hybrid models, before eventually becoming our first all-electric production facility. This is part of an £18 billion investment as we transition to our luxury electric-first future.

In addition, we invested £65 million in the expansion of paint facilities to meet increasing client demand for bespoke vehicle personalisation across our brands.

Strong Leadership and Utilisation of the Tata Ecosystem

Throughout the year, we have strengthened our leadership team to support the next phase of our *Reimagine* transformation. Our empowering leadership drives our commitment to quality decision-making and strategic success.

Also, our partnerships with Tata Group strengthened as we continue to leverage synergies within the Tata Ecosystem. In Q3, we announced our plan to partner with Tata Communications (TCL), using its MOVE™ platform on our next-generation vehicles to enable continuous connectivity in remotest locations from 2026.

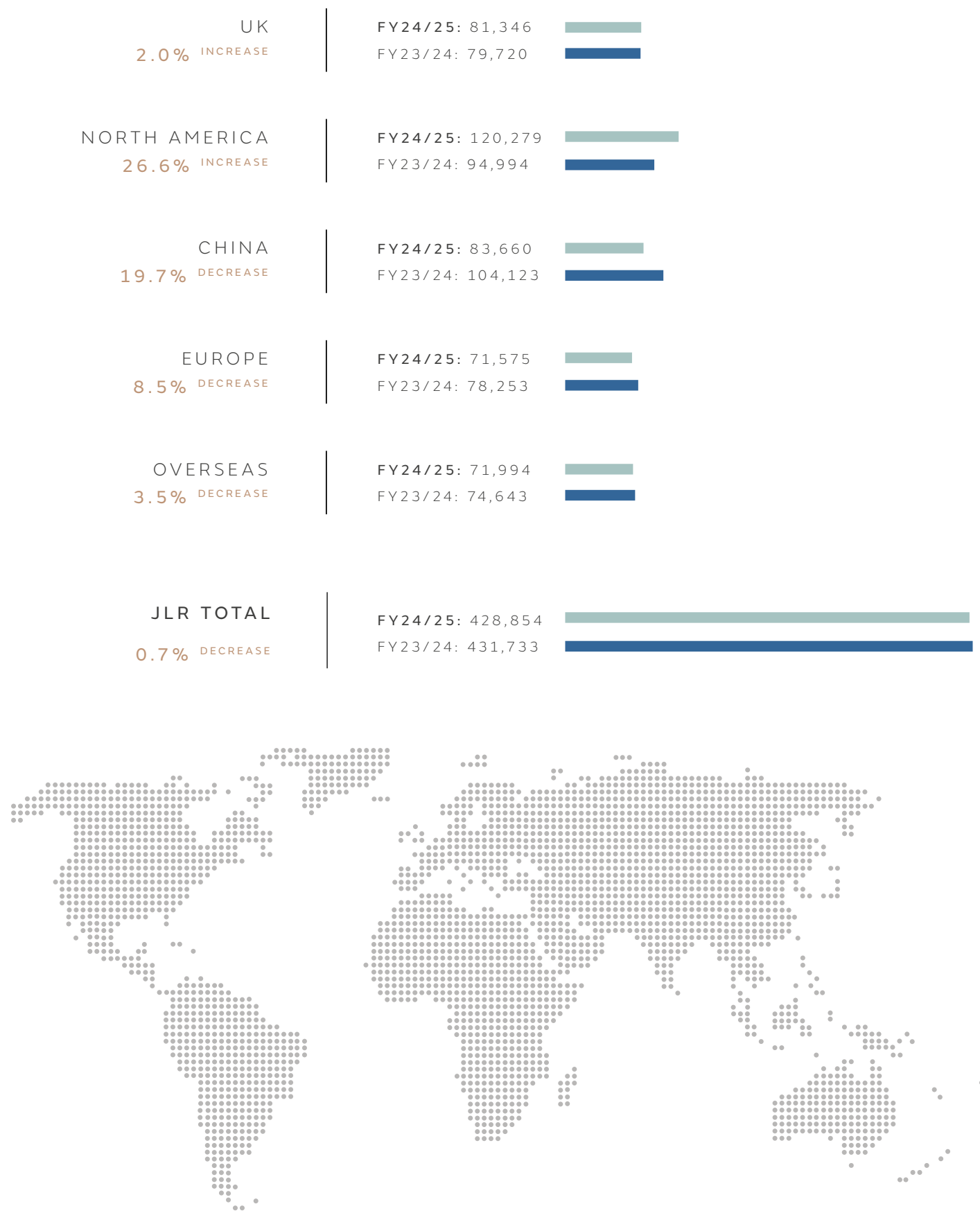
GLOBAL RETAIL SALES BY REGION

Our retail sales¹ were 428,854 vehicles in FY24/25, down slightly by 0.7 per cent year-on-year. Retail sales were stable despite challenging market conditions, reflecting the strong demand for our products.

Full year retail sales were lower year-on-year in China (down 19.7 per cent), Europe (down 8.5 per cent) and Overseas (down 3.5 per cent). During the year, the China region continued to face headwinds and retail sales were impacted by retailer insolvencies and the availability of credit. However, this was offset by retail sales higher year-on-year in North America (up 26.6 per cent) and the UK (up 2.0 per cent).

The North America has region has performed strongly over the year due to a normalisation of vehicle supply levels accompanied by a strong demand for our products in the region.

Total retail sales from our China Joint Venture were 34,156 vehicles for FY24/25. Sales were down 31.9 per cent compared to the prior year due to the aforementioned challenges in China.



¹ Retail sales represent vehicle sales made by dealers to end clients. Wholesales excludes CJLR and Retail sales includes CJLR, as locally produced via our joint venture. Please see note 3 of the financial statements on pages 115-117 for definition of alternative performance measures.

GLOBAL RETAIL SALES BY BRAND

The Range Rover brand retailed 225,047 vehicles, up 10.4 per cent year-on-year as demand for the higher margin product strengthens. Range Rover brand accounted for 52.5 per cent of total retail sales¹.

The Defender brand retailed 112,635 vehicles, down 1.8 per cent compared to FY23/24 and equated to 26.3 per cent of total retails. Retail sales remained stable year-on-year as the manufacturing facility in Slovakia continued to operate on a three-shift pattern.

The Discovery brand retailed 42,727 vehicles, down 8.0 per cent year-on-year due to prioritisation of higher margin vehicles. Discovery made up 10.0 per cent of total retails during the year.

The Jaguar brand retailed, 48,445 vehicles, down 27.5 per cent year-on-year due to the wind down of Jaguar as we transition into the new era of the Jaguar transformation. Jaguar accounted for 11.3 per cent of total retails in FY24/25.



RANGE ROVER

FY24/25: 225,047
FY23/24: 203,788
10.4% INCREASE



DEFENDER

FY24/25: 112,635
FY23/24: 114,646
1.8% DECREASE



DISCOVERY

FY24/25: 42,727
FY23/24: 46,433
8.0% DECREASE



JAGUAR

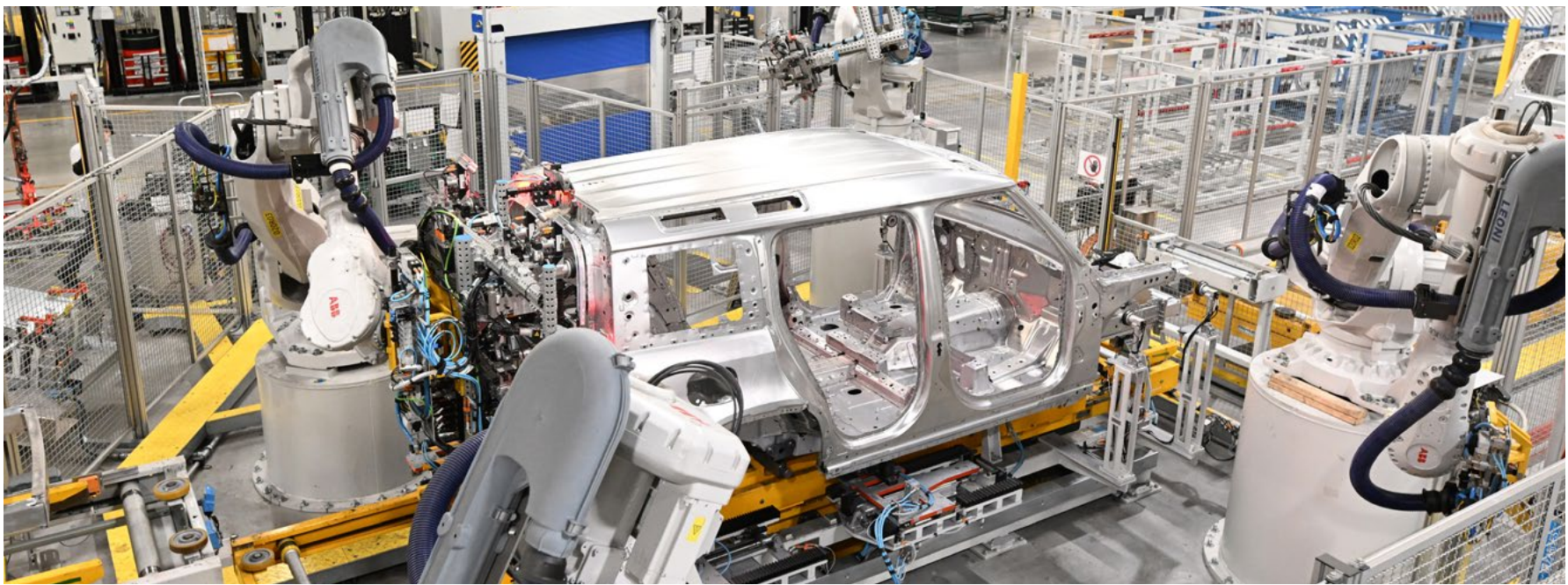
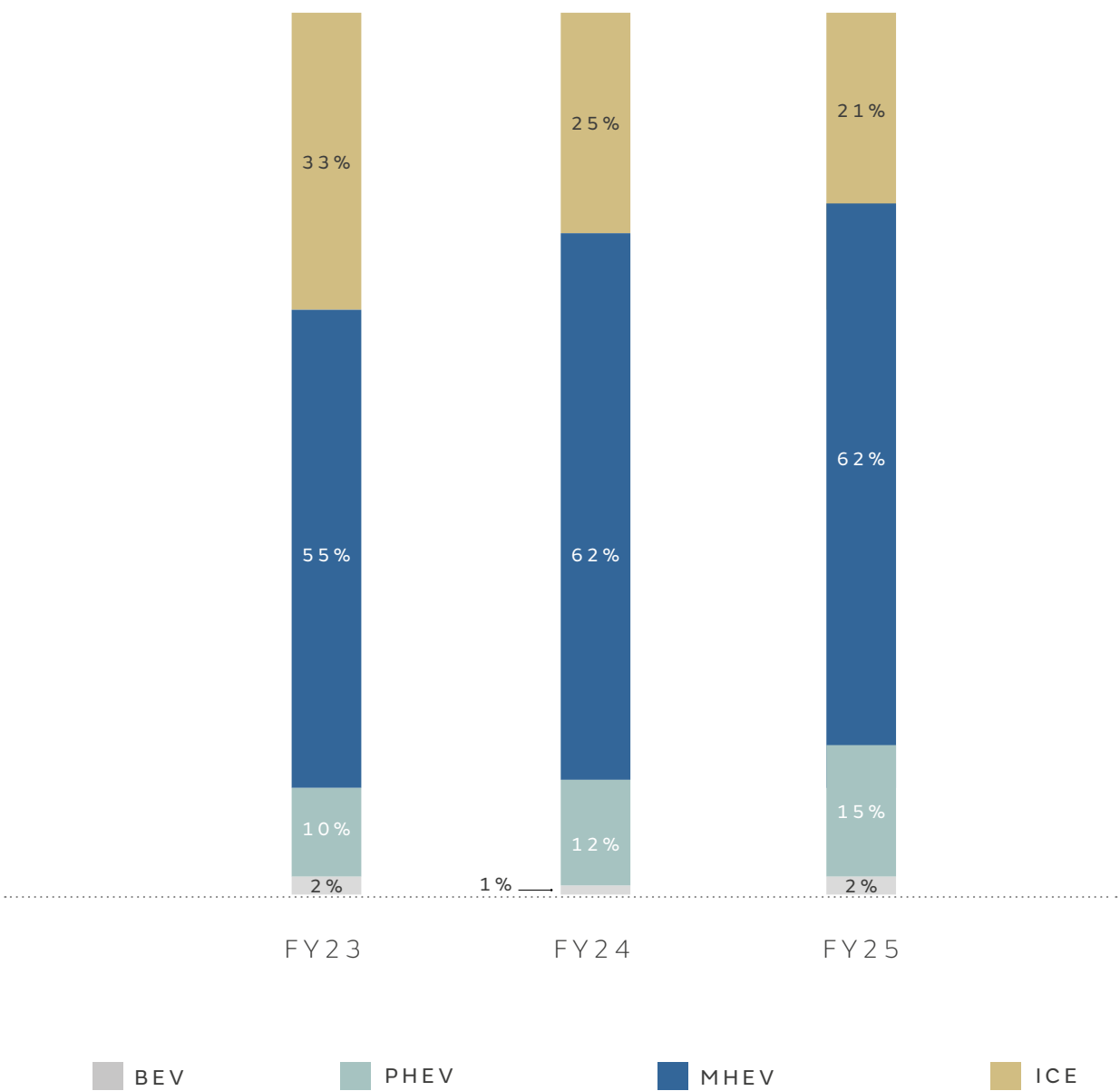
FY24/25: 48,445
FY23/24: 66,866
27.5% DECREASE

¹ Retail sales represent vehicle sales made by dealers to end clients. Wholesales excludes CJLR and Retail sales includes CJLR, as locally produced via our joint venture. Please see note 3 of the financial statements on pages 115-117 for definition of alternative performance measures.

GLOBAL RETAIL SALES BY POWERTRAIN

During FY24/25, we continued to offer electrification options across our 15 nameplates, with plug-in electric hybrid (PHEV) available on seven models and mild electric hybrid (MHEV) available on eight models.

In FY24/25, electrified vehicles totalled 78.4 per cent of our retail sales (up from 75.0 per cent in FY23/24) including 2 per cent for the all-electric Jaguar I-PACE, 15 per cent PHEV and 62 per cent MHEV.



¹ Jaguar production of I-PACE finished at the end of the calendar year 2024

CHIEF FINANCIAL OFFICER'S STATEMENT

We continued to deliver a strong financial performance in FY24/25, despite the headwinds and challenges across the automotive industry. We achieved key milestones, including becoming net cash positive and achieving our first ever investment grade credit rating from S&P Global Ratings Agency (S&P).

Throughout the year, we remained committed to our external guidance for adjusted EBIT margin and net cash, delivering an adjusted EBIT margin of 8.5 per cent and becoming net cash positive for the first time in seven years. In addition, we broke a series of records for the company, including best ever Q1 and Q3 revenue and the highest full year profit before tax and adjusted EBIT margin in a decade.

Our robust and consistent performance was recognised by S&P and Moody's, with a two-notch credit upgrade from S&P to BBB- (an investment grade rating) and a one-notch upgrade from Moody's to Ba2, both with positive outlook. The improved ratings are a reflection of the company's continued strong performance.

Wholesale volumes for the full year (excluding sales from our China joint venture) were 400,898, flat in comparison to the prior year. Aluminium supply chain disruptions in H1 impacted our production and consequently our wholesale volumes in that period. Wholesales were also impacted in the full year by the gradual wind down of legacy Jaguar products, many of which had reached the end of their production life by December 2024, ahead of the launch of all-new Jaguar.

Retail sales (including sales from our China joint venture) were 428,854, slightly lower than the prior year. Retail sales in North America increased due to strong demand for our products in the region. There were challenging market conditions in China, particularly for our locally produced cars - which operate in a highly competitive environment - with retailer insolvencies and credit availability also impacting volumes. We were able to reduce the impact of these challenges by supporting the retailer network and focusing on marketing and sales efforts through the prioritisation of the high-margin products to improve retailer profitability.

Revenues for the year were £29.0 billion, flat year-on-year, despite the supply chain disruptions in the first half of the year, and the wind down of the production of Jaguar.

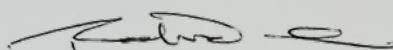
We also achieved the highest full year profit in a decade. Adjusted EBIT margin of 8.5 per cent for the year was flat compared to the prior year. Profit before tax and exceptional items was £2.5 billion compared to profit before tax and exceptional items of £2.2 billion in the prior year. Profit after tax was £1.8 billion, down from £2.6 billion a year ago (a deferred tax asset of £1.0 billion was recognised in FY23/24).

Our commitment to our *Reimagine* strategy and transition to electrification was reflected in the £3.8 billion of investment spend which rose during the year as we get closer to exciting new product launches, including the Range Rover Electric. Throughout the year, we focused on driving brand profitability and elevated our product offering through, for example, the launch of the Defender OCTA.

During the year, we repaid £1.2 billion equivalent of debt. In terms of new debt, in December 2024 we took out two loans for ¥1.5 billion each with local banks in China and in early 2025 we signed a new term loan at a value of \$650 million. We ended the year with gross debt of £4.4 billion and a global cash balance of £4.6 billion reflecting total cash and cash equivalents, deposits and investments. Our undrawn revolving credit facility (RCF) was refinanced from £1.5 billion to £1.7 billion and available liquidity including the RCF was £6.3 billion at 31 March 2025.

At the start of FY25/26, we implemented a series of short-term mitigating actions to address the immediate impact of tariffs on the global automotive sector introduced by the US Administration. On 8 May 2025, we welcomed the positive announcement of a new US-UK trade deal which reduced US trade tariffs on UK auto exports to the USA for a quota of 100,000 vehicles. We continue to evaluate the impact on the business and are developing medium to longer-term plans to adjust to the new global trade environment.

Our luxury brands have global appeal and our business is resilient. Our priorities now are delivering for our clients around the world and addressing new US trading terms. We plan to continue the strong momentum from FY24/25 and successfully reimagine our exciting future in the year ahead and beyond.



RICHARD MOLYNEUX
CHIEF FINANCIAL OFFICER
Jaguar Land Rover Automotive plc
20 May 2025



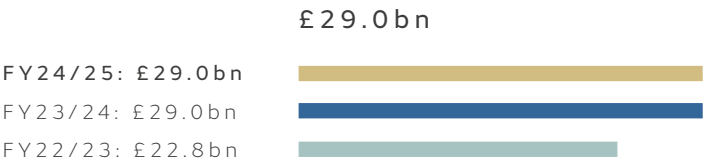
OUR FINANCIAL PERFORMANCE

CONSOLIDATED INCOME STATEMENT

Revenue and profitability remained strong during FY24/25 with a robust financial performance. Despite experiencing temporary supply disruptions during the first half of the year, we have delivered the highest profit before tax excluding exceptional items and adjusted EBIT in a decade.

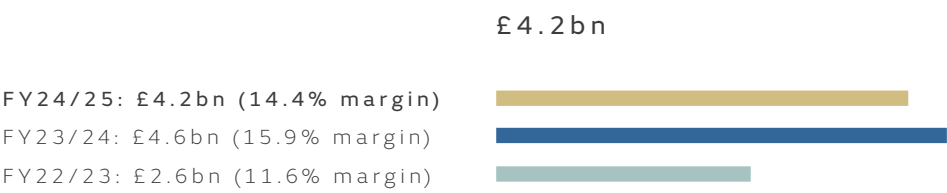
REVENUE

Revenue was £29.0 billion in FY24/25, flat year-on-year. Wholesales (excluding the China joint venture) were 400,898 units, and the mix was strong with Range Rover, Range Rover Sport and Defender models accounting for 67.8 per cent of all wholesales in the year (up from 62.7 per cent in FY23/24).



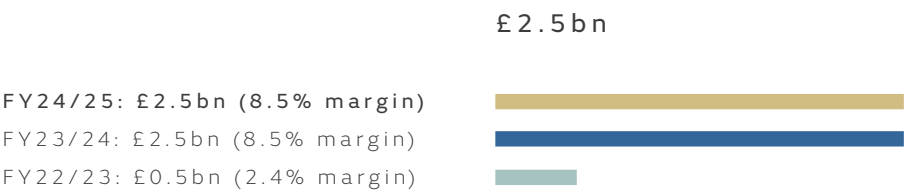
ADJUSTED EBITDA¹

Adjusted EBITDA was £4.2 billion (14.4 per cent margin) in FY24/25, £447 million lower than the Adjusted EBITDA of £4.6 billion (15.9 per cent margin) in the previous fiscal year. Favourable sales mix and improved pricing offset the lower wholesales, increase in fixed marketing and selling costs driven by investment in demand generation.



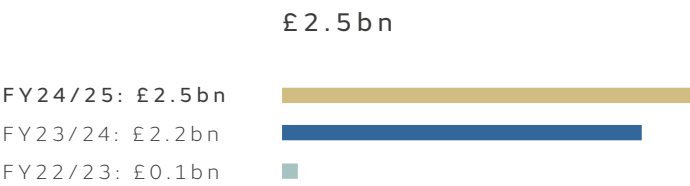
ADJUSTED EBIT¹

Adjusted EBIT was £2.5 billion with a margin of 8.5 per cent in FY24/25, flat compared to the Adjusted EBIT of £2.5 billion¹ (8.5 per cent margin) in the prior year. This reflects the lower Adjusted EBITDA as mentioned above.



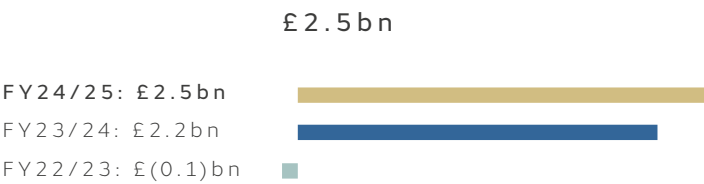
PROFIT BEFORE TAX

Profit before tax was £2.5 billion in FY24/25, up slightly from £2.2 billion in the prior year.



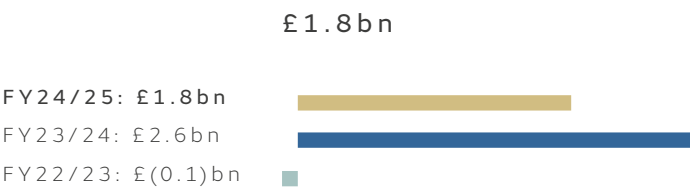
PROFIT BEFORE TAX EXCLUDING EXCEPTIONAL ITEMS

Profit before tax excluding exceptional items was £2.5 billion in FY24/25, up slightly from £2.2 billion in the prior year.



PROFIT AFTER TAX

Profit after tax was £1.8 billion in FY24/25, compared to the profit of £2.6 billion in the prior year. A tax charge of £(674) million was recorded in the year, compared to a £413 million tax credit in FY23/24 (a deferred tax asset of £1.0 billion was recognised in Q4 FY24, and a deferred tax asset of £24 million was recognised in Q4 FY25).



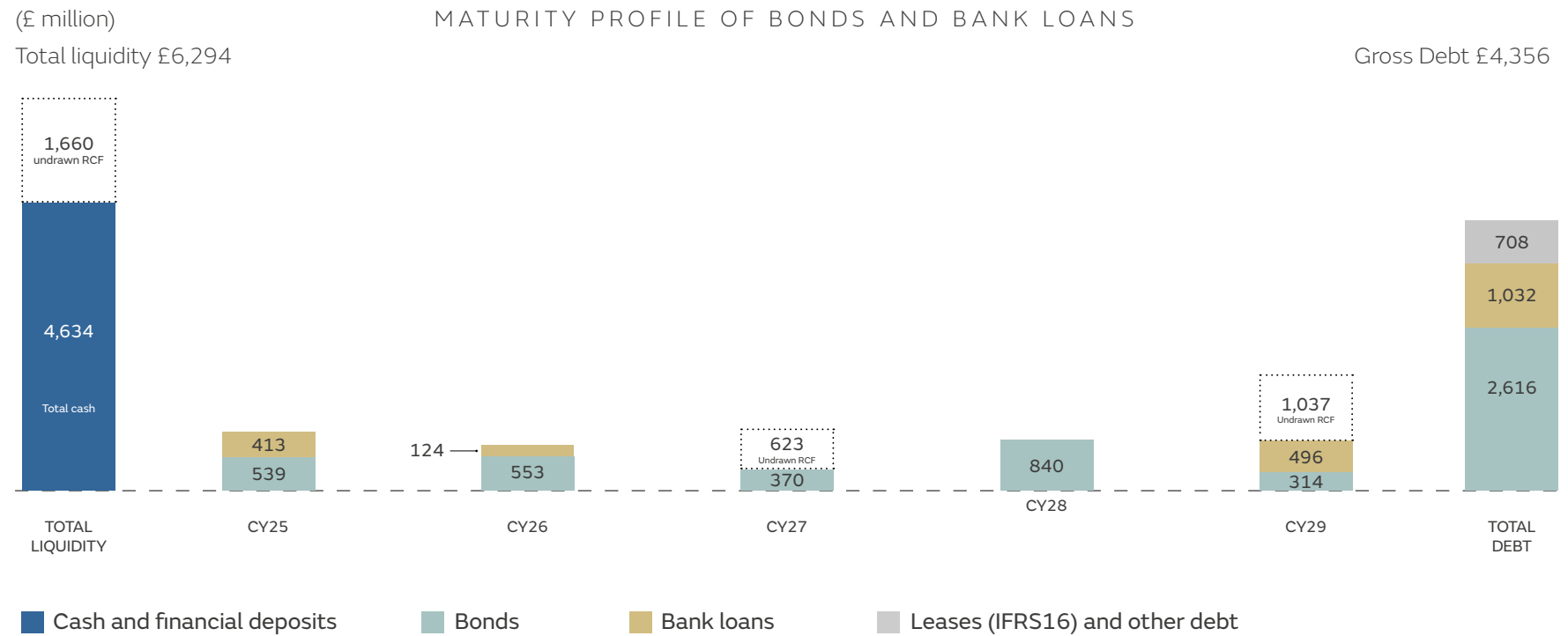
RETURN ON CAPITAL EMPLOYED (ROCE)

ROCE was 19.4 per cent in FY24/25, compared to 21.3 per cent in the prior year.

¹ Please see note 3 of the financial statements on pages 115-117 for alternative performance measures.

JAGUAR LAND ROVER AUTOMOTIVE PLC CAPITAL STRUCTURE

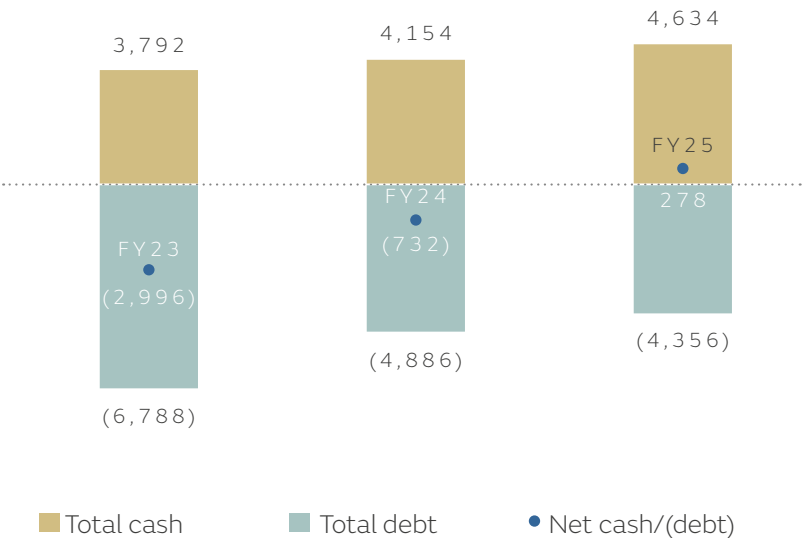
At 31 March 2025, we had £6.3 billion of total liquidity, including cash and cash equivalents, financial deposits and investments of £4.6 billion and an undrawn committed revolving credit facility (RCF) of £1.7 billion. The RCF was refinanced in October 2024. Our total debt outstanding at 31 March 2025 was £4.4 billion², giving a net cash position of £278 million.



Note: CY refers to calendar year in the debt maturity profile above.

LIQUIDITY AND NET DEBT

Our total cash and cash equivalents, deposits and investments at 31 March 2025 were £4.6 billion (16.0 per cent of revenue), compared to £4.2 billion at 31 March 2024 (14.3 per cent of revenue). The balance at 31 March 2025 comprised of cash and cash equivalents was £4.6 billion, of which £362 million was held in overseas subsidiaries, and deposits and other investments of £23 million. Including the £1.7 billion revolving credit facility (fully undrawn and committed with £0.62 billion maturing in October 2027 and £1.04 billion maturing in October 2029), total liquidity was £6.3 billion at 31 March 2025 versus £5.7 billion¹ at the end of the prior year. At 31 March 2025, gross debt was £4.4 billion and net cash was £278 million, £1.0 billion lower than the net debt position of £732 million at the end of the prior year.



¹ Please see note 3 of the financial statements on pages 115-117 for alternative performance measures.

² Please see note 28 on pages 139-140 for further disclosure on our loans and borrowings.

BORROWINGS AND INDEBTEDNESS

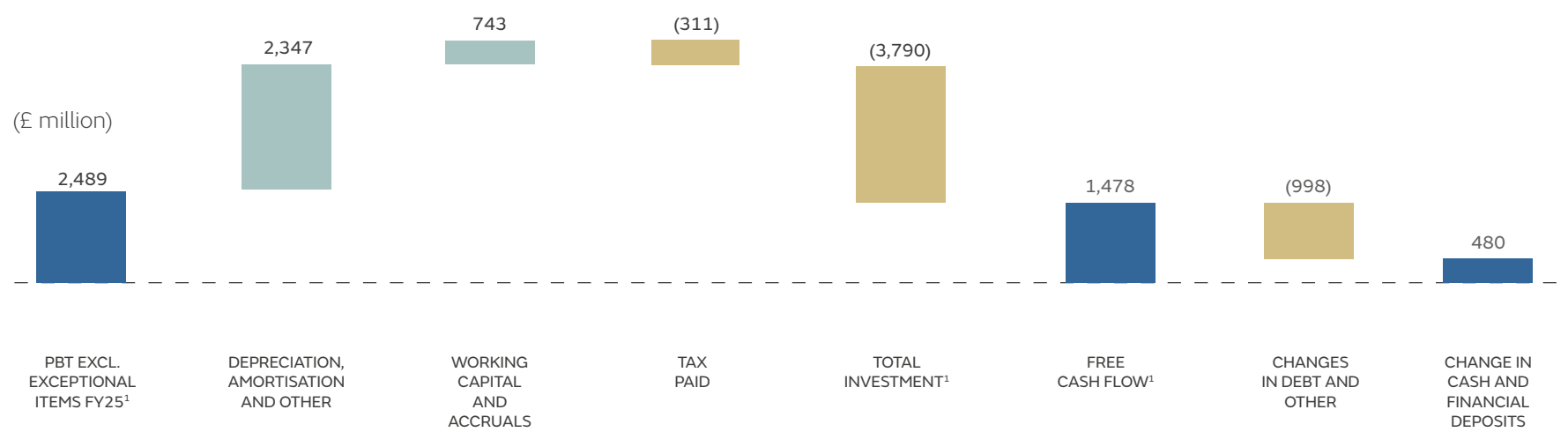
At 31 March 2025, we had £4.4 billion of debt outstanding, comprising of:

- £2.7 billion of unsecured bonds
- £1.0 billion of unsecured loans
- £670 million of leases accounted as debt under IFRS 16
- £37 million of other debt²

Of the £4.4 billion of debt, £0.2 billion is denominated in Pounds Sterling, £1.0 billion in Euros, £2.1 billion in US Dollars and £0.3 billion in Chinese Renminbi, with the remaining £0.7 billion included as leases in other currencies. The maturity profile of debt is well balanced, with 30 per cent maturing within the next financial year and 70 per cent between one and five years. During FY24/25, we repaid out of cash a €500 million bond in November 2024, \$798 million syndicate loan due in January 2025, in addition to £198 million of the loans guaranteed by UKEF which amortise throughout the year, with the first tranche fully repaid during FY24/25. In December 2024 we took out two loans for ¥1.5 billion each with local banks in China maturing in December 2025 and signed a new term loan at a value of \$500 million in January 2025, which increased to \$650 million in March 2025 due to a \$150 million accordion. In October 2024 we refinanced the Revolving Credit Facility for £1.7 billion, with £0.62 billion maturing in October 2027 and £1.04 billion maturing in October 2029.

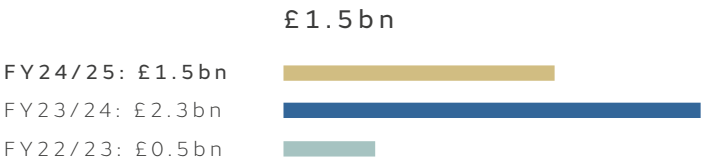
CONSOLIDATED CASH FLOW

Free cash flow was £1.5 billion positive in FY24/25, after total investment spending of £3.8 billion¹, a decrease of £791 million compared to the £2.3 billion positive free cash flow in the prior year.



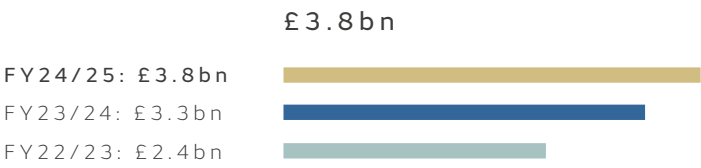
FREE CASH FLOW

Free cash flow was £1.5 billion in FY24/25 after the £3.8 billion of total investment spend, £743 million of working capital inflows, £311 million paid in taxes and £424 million of net finance expenses and fees.



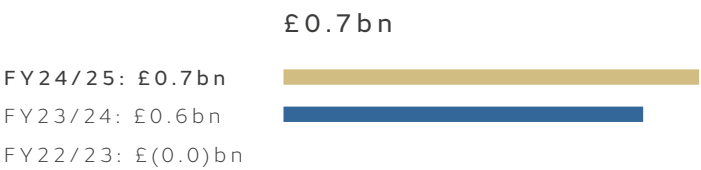
TOTAL PRODUCT AND OTHER INVESTMENT

Investment spending in FY24/25 was £3.8 billion (13.1 per cent of revenue), compared with the £3.3 billion (11.3 per cent of revenue) in the prior fiscal year. Of the £3.8 billion investment spend, £869 million was expensed through the income statement and the remaining £1.8 billion was capitalised. Total engineering and product spending accounted for £2.7 billion (70.2 per cent) of investment spending, while tangible and other intangible assets accounted for the remaining £1.1 billion (29.8 per cent).



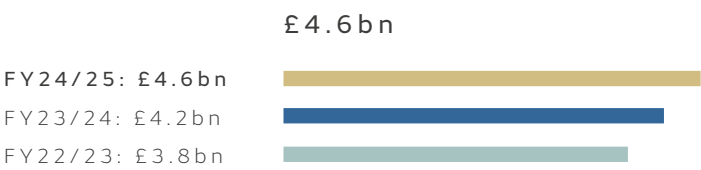
WORKING CAPITAL

Working capital inflows (including non-cash accruals) were £743 million during the year, reflecting a £118 million decrease in inventory, £100 million decrease in payables, £231 million decrease in receivables and decrease in other financial assets and other of £294 million.



CHANGE IN TOTAL CASH AND CASH EQUIVALENTS, DEPOSITS AND INVESTMENTS

Cash and cash equivalents, deposits and investments totalled £4.6 billion at 31 March 2025, c. £400 million higher than the £4.2 billion at the end of the previous year. The increase is explained by strong cash flow offset by the repayment of £1.2 billion (GBP equivalent value) of maturing debt during the year. During the year we also issued £832 million (GBP equivalent value) of debt.



¹ Please see note 3 of the financial statements on pages 115-117 for alternative performance measures.

SUSTAINABILITY

STRATEGIC REPORT

SUSTAINABILITY

Sustainability is at the heart of our transition to be a modern luxury business.

The United Nations Brundtland Commission defined sustainability as “meeting the needs of the present without compromising the ability of future generations to meet their own needs.”

Delivering our products and services in a way that helps to reduce negative impacts on people and the planet, whilst maximising the positive, is a responsibility we take very seriously. Sustainability is a journey which requires engagement and commitment from all areas of our business and from wider stakeholders. Sustainability is not only the right thing to do, but is a key driver of value creation.

Our sustainability strategy is guided by [Tata Group's Project Aalingana](#), as well as the rich history that we and Tata have in giving back to the communities that we touch as a business. Our sustainability strategy comprises three pillars: Planet Regenerate, Engage for Good, and Responsible Business, and is underpinned by our [Environmental and Social Policy](#).

PLANET REGENERATE

Transforming our business across the full value chain

- Carbon net zero by 2039
- Circular economy and resource efficiency
- Nature and biodiversity

ENGAGE FOR GOOD

Acting as a global citizen for sustainable development in the communities and environments in which we operate

- Youth futures
- Reducing inequalities
- Supporting the vulnerable

RESPONSIBLE BUSINESS

Doing business responsibly and with integrity

- Safety, health and wellbeing
- Diversity, equity and inclusion
- Human capital development
- Data privacy and information security
- Responsible supply chain
- Compliance and ethics inc. human rights
- Certifications



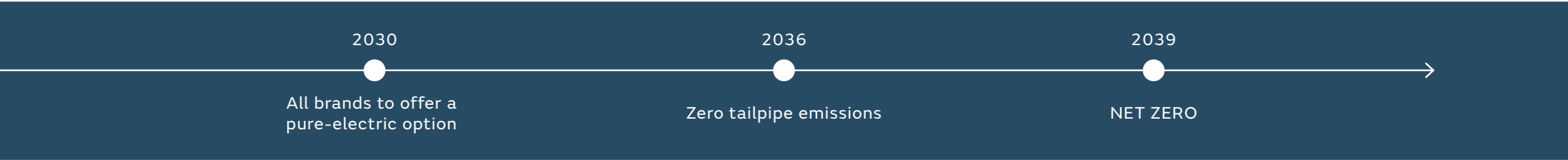
PLANET REGENERATE

Planet Regenerate is our strategy to enhance the environmental performance of our business through decarbonisation, circularity, and nature and biodiversity.

CARBON NET ZERO

Our decarbonisation is underpinned by our ambition to be carbon net zero by 2039, through the decarbonisation of our manufacturing and operations, our supply chain and our vehicles in use, and is supported by our mid-term science-based targets in 2030. Our FY19/20 baseline emissions showed that over 75 per cent of our net zero in-scope emissions come from vehicles in use. Essential to addressing vehicles in use emissions is our aim for all brands to offer a pure-electric option by 2030 and to achieve zero tailpipe emissions by 2036.

The FY24/25 results reported in the following section reflect our performance aligned to the scope of our SBTi, Waste and Water Reporting Methodology Statement available on our [corporate website](#).



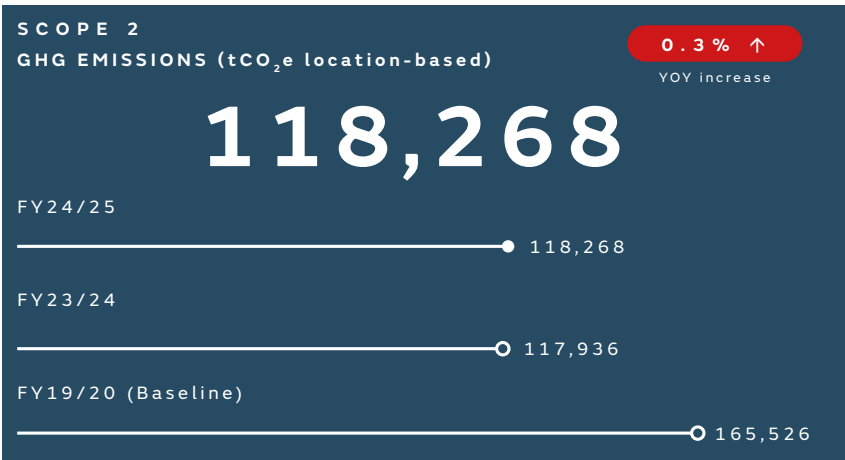
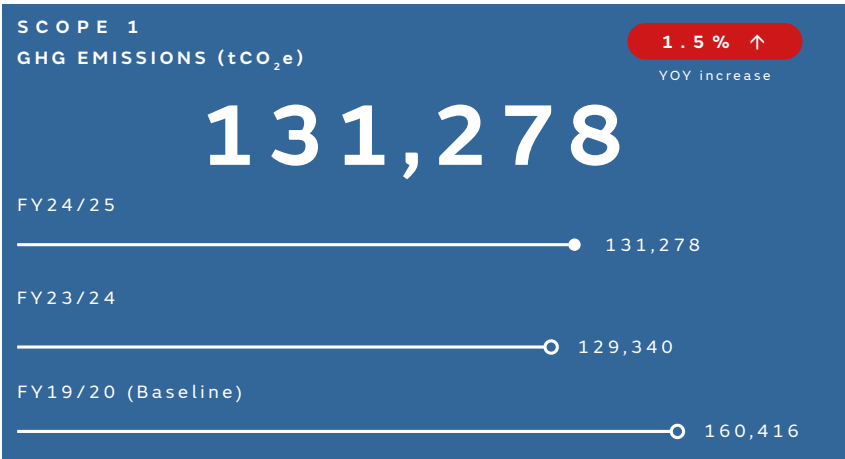
OPERATIONAL EMISSIONS - SCOPE 1 AND 2

Our operational emissions are primarily composed of three elements: Scope 1 emissions from the combustion of gas on our sites for heat and energy; emissions generated from company-owned vehicles; and Scope 2 emissions from electrical energy generation. Therefore, to decarbonise our operations to net zero we must:

- Reduce our energy consumption by driving greater efficiency and awareness at our sites;
- Use on-site and off-site renewable energy to decarbonise Scope 2 emissions; and
- Reduce gas consumption and combustion at our sites through electrification.

PERFORMANCE

Reported data includes only those sites which are within the scope of our SBTi target.



In FY24/25, our absolute Scope 1 and 2 emissions marginally increased to 249.5 ktCO₂e. This was a 1 per cent increase compared to FY23/24 but a 23.4 per cent reduction compared to our location-based FY19/20 baseline. This was also 3 per cent ahead of the required SBTi trajectory to be aligned to a 1.5°C pathway. Our strategic prioritisation of on-site renewables in FY24/25 meant that we moved away from the procurement of Renewable Energy Certificates (RECs) resulting in an increase in our market-based Scope 2 emissions.

Key Initiatives

We continued to implement energy saving initiatives in FY24/25 with particular focus on paint shop optimisation and lighting as well as the installation of renewable energy sources. These projects prioritise two of our strategic focus areas; to reduce our energy consumption and to utilise on-site renewable energy.

Key projects included:

- The optimisation of the sealer oven and the installation of an eco-smart VEC (Variable Exhaust Controller) primer oven within the Nitra, Slovakia paint shop.
- The installation of an intelligent compressed air system at our joint venture manufacturing site in China.
- The installation of 18MW of ground mounted solar panels at our Gaydon, UK site, with generation expected to start in July 2025.
- LED and smart lighting upgrades at our Solihull and Halewood plants in the UK and our Electric Propulsion Manufacturing Centre (EPMC) in Wolverhampton, UK.

Our Scope 1 and 2 performance is also linked to our senior leadership bonus ensuring that reductions in our energy consumption, electrification of our facilities and expansion of on-site and off-site renewable energy is incentivised.



Future Initiatives

We will continue to progress our global renewable energy strategy which aims to increase self-generated energy to over 35 per cent of our global consumption by 2030, helping to reduce our reliance on local grid electricity and the purchase of grid-generated renewable energy.

In September 2024, we announced a £500 million investment to transform our Halewood facility in the UK, to support production of electric vehicles. The historic plant has been fitted with technology including the latest cloud-based digital plant management systems to oversee production, creating the ‘factory of the future’. Our transformation plans involve installing 19,667 photovoltaic panels, which will generate 11.3 MW peak of energy, accounting for 11 per cent of the site’s total energy consumption.

We are also a private sector supporter of HyNet, a UK government funded project to provide the infrastructure to produce, transport and store low-carbon hydrogen across the North West of England and North Wales. This leading industrial decarbonisation project will unlock a low-carbon future across the North West of England, creating new roles, safeguarding existing jobs, growing a skills base and attracting investment into the region. The use of hydrogen instead of gas in our high-energy infrastructure, such as our paint shop at Halewood, could provide a significant reduction in the site’s Scope 1 emissions.

Through this mix of renewables, fuel switching and energy efficiency products, we aim to remove 40,000 tonnes of CO₂e from Halewood’s industrial footprint as part of its carbon net zero target.

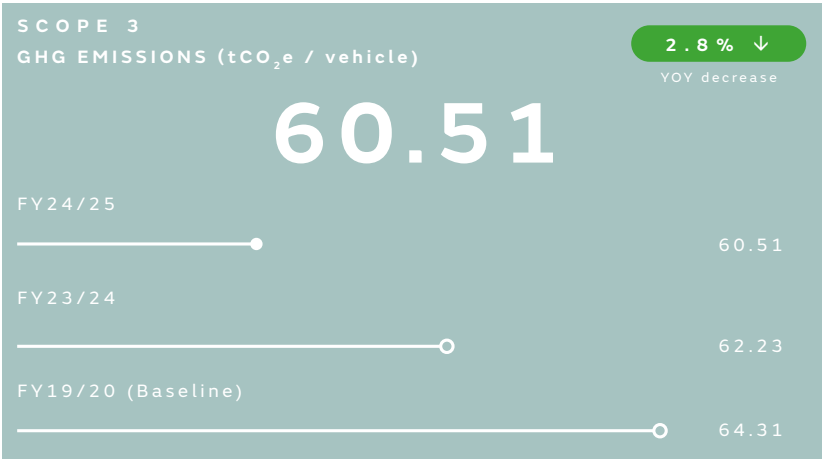


SUPPLY CHAIN AND PRODUCT EMISSIONS -
SCOPE 3

Our Scope 3 emissions are dominated by in-use emissions. These are the emissions generated from the use of our vehicles. The electrification of our fleet is therefore, essential to achieve our science-based targets and net zero ambition. Central to this is our aim for all brands to offer a pure-electric option by 2030. Achievement of these ambitions is highly dependent on consumer demand for battery electric vehicles. We must also ensure that we do not ‘burden shift’ by moving emissions into our supply chain as we make this transition. Therefore, to decarbonise our supply chain and product in-use emissions to net zero, we must:

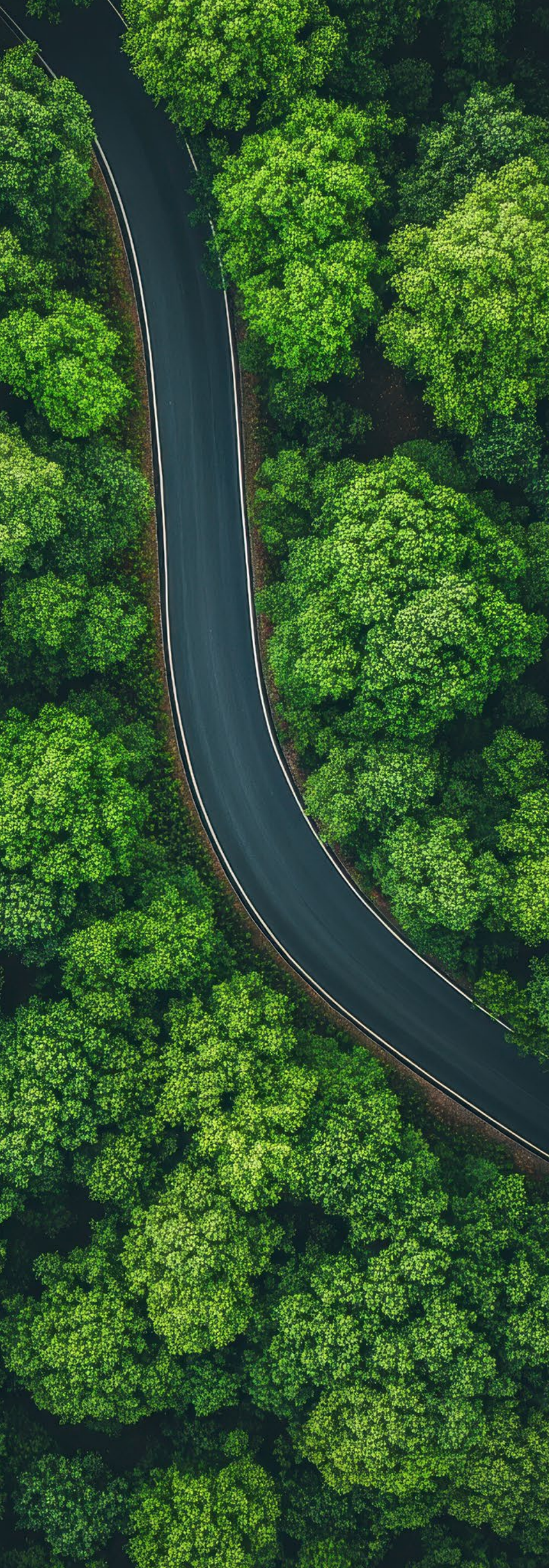
- Electrify our products to reduce direct product emissions to zero; and
- Work with our value chain to decarbonise the supply of key materials and increase the use of recycled-content materials.

PERFORMANCE



FY24/25 delivered continued improvement in the impact of new vehicles during their use, as well as collaboration with our supply chain to reduce the impact of the parts and components we use. Our Scope 3 ‘use of sold product’ emissions for FY24/25 were 238.75gCO₂e per vehicle km. This was a reduction of 6.7 per cent compared to our FY19/20 baseline and a reduction of 3.1 per cent compared to our FY23/24 performance. Our Scope 3 ‘combined use of sold products and purchased goods and services’ emissions for FY24/25 were 60.51tCO₂e/vehicle. This was a 5.9 per cent reduction compared to our FY19/20 baseline and a 2.8 per cent reduction compared to our FY23/24 performance.

This means that, in terms of absolute emissions, our Scope 3 emissions across these categories were 25.9 MtCO₂e, a reduction of 20.7 per cent compared to our FY19/20 baseline, and an improvement of 3.4 per cent since FY23/24. This improvement was due to the reductions shown at a per vehicle level as well as lower production volumes compared to the baseline year.



Key Initiatives

Our reduction in use of sold product emissions totalled 1.29tCO₂e/vehicle in the last financial year and was primarily due to growth in plug-in hybrid electric (PHEV) and battery electric (BEV) as a proportion of total vehicles retailed in FY24/25. A growth in the proportion of PHEV retailed from 12 per cent in FY23/24 to 15 per cent this year provided 65 per cent of the reduction in use of sold product emissions seen in the last financial year. In addition, growth in the proportion of BEVs retailed from 1.2 per cent in FY23/24 to 1.7 per cent this year contributed 10 per cent to the financial year reduction.

Our Procurement and Engineering teams continued to collaborate with suppliers to commit to the use of recycled and low-impact materials, as well as to enhance the accuracy of our Scope 3 purchased goods reporting in FY24/25, with particular focus on steel and aluminium supply chains. This process resulted in a total reduction of 0.62tCO₂e/vehicle from our Scope 3 purchased goods and services. These improvements included reductions from product carbon footprints (PCFs) provided by suppliers, such as for windshields, and the contracting of recycled content in sheet metal and components such as axles and compressor housings.

Future Initiatives

The primary driver for the decarbonisation of our Scope 3 emissions will be the continued electrification of our products. We aim for decarbonisation to accelerate from FY26/27 onwards as we move towards our target for all our brands to offer a pure-electric option by 2030.

As this electrification journey accelerates, the importance of our supply chain emissions will increase. Collaboration with our suppliers on enhancing accuracy and driving reductions will prepare us for these future challenges. To embed this, we are establishing CO₂e limits for future product components in high-impact commodities, committed within supplier sourcing contracts.

We define high-impact commodities based on a CO₂e threshold, which is currently 25kg CO₂e. This captures batteries, most metallic or metallic-containing components, plus major polymer and electrical components such as bumpers and headlamps. In total, more than 95 per cent of the vehicle's CO₂e emissions are covered by the high-impact definition, and we continually review lowering the threshold to increase coverage.

High-impact commodities make up approximately half of all sourcing projects and cover more than 95 per cent of supply chain CO₂e in future products. In FY24/25, over 80 per cent of high-impact sourcing projects were below their CO₂e targets, or had a signed mitigation plan to deliver the targets within the vehicle production lifecycle. We have also established a "Sustainability and Net Zero" Chapter, driving off-cycle engineering, research and procurement activity to embed the design and supply of low-carbon materials within our development and procurement strategy.



CIRCULAR ECONOMY AND RESOURCE EFFICIENCY

The resources we use and consume play a pivotal role in the environmental impact of our supply chain, operations and products in use. Our pathway to net zero requires us to embrace the circular economy to help ensure that we reduce our impact whilst creating value and making our supply chain more resilient.

In FY24/25, we have started to put our circular economy strategy into action by delivering projects to decouple value creation from resource use and supporting our net zero ambition through our three mission statements:

- **Circular enablers** - we must create circular value through systemic collaboration, innovation and partnerships.
- **Circular resources** - we must act as a responsible user of resources by maximising reuse, replenishment and recycling.
- **Circular products and services** - we must provide timeless luxury through enhanced product utility and longevity.

The following sections outline our initiatives in each of these areas in the last financial year.

CIRCULAR ENABLERS

Our Circularity Lab aims to reduce waste and boost the recyclability in our products through internal collaboration, bringing together cross-disciplinary squads comprising Sustainability, Engineering, Procurement and Design with external engagement with value chain partners and learning from institutions, such as the Ellen MacArthur Foundation. The squads disassemble and analyse vehicles, components and materials in a collaborative ‘learn through doing’ approach, working closely with suppliers and experts in materials to understand and overcome barriers to reusing and recycling.

In October, we concluded our Sustainability Innovation Challenge, which was launched in June through our Open Innovation Programme, supported by our innovation partners, Plug and Play. The challenge received an overwhelming response, with applications from entrepreneurs, start-ups, and academic institutions from across the globe. The participants presented their innovative solutions and ideas aimed at advancing sustainability.

The challenge culminated during Birmingham Tech Week, where the pitch day finale was hosted in front of a live crowd. The top eight applicants competed for a £90,000 prize fund and the event was judged by a panel of JLR experts, including our Chief Sustainability Officer, Andrea Debbane.

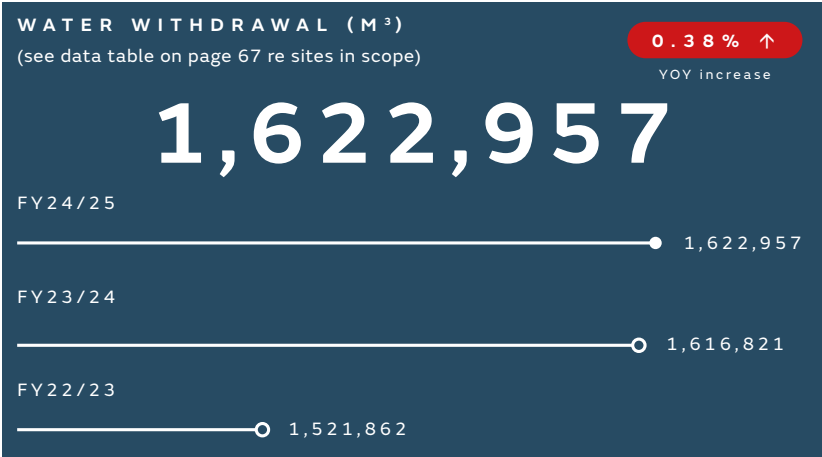
The winners were Genomines, who proposed an innovative solution for extracting nickel through botanical cultivation, thus helping to reduce the need for traditional mining practices. In addition to the monetary prize, Genomines will have the opportunity to collaborate with us through our Open Innovation Programme. Our next steps include developing a proof of concept to test the technology, as well as conducting an end-to-end pilot to review the viability of industrialising the solution.

The runners-up were Circu Li-ion, with their focus on battery circularity, and Aircela, developing direct air capture e-fuels.

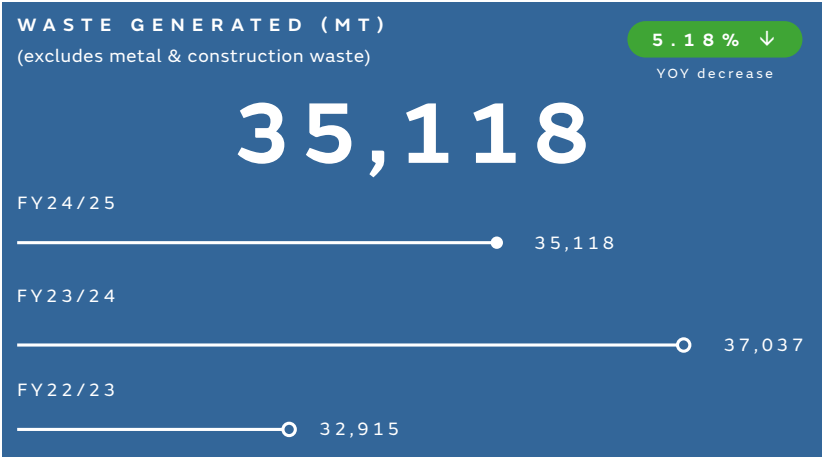


CIRCULAR RESOURCES

Our Circularity Lab has led initiatives to at least double and an aim to treble recycled content in new products from 2028 and has focused on opportunities for closed-loop recycling. This has led to a significant technical breakthrough in the closed-loop recycling of polyurethane seat foam, by successfully reintegrating it into the production of new seats. Polyurethane foams are designed for durability and are known to be challenging when it comes to recycling, meaning they end up in landfill. In collaboration with Dow's MobilityScience™ material innovations, and global leader in automotive seating, Adient, this is the first time closed-loop seat foam content has been successfully used in automotive production. We are now putting the material through its full production process aiming to test its use at scale in pre-production vehicles in 2025. The recycled foam will be one element to a new 'circular seat' that it is estimated will halve the impact of CO₂e emissions while maintaining high performance.



In FY24/25 our water withdrawal marginally increased to 1,622,957 cubic metres for our in-scope sites from 1,616,821 cubic metrics in the previous financial year. This is an increase of 0.18m³/vehicle to 4.05m³/vehicle representing a 4.7 per cent increase in water withdrawal per vehicle produced compared to FY23/24. Projects have targeted reducing water use in processes with high water withdrawal such as the introduction of a smart spray process in the Solihull, UK paint shop.



The introduction of our target to achieve zero waste to landfill and increase non-metallic waste sent for recycling / reuse has also led to a greater focus on waste segregation at our sites, such as bin tip audits and collaboration with suppliers to increase reuse of parts protection at Solihull, UK. In FY24/25, our waste generation reduced by 1,919 metric tonnes to 35,118 metric tonnes for our in-scope sites. An average reduction in waste of 1.05kg/vehicle was achieved in the last financial year compared to FY23/24.



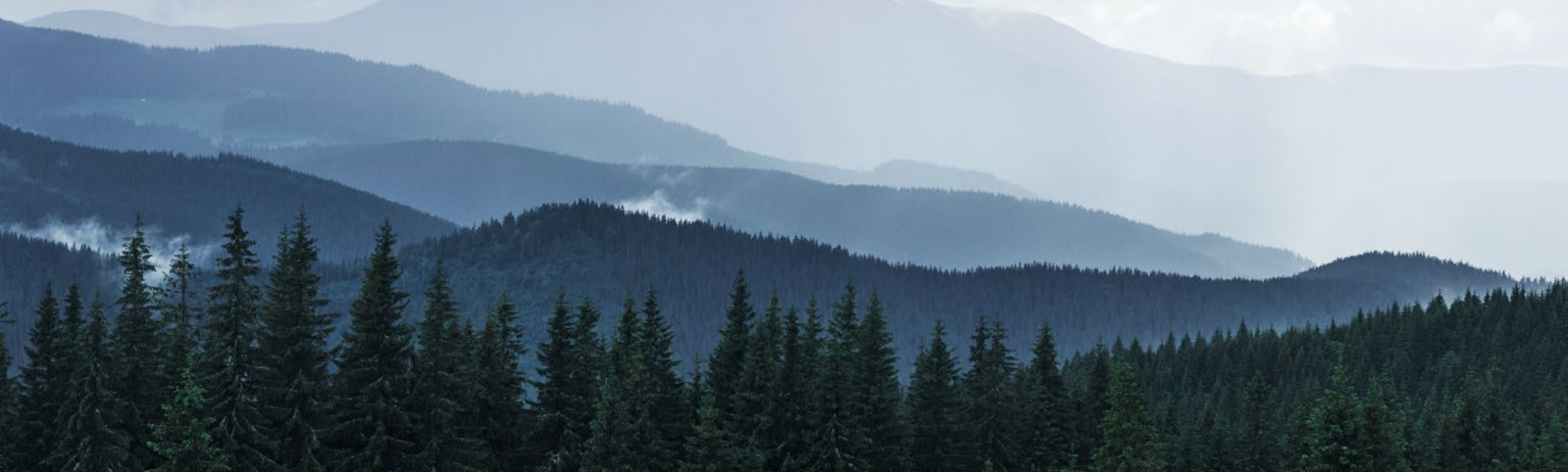
CIRCULAR PRODUCTS AND SERVICES

The transition from a linear business model to a more sustainable, circular mobility model is essential for the automotive industry to reduce resource consumption for every kilometre travelled. Services such as ‘Pivotal’, which provides clients with an all-inclusive, fully flexible subscription service, and ‘THE OUT’, a luxury car rental service, are the first steps towards these new mobility models. InMotion Ventures Studio continues to incubate these services and explore new opportunities in the circularity sphere.

However, these services require infrastructure, design and engineering change to make them more circular. To support this, we have begun trials on the in-life refurbishment of the Pivotal fleet, as well as the longer-term processing of end-of-life vehicles for refurbishment of green parts.

We are also making progress on the engineering of components to ensure they can be reused and recovered during and after use. Historically, vehicles have been designed with limited consideration for disassembly once they reach end-of-life with the use of mixed materials that are difficult to separate, and fixing methods and adhesives that can make the challenge of reducing waste and recycling for reuse almost impossible. The Circularity Lab is now feeding this information directly into early decision-making for vehicle development. For example, initial tests on front bumpers found the same quality and performance could be achieved using a reduced number of polymers. This initiative reduces complexity making recovery and recycling more feasible whilst reducing CO₂e and cost.





NATURE AND BIODIVERSITY

Nature loss and biodiversity decline pose a strategic risk to businesses in the next decade. We have multiple interactions with nature throughout our value chain, from the extraction of raw materials in the supply chain to how we manage our own sites. This section summarises activities on nature and biodiversity in the past year.

Global Landscape

This year saw considerable progress in worldwide efforts to enhance sustainability in relation to nature and biodiversity. At COP16, held in Cali, Colombia, nations reviewed progress towards the Kunming-Montreal global biodiversity framework (GBF), at the same time, the [WWF's 2024 Living Planet Report](#) highlighted a deepening 73 per cent decline in wildlife populations since 1970, emphasising the urgent need for collective action to address the dual crises of climate change and biodiversity loss. These developments in part have inspired us to further progress our nature and biodiversity strategy.

Policy and Strategy

Building on our work to create a sector-level screening of our key impacts, dependencies, risks and opportunities, we are conducting a detailed baseline assessment of the sites we own globally using a combination of ecological survey data and aerial satellite data. This baseline combined with engagement with expert stakeholders will enable us to define our strategy on nature and biodiversity for our own operations. Our supply chain impacts on nature and biodiversity will also be assessed to help enable mitigation of our most material impacts such as those around deforestation-risk materials and mined commodities. Our strategy will include short- and long-term actions in alignment with the Science Based Targets Network (SBTN) framework and will also inform wider updates to our environmental policy to set out our ambitions to counteract nature and biodiversity loss.

Biodiversity at our Facilities

Throughout FY24/25, we have actively advanced our biodiversity management efforts across multiple sites, establishing long-term ambitions to 2030 to manage habitats to conserve and enhance the biodiversity value of the land we manage. Activities include woodland management such as coppicing and deadwood creation, management of grassland and scrub, vegetation control in ponds and wetlands, and some areas where we commit to non-intervention. These have been designed by ecologists in relation to the local context, and their effectiveness is monitored on an ongoing basis.

At our site in Itatiaia, Brazil, we have continued a species monitoring project in the Itatiaia National Park in partnership with Onçafari and the national park authorities. The project objectives are to identify the animal species found in the park, and to highlight those which are threatened, in

accordance with the goals of the Itatiaia National Park Management Plan. Fifteen camera traps were installed, capturing 2,160 independent records in which 33 species could be identified.

Also at our Itatiaia manufacturing plant, a final monitoring report was carried out for a 10,000m² Permanent Preservation Area with the condition of the area being restored from complete devastation to fully discharging the forest restoration commitment to the state environment agency.

In FY24/25, our Slovakia plant continued its commitment to environmental sustainability through a comprehensive biodiversity monitoring project in collaboration with the University of Constantine the Philosopher, in Nitra. Since 2019, this initiative has focused on the inventory and population dynamics of various plant and animal species within our manufacturing site. Key outcomes include the identification of 125 higher plant species, including the rare Laxmann's bat (*Typha laxmannii*), and the recording of 37 bird species, with significant breeding populations of the Northern Lapwing (*Vanellus vanellus*) and the Marsh Harrier (*Circus aeruginosus*). The project also highlighted the importance of retention basins as vital ecosystems supporting diverse flora and fauna. Additionally, our efforts in constructing habitats for rare birds and insects, and encouraging the presence of birds of prey, underscore our dedication to fostering biodiversity and ecological balance.

Certified Deforestation-free Tyres

We joined forces with global tyre manufacturer Pirelli in a commitment to use tyres made with FSC®-certified sustainable rubber, across our range of luxury vehicles. We will be the first to adopt FSC®-certified tyres at scale, debuting on the new Range Rover Electric. The commitment will amount to over 250,000 FSC®-certified rubber tyres per year. The collaboration assures high quality tyres with fully verified ethical standards and origin. The collaboration between JLR and Pirelli represents a significant step in increasingly sustainable tyre production and adoption, supporting the preservation of forests and promoting sustainable development.

CONSERVATION INITIATIVES

Tusk, Africa

This year, Defender has extended its enduring partnership with conservation charity, Tusk, supporting their mission to amplify the impact of progressive conservation initiatives across Africa through funding, vehicles and technology, as well as being sponsor of the Tusk Award for Conservation presented each year by the charity’s Royal Patron, HRH The Prince of Wales.

This commitment builds on almost 20 years of collaboration and sees a significant increase in support via enhanced vehicle provision and grant funding to flagship projects. The renewed partnership will support six of Tusk’s project partners; the first three are with Save the Rhino Trust in Namibia, Wild Entrust in Botswana, and Vulpro in South Africa. The new approach enables Defender and Tusk to work hand-in-hand to deliver progressive and inclusive community-driven solutions to protect biodiversity and endangered species across the African continent.



ENGAGE FOR GOOD

Our ambition is to become a benchmark for positive societal and community impact, to take care of the communities and environments in which we operate, and to make a positive impact focusing on youth futures as well as the most vulnerable and disadvantaged.

Engage for Good activities align to three key focus areas: youth futures, reducing inequalities, and supporting the vulnerable. We support this citizenship activity through partnerships with NGOs, employee volunteering, vehicle supply and project funding. Our programmes are designed by a cross-functional team including expertise from our charitable partners, local in-market leaders and global colleagues. Programmes are continually assessed to ensure sustained positive impact.

Creativity for Good

Our Creativity for Good initiative aims to address social and environmental challenges by working in collaboration with NGOs, transferring our colleagues’ knowledge and skills to accelerate sustainable innovations. For our inaugural Creativity for Good challenge, we are partnering with The Washing Machine Project in the creation of second-generation washing machines to support women and girls in India, by alleviating the burden of handwashing clothes.

Sustainability and innovation are core to the collaboration. Together with colleagues from across our business, including those from Engineering, Manufacturing, Procurement and Sustainability, we aim to create a washing machine that is cheaper to produce and easier to assemble, repair and distribute. Globally, over five billion people handwash clothes, resulting in health issues and lost opportunities to study and work. Spending up to 20 hours per week, the burden of handwashing is predominantly placed on women and girls. The Washing Machine Project has developed the world’s first flat-packable washing machine - a manual, off-the-grid washer that helps save up to 50 per cent of water used and 75 per cent of the time taken compared to handwashing clothes.



Volunteering

Driven by our purpose to *Live The Exceptional With Soul*, colleagues have continued to drive change this year through our volunteering programme. Colleagues across the UK and Ireland are empowered to use their 16 hours of volunteering time, and their skills and passion to support a wide range of causes that they care about, as well as causes that support our three key focus areas.

In 2024, JLR colleagues achieved a remarkable 34,547 hours of voluntary support, benefitting a wide range of worthwhile organisations in our local communities, including STEM (Science, Technology, Engineering, Mathematics) Ambassadors, The Red Cross, Chapter One, Scouts and Girl Guide groups, foodbanks, schools, community groups, homeless shelters, hospices, animal shelters, and nature reserves. Over 9,000 of these volunteer hours have been contributed by over 1,150 STEM Ambassadors who use their volunteering time to inspire the next generation to consider careers in STEM.

Spencer’s Retreat Farm in Coventry, UK is a farm for children with special needs and their families, and is one of many local community organisations that have benefitted from the support of our colleagues this year. Lisa Faulkner from Spencer’s Retreat shares: ‘*The support from JLR volunteers this year has helped Spencer’s Retreat to provide a safe space for young people with SEN in the Coventry area.*’



Motorvate Programme, UK

Motorvate is an initiative operated by colleagues, designed to enable active engagement, relationship building, and adding value through the delivery of meaningful projects and the provision of essential resources to the communities in which we operate.

The National Motorvate Committee collaborates closely with six local committees to regularly review applications and allocate funding and vehicles. Each financial year, two vehicles are donated to community groups and local causes. We have donated to charities such as Solihull Young Carers and Shipton-on-Stour Community Responders. Additionally, £300,000 is divided equally between local community initiatives and colleague-led health and wellbeing projects.



YOUTH FUTURES

JLR Schools Partnership Programme, UK

Our programme delivers regular and sustained interventions to 45 schools across the UK, reaching over 40,000 pupils annually. Schools are targeted in the local communities in which we operate with a higher-than-average percentage of under-representation. This approach aims to raise the aspirations of young people - representative of the diversity of our communities - inspiring them to consider careers in STEM. One example includes educational sessions led by our colleagues, including an introduction to Formula E led by our Jaguar TCS Racing team.

This year, we launched our first virtual work experience programme, aimed at providing young people in our communities with an insight into JLR. Run in conjunction with Springpod, 'JLR: Drive your Future' is a modular programme which is available for free on-demand. Upon completion of the programme, students receive a certificate of their achievement, which can be used for future applications. Since the programme launched in January 2024, 5,299 participants have enrolled.



Sutton Trust, UK

We work with Sutton Trust to support their 'The Pathways to Engineering' programme, which helps children access higher education, soft skills training and engineering career opportunities. We provide on-site experiences of our facilities and opportunities for children to meet colleagues from across our business. As part of the relationship, we give students on The Pathways to Engineering Programme a fast-track process to our early careers assessment centres.



The Amos Bursary, UK

This year, we renewed our partnership with The Amos Bursary to support students over 16 years of age of African Caribbean descent, for up to five years whilst they are in higher education. This is our second consecutive year of support for The Amos Bursary and brings our total investment in the charity to £60,000. Our investment will help to advance the future careers of students from under-represented groups in areas close to our UK manufacturing sites.



Movimento Sem Barreiras (Movement Without Barriers), Brazil

This is the first project aimed at people with disabilities in the Itatiaia region of Brazil. The project aims to provide inclusion, learning and fun in the sports of swimming and athletics, providing a great opportunity for 70 children and teenagers to get involved in an area where there are few sports projects for people with disabilities.



Ciência nas Trilhas (Science on Trails), Brazil

This year we have launched a socio-environmental educational programme for public school students aged four to 14 years in Itatiaia, close to our plant in Brazil. The programme teaches science in rural and urban schools through immersive classes in the natural environment to awaken students’ interest in science as a potential future life prospect.



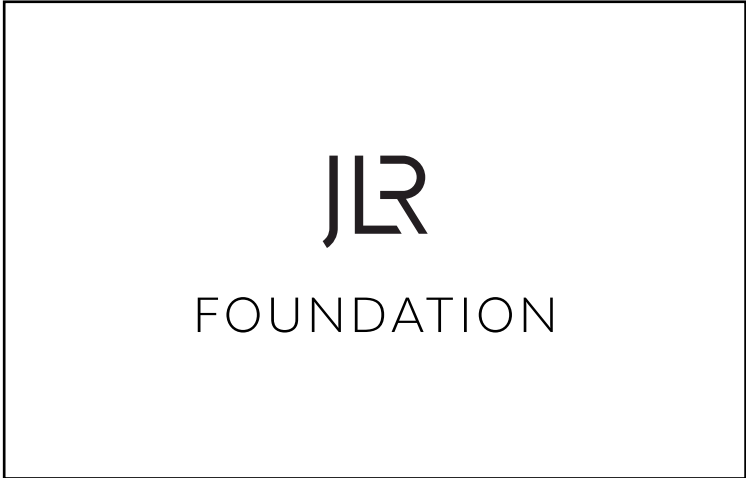
JLR Hope School, China

We have closely supported a school in Zhaotong, China since 2014, when a devastating earthquake severely damaged the school building. JLR China donated over £550,000 to support rebuilding the school, following which it was named JLR Hope School. The Hope School now ranks as top five in the city, with its student-teacher ratio improved from 1:40 to 1:19, and over 70 students having gained admission to university.



JLR Foundation (JLRF)

This year, we have established a charitable corporate foundation, JLR Foundation. Establishing the Foundation strengthens our longstanding commitment and experience in youth and education initiatives, amplifying our *Reimagine* strategy, which places heavy emphasis on addressing the significant social and environmental challenges of our generation. The new charity will be dedicated to empowering children and young people to reach their full potential to reimagine the world of tomorrow, creating a fair, sustainable future for all. With a mission to improve the skills, knowledge and aspirations of today’s youth, we will commit to invest in the Foundation. The charity will use the funds to award grants to organisations that benefit children and young people by providing resources, education and opportunities to help them contribute meaningfully to society.





Give Her A Crown (GHAC), South Africa

Officially launched in 2020, #GiveHerACrown is a female empowerment platform that exists to change the narrative for women in South Africa, by telling the stories of survivors, activists, pioneers and the next generation. We have supported the platform since its launch in 2020, proudly celebrating and showcasing the talented women and their stories.

The 2024 Give Her A Crown campaign saw five South African female designers take the spotlight, each creating a collection aligned with the theme of “Shifting Perspectives.” Each design portrayed a story that embodies the strength, resilience, and creativity of African women, aiming to inspire and encourage others to embrace their uniqueness and individuality. Central to the campaign is the Crown Bursary Fund, which has been instrumental in enabling deserving female creatives to pursue further education in their respective fields. This bursary programme addresses a critical gap in the creative industry, where many talented women face financial barriers that hinder their ability to grow, innovate, and contribute to the sector.

Continuing its commitment to education, the campaign harnessed the arts as a tool to influence behaviour and foster empathy. Following its global debut and virtual masterclasses supported through a world-renowned university, the campaign expanded its reach to cultivate cultural understanding and awareness. Educational resources from previous years remained accessible on the GHAC website, ensuring a lasting impact.

Journey for Vision Programme, China

In partnership with the Soong Ching Ling Foundation, the Journey for Vision programme is dedicated to providing disadvantaged children in remote rural regions of China with free ophthalmology treatment.

With a total investment to date of £3.2 million, Journey for Vision is JLR China’s longest-running programme, covering the largest area and reaching the most beneficiaries. In partnership with Beijing Tongren Hospital, the programme has helped 350,000 children and adolescents with free eye examinations and treatment and built up a local medical institute with professional training and equipment donations.

In 2024, Journey for Vision visited Shaanxi, and donated £370,000 to fund treatments, deliver myopia prevention lectures, ophthalmic equipment, and professional training for local doctors across the province.



"Often the issue lies not in finances but in mindset. Treatable and preventable conditions can lead to larger issues if not identified early in childhood. "
- Doctor Fu Jing, Ophthalmologist, Beijing Tongren Hospital

SUPPORTING THE VULNERABLE

British Red Cross and the International Federation of Red Cross and Red Crescent Societies (IFRC)

2024 marked 70 years of Defender’s landmark charity partnership with the Red Cross and Red Crescent Movement. The relationship began with the loan of a Series 1 Land Rover to act as a mobile dispensary in the Dubai desert, in 1954. Since then, Defender has helped vulnerable communities to prepare for, respond to and recover from crisis in over 50 countries, impacting the lives of over two million people. Defender currently invests in flagship humanitarian projects that help communities build strength and resilience to the unpredictable.

Last year, these partnership programmes supported volunteers to deliver emergency readiness workshops and psychological first aid to remote communities in Australia. In Nepal, a global hotspot for natural disasters, we helped to mobilise volunteers to provide life-saving services and deploy disaster response plans. In Switzerland, REDOG Search and Rescue members continued to increase their skills in missing and buried person searches through 1,620 training sessions.

Defender also commits to activating additional support in the event of a disaster, emergency or outbreak of violence in conflict, and is a member of the British Red Cross Disaster Relief Alliance (DRA). Together with other businesses in the DRA, Defender invests in the Disaster Fund which is drawn upon by the British Red Cross to support communities in the anticipation or aftermath of humanitarian crises. Projects in the UK and Italy enhanced emergency response capabilities. Since this phase of the partnership began in April 2022, the partnership projects have reached 158,306 people.



Kingsley Holgate Foundation – Afrika Odyssey Expedition, Africa

In collaboration with the conservation NGO African Parks, Afrika Odyssey, the 41st Kingsley Holgate geographic and humanitarian expedition was a legacy journey-of-purpose with a ‘conservation, culture and community’ theme. Covering 60,000 kilometres in 12 months to reach some of the most isolated regions on the African continent, the Holgate team endured extreme weather and brutal terrain on a journey to connect 22 diverse wildlife areas managed by African Parks across 12 countries.

The expedition also provided humanitarian and educational support to close to 100,000 people in remote communities. As well as documenting ancient indigenous cultures, traditions and historic places of interest, it facilitated the malaria prevention work of the Foundation that has spanned 30 years.

The project also supported the planting of 6,000 trees and shrubs as part of the Albany Biodiversity Corridor initiative in the Eastern Cape.



RESPONSIBLE BUSINESS

The Responsible Business pillar is a cornerstone of our sustainability strategy, aiming to ensure we conduct business ethically and with integrity. Being a responsible business provides the foundations for our work in Planet Regenerate and Engage for Good when it comes to environmental, social and governance (ESG) topics.

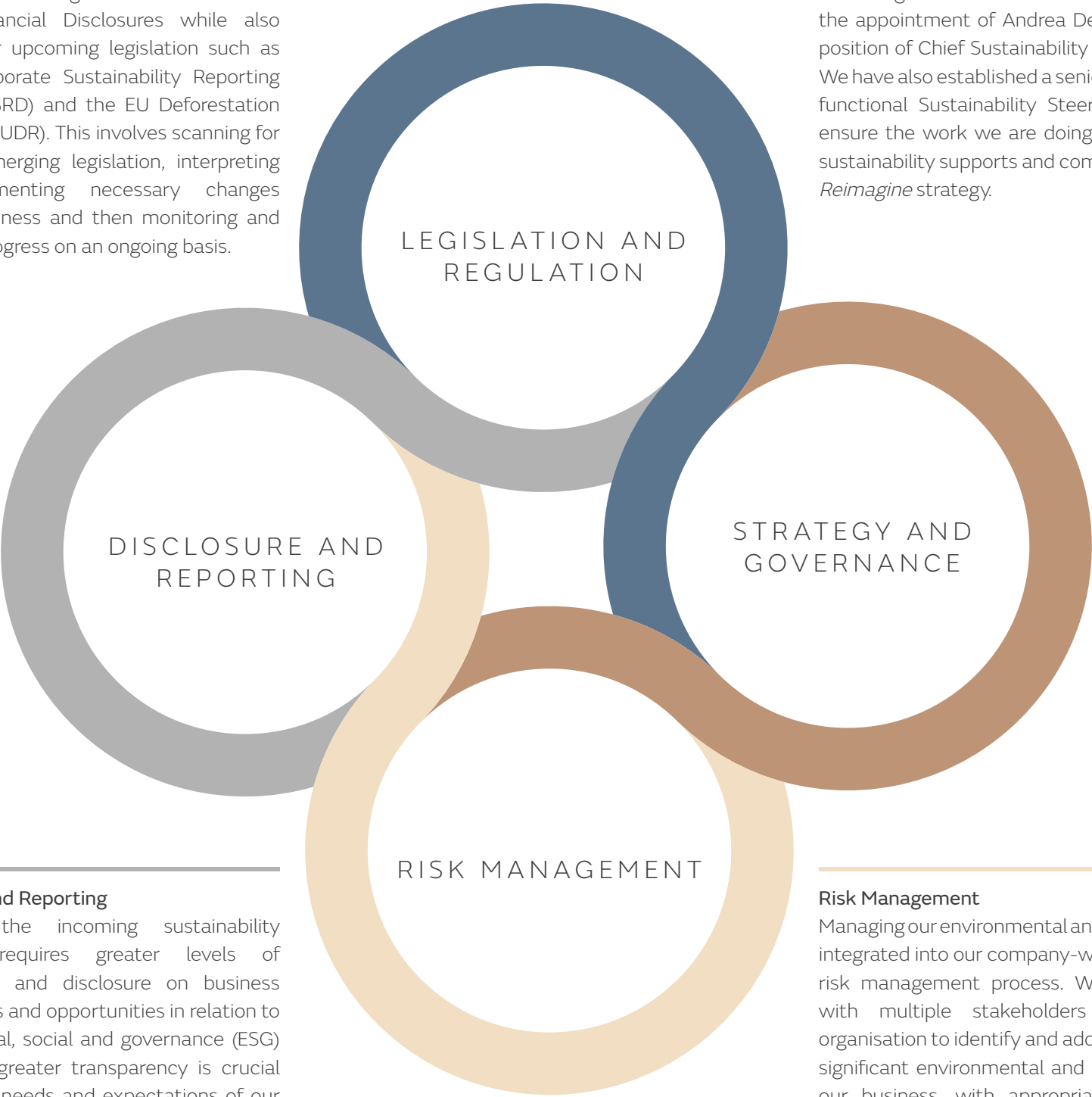
The Responsible Business pillar focuses on four key areas: monitoring and responding to ESG legislation and regulation; developing the right strategies and governance processes to deliver our ESG commitments; embedding environmental and social risks into our enterprise risk management process; and transparently disclosing and reporting our progress and performance.

Legislation and Regulation

The landscape of environmental, social, and governance (ESG) regulation is rapidly changing. We are working to ensure our business is disclosing in line with relevant Climate Financial Disclosures while also preparing for upcoming legislation such as the EU Corporate Sustainability Reporting Directive (CSRD) and the EU Deforestation Regulation (EUDR). This involves scanning for new and emerging legislation, interpreting and implementing necessary changes into the business and then monitoring and disclosing progress on an ongoing basis.

Strategy and Governance

Our stakeholders have high expectations regarding our sustainability efforts. This year the value of sustainability was recognised at the highest level within the business with the appointment of Andrea Debbane to the position of Chief Sustainability Officer (CSO). We have also established a senior level, cross-functional Sustainability Steering Group to ensure the work we are doing in relation to sustainability supports and complements our *Reimagine* strategy.



Disclosure and Reporting

Much of the incoming sustainability legislation requires greater levels of transparency and disclosure on business impacts, risks and opportunities in relation to environmental, social and governance (ESG) topics. This greater transparency is crucial to meet the needs and expectations of our stakeholders. In this report we continue to evolve our reporting on climate-related risks for our business. We are also preparing for the much broader reporting requirements set out as part of the CSRD. In addition to the information in this report, we are proud to have been listed by HM King Charles III in his initial grant of Royal Warrants.

Risk Management

Managing our environmental and social risks is integrated into our company-wide enterprise risk management process. We collaborate with multiple stakeholders across the organisation to identify and address the most significant environmental and social risks to our business, with appropriate escalation to the Risk and Compliance Committee. In line with UK regulations on climate-related financial disclosure, more information about the risks to our business posed by climate change can be found on pages 62-66.

SAFETY, HEALTH AND WELLBEING

Safety

Our core ambition is to achieve a workplace where Zero Harm can be realised and maintained. We continue to focus on our three safety pillars of Safe Place, Safe Systems and Safe People, which provide the framework for our approach to continual improvement on our glidepath to Zero Harm. Our Zero Harm Metric tracks our progress on this journey, and over the past 12 months we have seen a sustained gradual improvement - a reflection of the reduced number of accidents in our workplaces over the last year. The Zero Harm Metric is tracked at Board level as one of our Enterprise KPIs.

We continue to focus on our internal auditing activity and data aggregation and analysis capabilities to understand where there are opportunities for further improvement. Our programme of safety process automation contributes to us meeting the requirements set out in our Safety Management System, allowing us to monitor and analyse data in real-time, quickly identifying and addressing potential issues and further contributing to our culture of safety and continuous improvement.

Our Safety Management System is continually refined to provide an effective framework for safety organisation, and our commitment to maintaining the highest standards of occupational health, safety and wellbeing for our colleagues, partners and clients is reflected in our ongoing certification to ISO 45001.

Health and Wellbeing

We are advancing our health and wellbeing activities in our aspiration to be recognised as a global leader. We have developed programmes to achieve our strategic ambition to become an anchor organisation, helping to improve the health and wellbeing of our colleagues, and agency and supply chain partners, working with our local health services and benefitting communities across the globe.

We offer all our colleagues access to a range of services to help them look after their wellbeing. These include musculoskeletal, mental health, nutrition, fitness, sleep, addiction, mindfulness and other therapies, as well as financial information and support. In the UK, we also offer mental health training for managers and colleagues and have trained more than 200 Mental Health First Aiders since launching the programme in early 2024. We plan to build on these numbers in 2025, including exploring a global roll-out of the training.

We have a global approach to wellbeing and have created eight regional Wellbeing Centres in three different countries that allow us to deliver bespoke programmes across all our markets. We supported our employees with over 32,000 individualised sessions. One UK-based health coaching programme, LeadWell, supported 1,500 colleagues and achieved satisfaction rates of up to +92 NPS.



DIVERSITY, EQUITY AND INCLUSION

Diversity, Equity and Inclusion is becoming an ever-challenging topic globally; however, we believe that we must reflect the diversity of the world in which our colleagues and clients live. We are committed to our cultural transformation to create a positive, inclusive environment where everyone feels respected, valued and cared for.

To do this we are taking action to make tangible impact, measured against three internal ambitions:



AMBITION 1

Globally, 30 per cent of all senior leaders to be female, by 2030. FY24/25 performance is

21%

This is an increase of 3 per cent from last year.



AMBITION 2

In the UK, 15 per cent of all senior leaders to be from a Black, Asian or Mixed Ethnicity background, by 2030. FY24/25 performance is

7%

This is the same percentage as last year.



AMBITION 3

Globally, for our Inclusion Index to reach over 85 by 2026. FY24/25 performance is

83

This is an increase of 3 points from last year.

(This asks colleagues to rate the statement in our annual employee engagement survey “I would recommend JLR as an inclusive employer”.)

The target date to achieve ambitions 1 and 2 has been extended from 2026 to 2030. We recognise that we have more work to do and are allowing time to make further adjustments and for organic growth.

Our Global Reach

Our global Diversity, Equity and Inclusion (DEI) policy details our continued commitment to creating a safe, diverse, equitable and inclusive workplace. Since 2022, our Global DEI team has been working on our Global Digital Learning Experience in response to the DEI basics learning originally launched in the UK. The objective of this project was to develop a DEI learning that resonates with people across our global locations. In 2024, the Global Digital Learning Experience launched across 24 countries and regions, educating on cultural nuances while navigating local laws and cultural complexity, which are all at different stages of the DEI journey.

In September 2024, we hosted our second Diversity, Equity and Inclusion Summit, welcoming a combined number of over 6,300 participants in person and online, spanning 25 countries and 22 watch parties. This event celebrates the progress we make year-on-year and continues to cement our ambition to ensure that all colleagues are supported. The theme for this event was ‘Inclusion For All’.

In 2024, we also held our first International Women’s and Automotive Collective with three of our semiconductor suppliers, to begin creating an inclusive environment throughout our entire ecosystem.

Our two Diversity, Equity and Inclusion Board co-sponsors, Barbara Bergmeier and François Dossa, have been a pillar to our progress in making an environment where we all feel proud to work, ensuring diversity, equity and inclusion is represented at the highest levels of our business. In 2024, François Dossa made the personal decision to leave JLR and step down as our co-sponsor. At this time we welcomed David Berry, Global General Counsel to be executive sponsor. In early 2025, Barbara Bergmeier made the personal decision to step down in her role as Executive Director, Industrial Operations, and co-sponsor of DEI, after making a huge impact over the past two years. In her place, Swarna Ramanathan has now taken the role of Board co-sponsor alongside David Berry. They will both continue to support our 15 colleague network groups, ensuring that colleagues have space to share their lived experiences, and learn from one another’s experiences.



External Partnerships

We have recently entered into a three-year partnership with Dial Global who will provide us with bespoke guidance to help drive our DEI initiatives and pinpoint key focus areas. We continue to partner with the Business Disability Forum, working with them to inform our disability strategy. This will continue to be a key focus in FY25/26. We have also renewed our partnership with The Amos Bursary in supporting the sponsoring of young students of African Caribbean descent over 16 years of age, for up to five years whilst they are in higher education. We also partner with Ipsos Karian and Box, who will conduct our fifth yearly DEI review, enabling us to monitor our progress and continue to make changes so that we become the inclusive employer of choice.

Pay Gap Report - Gender and Ethnicity

In FY24/25, we continued our pay gap reporting, including a breakdown of the ethnicity split for a third year. We also released our second gender pay gap report for Ireland. We have reported further positive progress in the gender pay gap. We have highlighted a need for more focus on our ethnicity pay gap. We have seen a welcome increase of ethnic minority representation, although the majority of this has been at lower grades. We are committed to ensuring the representation of ethnic minorities at all levels of our business. We continue our commitment to being more transparent both internally and externally and ensuring we make data-driven decisions and actions.

We are committed to fostering a more diverse, equitable, inclusive and unified culture that is representative of our colleagues, our clients, and the society in which we live.

HUMAN CAPITAL DEVELOPMENT

Our journey to *Reimagine* is a constant, but our industry continues to evolve rapidly, and our technological landscape continues to push the boundaries of what is possible. This means the skills and capabilities of our workforce remain at the forefront of our people strategy.

Talent Upskilling for the Future

We have continued to build on our previous activities with growing investment in electrification safety training pathways for over 1000 learners, to support a range of roles across our business, initially prioritising those in our development workshops, as well as continuing to support our manufacturing colleagues.

Our Level 4 Data Fellowship Apprenticeship pathway for established colleagues seeking to grow their skills has seen the first cohorts complete with 55 per cent achieving distinction, significantly above the national average.

We have restructured our Six-Sigma yellow and green belt programmes to support a range of business functions with structured problem solving, and seen documented outcomes from the integrated projects colleagues have undertaken to complete their awards. We have delivered this in conjunction with Smallpiece and this has resulted in positive application of learning in action.

We have built and piloted a new programme for our Executive Leader population in Data Leadership skills, combining internal subject matter expert experience with the support of a leading academic business school and engineering department. This has been adapted to integrate better with our *Reimagine* Modern Leadership approach, with opportunities to dive deeper for those who require specific technical capability.

Our Product Engineering colleagues have been supported with the launch of foundational learning curricula to orientate recent starters in our key processes and work methods. We have continued to grow our master's level learning in support of autonomous vehicles, electrified powertrains and sustainable materials, leveraging the support of several leading universities such as Warwick and Coventry in the UK, and Massachusetts Institute of Technology (MIT) in the USA. We have worked with 21 JLR Technical Specialists to build foundation and intermediate resources to support our digital product platform.

We have redesigned our delivery to enable global colleagues to come together to learn and share best practices through engaging interactive sessions with our academic partners, and particular specialists to engage in specific modules without the need to enrol on a two-year programme. These include: Robust Automotive Embedded Systems, Automotive Sensors and Sensor Fusion, Automated System Control, Machine Control and Data Science.

We have continued to support our agile deployments across the organisation, with foundation skills for 184 employees in Understanding Agile Fundamentals, 348 employees undertaking a two-day Scrum Master training course, and 376 employees undertaking a two-day Product Owner training course. In addition, new intermediate level pathways have been built for those who previously attended the foundation levels to grow their capability further.

We have invested in an external skills taxonomy which has been closely mapped to our existing job family framework, and piloted this in three areas, leading to an active project to make tools for skills assessment available in our people management systems, which will assist in future targeted colleague development and agility.

Transforming our ways of working to deliver a luxury experience for our brands continues to be a key focus. We remain focused on transforming the Digital Skills across our commercial teams, as we move into the second phase of the rollout of the digital accelerator programme, enabling us to build critical skills and capabilities of 1,759 colleagues that bring us closer to the client. We will also be supporting other critical transformation agendas, such as the impact of AI and how we develop our partnering skills to benefit from this fast-moving technology.

Developing Leaders

We are continuing to shape and embed our culture change, with emphasis on colleague wellbeing, support and engagement. We have continued to invest in leadership capability, updating our *Reimagine* Modern Leadership programmes to reflect the skills needed to navigate the challenges that complexity brings to leaders, as well as reinforcing the fundamentals that support our cultural transformation, delivering to over 3,100 colleagues. We also enrolled nearly 700 managers and leaders, on our Manager Essentials programme, with new joiners being added every month.

In support of our broader cultural transformation, we have piloted a new development programme for emerging leaders with potential for more, called Aspire. Eligible colleagues across two pilot areas were given the opportunity to self-nominate for the programme, which linked clearly to our *Reimagine* Modern Leadership programme. From 447 self-nominations, 94 colleagues secured a place on the programme which focused on 'Looking In' (a focus on lasting behavioural change); Intentional Relationships; Agents of Change, and 'Looking Out' (team effectiveness and applying learning). All those who self-nominated were provided with opportunities for growth, even if they did not join the final programme.

In addition, over 300 leaders have completed our technical leadership academy programmes, across our Manufacturing and Engineering organisations.

Our Team Improvement Circle (TIC) programme, which empowers colleagues to lead and deliver improvement initiatives, has connected over 2,000 colleagues across our global business. These initiatives, along with other critical people strategy components, have led to a sustained improvement in colleague engagement and experience.

Early Careers

Early Careers and investment in apprentices, undergraduates and graduates continues to form a key foundation to our talent pool and is a critical enabler of building skills for the future. In 2024, nearly 900 people joined us in the UK on our Early Careers programmes, and approximately 300 internationally.

Our programmes have received external recognition, with JLR climbing from 59th to 42nd in the Times Top 100 Graduate Employers in the UK.

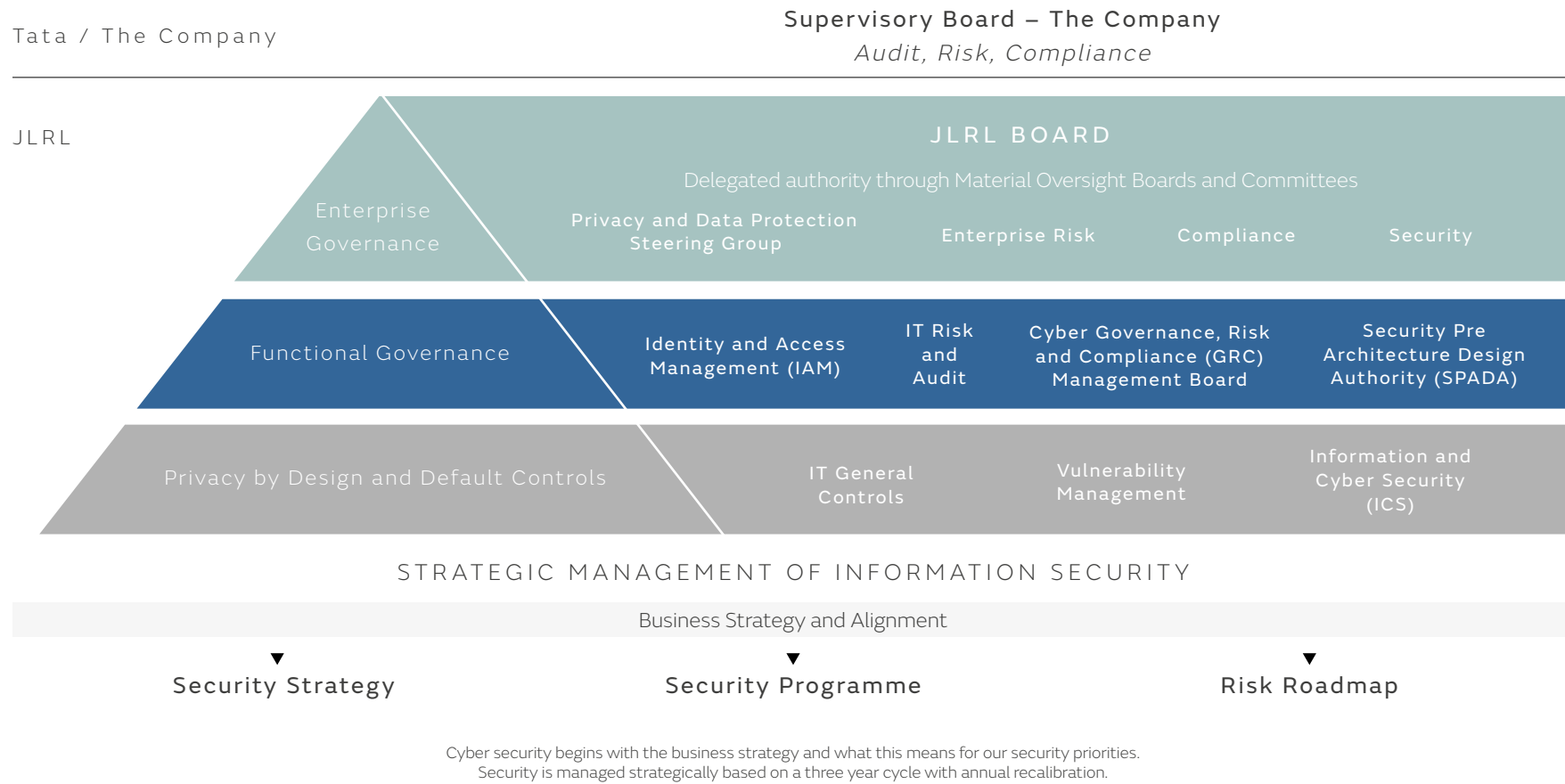
DATA PRIVACY AND INFORMATION SECURITY

Data Privacy

The JLR Code of Conduct (the Code) is applicable to everyone working for and on behalf of JLR globally. The requirements of the Code are further supported by corporate policies, standards and training on the principles of privacy and data protection.

We have deployed a Privacy Compliance Programme, including Privacy by Design principles designed to drive adherence to our corporate and legal commitments for the protection of data, and to meet our luxury promise to our clients and colleagues.

Incidents of non-compliance are reported through our security incident reporting process, and confidential reporting channels.



Information Security

Information Security is governed within the overall JLR Enterprise governance framework. The governance model used is based on the three lines of defence with regular reporting to the JLRA plc Board, the JLRL Board, and other enterprise supervisory committees.

The Information Security Compliance Framework is tailored to meet our requirements through regulatory, statutory, and enterprise compliance requirements. Policy requirements are communicated throughout the Group with baseline information security and compliance requirements.

We manage security strategically through a multi-year programme to protect the confidentiality, integrity, and availability of our information assets to an acceptable level of risk. This is validated internally and externally through audits and independent assessments of our strategy, operating model, and delivery plan for continuous improvement on the maturity of security disciplines, such as IATF and UNECE R155. We have achieved UNECE R155 Compliance certification from the Vehicle Conduct Authority for the second year in a row.

Both internal and external evaluations, including those by TBEM (Tata Business Excellence Model), Gartner, and the China Authority, indicate a positive trajectory in our security discipline, aligning closely with our strategic objectives and agile delivery against our key results. The evaluation underscores the effectiveness of our strategic journey in the last two years, affirming that we are on the right path with the necessary momentum and investment to systematically reduce risks while enhancing cyber readiness and resilience.

A dedicated Information Security Education and Culture team delivers holistic and targeted training through multiple channels. JLR Infosec has a strategic programme to nurture better cyber literacy, transform attitudes, drive natural ownership, and instil making protection of our clients, our people, our business, and our brand second nature in how we do business. We are taking creative approaches to strengthening our human firewall with our global campaigns and tailored training programmes for JLR. These initiatives include:

- Global Phishing Tests: Regular phishing simulations to educate colleagues on recognising and responding to phishing attempts.
- Cyber Champion Network: A forum for cyber champions across the organisation to share best practices and drive security awareness.
- Cybersecurity Workshops: Interactive sessions that provide valuable insights and practical tips on cybersecurity, fostering a culture of security awareness.
- Cyber Awareness Campaigns: Comprehensive campaigns, including Cyber Month, to promote cybersecurity best practices and awareness across the organisation.

Our collective dedication to these initiatives has strengthened our foundation and positioned us as a leader in the industry when it comes to cybersecurity.

RESPONSIBLE SUPPLY CHAIN

As part of our *Reimagine* strategy, we aim to achieve carbon net zero emissions across our value chain including our suppliers, by 2039. At the same time, we enforce a strict Code of Conduct on all our direct suppliers, in areas including human rights and working conditions, material sourcing, and ethical behaviour.

Advancing Digitalisation For a More Sustainable Supply Chain

Our new Mapping and Transparency team employs world-class digital risk sensing tools and analytics in its risk operating model, to provide internal and external stakeholders with timely, relevant and actionable insights, and so enable our transition to systemic resilience and proactive risk management.

In collaboration with our supplier partners, we are also committed to using the latest digital technologies to map and utilise multi-tier traceability data, as the foundation of a sustainable, ethical and resilient value chain.

We have reviewed a number of global ESG regulations to understand the level of due diligence that would need to be conducted within the JLR supply chain. This has helped define the data sets that we would need to collate as part of our supplier transparency work to enable JLR to fulfil its obligations for current and future legislations linked to human rights and environmental impact. A risk-based approach has been adopted to map supply chains to Tier n. In February 2025, we held a webinar session with our supply base informing them of this requirement, in line with the JLR Supplier Code of Conduct.

Enhancing Our Sustainability Insights

We continue our strategic partnership with the [Drive Sustainability \(DS\) initiative](#), facilitated by CSR Europe, collaborating with other vehicle manufacturers on sustainability topics, within anti-trust parameters. Through this forum, partners are able to develop consistent, agreed tools, methodologies and approaches that industry Tier 1 suppliers can utilise, and cascade through their respective supply chains.

We joined the Leather Working Group (LWG) in 2024. We are committed to supporting responsible leather manufacturing across the globe and are proud members of the LWG. We also joined the Responsible Supply Chain Initiative (RSCI). The RSCI programme is a standardised assessment and exchange mechanism for verifying social compliance performance along the automotive supply chain and for mutual recognition of results.



Rigorous Supplier Assessments

The Sustainability Assessment Questionnaire (SAQ) has defined requirements that need to be met at all gateways of the sourcing process. The SAQ is an industry-wide assessment developed through the DS initiative, which provides a high-level score of the supplier's sustainability management, relating to: company management; human rights and working conditions; health and safety; business ethics; environment; responsible supply chain management; and responsible sourcing of raw materials.

We have migrated to a more comprehensive SAQ and continue to onboard in scope suppliers to the SupplierAssurance platform with responses to the SAQ being validated. Where gaps are identified, the supplier is provided with recommendations for improvement. All active suppliers are required to update their SAQ on at least an annual basis. In FY24/25, we focused on growing our supplier SAQ completions and engaged individually with a number of high-risk suppliers to improve their SAQ scores in areas where they scored poorly.

For incumbent suppliers, we also have an annual compliance assessment programme on human rights and working conditions, conflict minerals and environmental impact, and an annual supplier social audit programme. Suppliers selected for these audits are required to support and to also engage in any remediation activity identified through the audits. Suppliers are monitored until all remediation actions are completed satisfactorily, with appropriate evidence.

Our Use of Conflict Minerals

"Conflict minerals" refers to columbite-tantalite (coltan), cassiterite, wolframite, gold, and the derivatives tantalum, tin, and tungsten (3TGs). We further recognise that the procurement of minerals including cobalt may be subject to the same concerns as 3TGs.

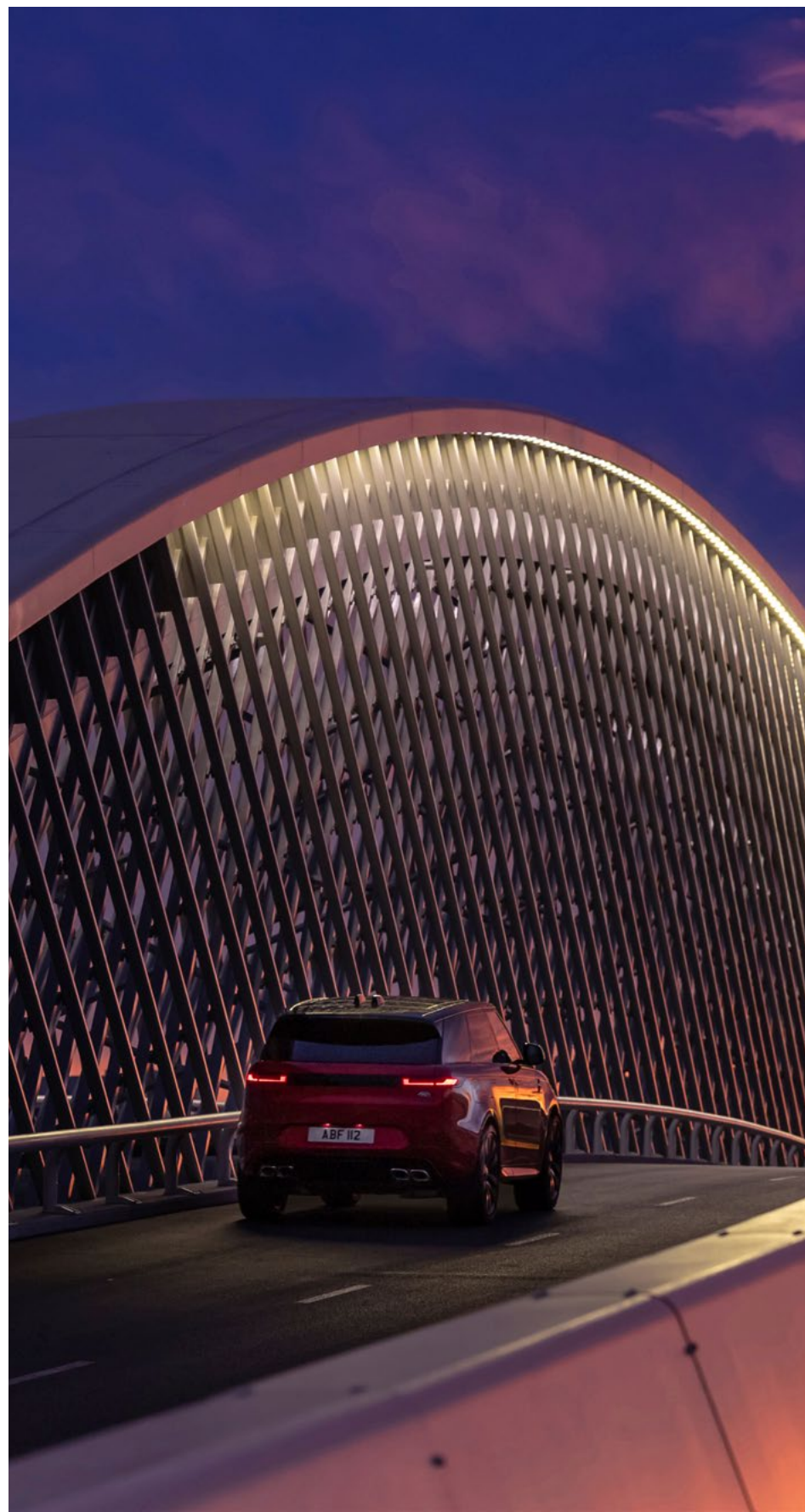
We support industry-wide efforts to identify, reduce, and hopefully eliminate the use of conflict minerals originating from the DRC and adjoining countries. To further this goal, we use the Conflict Minerals Reporting Template (CMRT) developed by the Responsible Minerals Initiative (RMI), to gather and exchange supply chain information.

We are committed to complying with any applicable requirements and have implemented a due diligence process that aligns to the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance), to meet our obligations under the legislation. Our suppliers are expected to establish their own responsible minerals policies, due diligence frameworks, and management systems that align with RMI and OECD guidance.

Suppliers' programmes should be designed to prevent conflict minerals from being included in the products sold to us. Should we determine that a supplier has failed to develop and implement reasonable steps to comply with this policy, we reserve the right to take appropriate action with the supplier under a breach of our Global Terms and Conditions.

We further recognise that the procurement of minerals including cobalt and mica may be subject to the same concerns as 3TGs. We continue our programme to request completion of the Extended Minerals Reporting Template (EMRT) also developed by the Responsible Minerals Initiative (RMI) to identify and collect due diligence information in our cobalt and mica supply chains.

This further supports our due diligence in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.



Battery Traceability

During FY24/25, we launched our battery supply chain due diligence programme to support our proactive engagement on ESG risk management with our supplier partners. Guided by regulatory requirements, we have built on the achievements of last year’s proof of concept and scaled the solution to cover additional battery variants. Partnering with an industry leader in supply chain due diligence, we have completed 13 audits of due diligence and ESG audits and have scheduled at least an additional 24 to take place by the end of this year’s programme, in December 2025. This programme has provided actionable data from which we have been able to build a targeted supplier engagement strategy to ensure that we are leading by example, to help ensure that the highest standards of ESG risk management and compliance are effectively communicated and met by our supplier partners.

Minimising Supplier Environmental Impacts

We believe it is essential to develop the supply of low carbon materials and processes within our existing network. On an annual basis, we select a number of our direct, indirect procurement and aftermarket suppliers to complete one or more CDP questionnaires to assess their environmental impacts.

In FY24/25, we engaged with a number of our suppliers to participate in this programme, and achieved the following response rates: climate change 86 per cent, water security 82 per cent and forest 55 per cent. The weighted average response rate was 84 per cent which was an increase of 7 per cent compared to FY23/24.

The EU Carbon Border Adjustment Mechanism (CBAM) is one element of the EU’s “fit for 55” package, brought in to reduce carbon emissions within the EU. From 2026, the EU will levy a charge on high CO₂e goods purchased that are manufactured outside the EU and imported into the EU market. For us today, this includes certain steel, urea and aluminium products that are stipulated in the regulation.

Since February 2024, we have fulfilled all our responsibilities with regard to CBAM, by submitting the required reports, covering all EU entities. We also shared educational materials with those suppliers currently in scope of the regulation, to ensure they have a clear understanding of their responsibilities and are able to submit emissions data in line with the methodology.

We will monitor the development of CBAM legislation with the materials in scope expected to grow. In addition, we will continue to share educational materials with impacted suppliers to ensure they are adequately prepared to meet requirements, supporting the drive for a greater volume of primary CO₂e data across the industry. We will continue to fulfil our obligations in relation to CBAM, by collecting the required data from our suppliers and making the required declarations.

Our Supplier and Business Partner Code of Conduct

Our Supplier Sustainability Web Guide outlines our requirements for suppliers to meet, across business ethics, environment, human rights and working conditions, health and safety and responsible supply chain management. The JLR Supplier Code of Conduct provides more transparency on our requirements in relation to these topics and is available through our [corporate website](#).

There are additional requirements relating to sustainability data provision, quality certifications such as ISO 14001, export controls and sanctions, carbon offsetting, and social audits, captured in the web guide which also outlines our key corporate policies, such as our Code of Conduct, Anti-Bribery and Corruption, Gifts and Hospitality, and Human Rights. These policies can be found on our [corporate website](#).

Corrective Actions

Any corrective actions placed on suppliers are tracked and oblige the supplier to provide for review all necessary evidence of their completion. Through FY24/25, 21 corrective actions were captured and monitored.

Responsible Supply Chain Targets and Performance

For FY24/25, we set the following targets for our suppliers in relation to sustainability activities:

NOTE REF	METRIC TOPIC	TARGET	ACTUAL
1	SAQ 5.0 Supplier Completion	90%	96%
2	CDP Supplier Response	80%	84%
3	CMRT Supplier Response	80%	85%
4	Social Audits Engagement	100%	83%

Note 1: Our sourcing process has been updated to ensure suppliers have an SAQ score prior to being awarded business. This has helped deliver a higher response rate.

Note 2: We achieved a higher CDP response target compared to previous years through engagement with our suppliers and commercial teams on the importance of CDP completion and also supporting suppliers new to our CDP programme.

Note 3: Through the increased number of Conflict Minerals responses, we are getting better clarity on the smelters and mines within our supply chain and working with a targeted number of suppliers to manage any risks.

Note 4: Scheduled audits were conducted with the majority of the planned suppliers. For the remaining, audits were not carried out due to a number of commercial reasons, some of which we are working through with the suppliers.

COMPLIANCE AND ETHICS

We are committed to conducting business fairly and honestly. We expect the highest level of ethical behaviour when interacting with clients, retailers, suppliers, government agencies, communities and each other.

Code of Conduct

Directors and colleagues and others working for and on behalf of JLR are required to comply with the JLR Code of Conduct, which is intended to guide them in putting the Group's ethical principles into practice. All direct colleagues are required to sign up to the Code of Conduct on joining the business.

The Code of Conduct is supported by a suite of corporate policies that give additional guidance on specific compliance and ethics topics. The Code of Conduct and a selection of our corporate policies can be found at our [corporate website](#). We foster a 'speak up culture' and we encourage colleagues to report any concern that our Code of Conduct may have been breached. We take ethical concerns seriously and have a robust process to investigate.

Human Rights and Supply Chain Working Conditions

We expect all our suppliers to have the highest ethical standards in human rights and working conditions, both within their operations and their supply chain. Our suppliers are required to meet the principles outlined in our [Supplier Code of Conduct and Corporate Policy on Human Rights](#), as part of our Global Terms and Conditions.

We identify high risk suppliers, based on their location and the commodity they produce, and in their responses to our slavery and human trafficking questionnaire. A high-level summary is published within the JLR Slavery and Human Trafficking Statement on our [corporate website](#).

Our supply chain mapping methodology is informed by the latest global regulations, supplier due diligence processes within our supply chain, and supplier risk scanning in relation to human rights violations.

We are committed to raising awareness and understanding of human rights and working conditions within our supply chain, and our own workforce. We have designed learning for our suppliers and a separate educational package for our own workforce, which we will introduce in FY25/26.

We have also designed our 'speak up' process so that anyone, regardless of whether they work for our suppliers, or hold information relating to our suppliers or our supply chain, can report a concern to us. Our Speak Up process allows people to make reports anonymously and we will investigate all concerns regarding alleged human rights, or working conditions, abuse.



CERTIFICATIONS

EMS Policy, Implementation and Certification

Environmental Management is an integral part of our corporate strategy. We were one of the first automotive companies to receive certification, in 1998. ISO 14001 is the principal management system standard which specifies the requirements for the formulation and maintenance of an Environmental Management System. This helps our business to control environmental impacts, manage legal compliance and drive continual environmental improvements. The international standard also places emphasis on organisational leadership including how environmental factors are integrated into strategic planning. Environmental performance is a key supplier performance metric - ISO 14001 certification is a requirement for all manufacturing Tier 1 suppliers.

IATF 16949:2016 / ISO 9001 Certification

Our vehicle and propulsion system manufacturing plants, along with direct support locations, are certified to ISO 9001 and IATF 16949 standards. This includes facilities in Solihull, Halewood, BAC, EPMC, Oxford Road, Fen End, Gaydon, Whitley (UK), Nitra (Slovakia), Graz (Austria), Itatiaia (Brazil), Pune (India), and CJLR (China). As one of the premium OEMs in Europe, we ensure our plants meet ISO 9001 / IATF 16949 standards and require the same certification from our supply base. Independent third-party audits are conducted annually, with a major re-certification audit every three years, to maintain compliance.

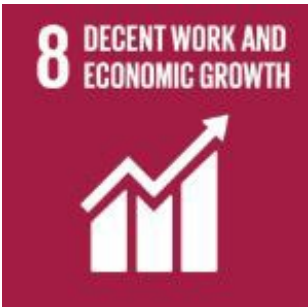
THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) are the blueprint to help achieve a better and more sustainable future for all. We recognise the importance of all 17 SDGs; however, given the nature of our business, we have focused on the five SDGs where we believe we have the greatest impact.



Gender Equality

We are committed to our cultural transformation to create a positive, inclusive environment where everyone feels respected, valued and cared for. One of our three internal ambitions is to have 30 per cent of all senior leaders to be female, globally, by 2030. Our FY24/25 performance is 21 per cent, an increase of three per cent from last year. We also proudly support the growing number of active diversity and inclusion employee-led networks, including Gender Equality and Women in Engineering. In 2024, we held our first [International Women's and Automotive Collective](#) with three of our semiconductor suppliers, to begin creating an inclusive environment throughout our entire ecosystem. Officially launched in 2020, [#GiveHerACrown](#) is a female empowerment platform that exists to change the narrative for women in South Africa, by telling the stories of survivors, activists, pioneers and the next generation. We have supported the platform since its launch in 2020, proudly celebrating and showcasing the talented women and their stories.



Decent Work and Economic Growth

As one of the UK's largest exporters, with thousands of employees and many more in the supply chain, we have a responsibility towards our people. We are committed to our cultural transformation to create a positive, inclusive environment where everyone feels respected, valued and cared for. We are also advancing our [health and wellbeing](#) activities in our aspiration to be recognised as a global leader. Our Supplier Sustainability Web Guide outlines our requirements for suppliers to meet, across business ethics, environment, human rights and working conditions, health and safety and responsible supply chain management. The JLR Supplier Code of Conduct provides more transparency on our requirements in relation to these topics and is available through our [corporate website](#). In FY24/25, we continued our [pay gap reporting](#), with further positive progress in the gender pay gap. We have highlighted a need for more focus on our ethnicity pay gap.



Industry, Innovation and Infrastructure

In October, we concluded our Sustainability Innovation Challenge, which was launched in June through our [Open Innovation Programme](#), supported by our innovation partners, Plug and Play. Meanwhile, our [Circularity Lab](#) has led initiatives to at least double and an aim to treble recycled content in new products from 2028. Our [Creativity for Good](#) initiative aims to address social and environmental challenges by working in collaboration with NGOs transferring our colleagues' knowledge and skills to accelerate sustainable innovations. Our venture capital business, [InMotion Ventures](#), continues to invest in and incubate startups, new ventures and successful small businesses. We announced a £500 million investment to transform our Halewood facility in the UK to support production of electric vehicles. In FY24/25, we made investments of £3.8 billion covering both tangible and intangible assets as well as research and development.



Responsible Consumption and Production

The resources we use and consume play a pivotal role in the environmental impact of our supply chain, operations and products in use. Our pathway to carbon net zero requires us to embrace the circular economy to help ensure that we reduce our impact whilst creating value and making our supply chain more resilient. In FY24/25, we have started to put our circular economy strategy into action by decoupling value creation from resource use and supporting our net zero ambition through [Circular Enablers](#), [Circular Resources](#), and [Circular Products and Services](#). Our [Circularity Lab](#) aims to reduce waste and boost the recyclability in our products through internal collaboration, bringing together cross-disciplinary squads comprising Sustainability, Engineering, Procurement and Design, with external engagement with value chain partners.



Climate Action

[Planet Regenerate](#) is our strategy to enhance the environmental performance of our business through decarbonisation, circularity, and nature and biodiversity. Our decarbonisation is underpinned by our ambition to be carbon net zero by 2039, across our manufacturing and operations, our supply chain and our vehicles in use, supported by our mid-term science-based targets in 2030. Our FY19/20 baseline emissions showed that over 75 per cent of our net zero in-scope emissions come from vehicles in use. Essential to addressing vehicles in use emissions is our aim for all our brands to offer a pure-electric option by 2030 and to achieve zero tailpipe emissions by 2036.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT - CLIMATE-RELATED FINANCIAL DISCLOSURES

This section sets out our climate-related financial disclosures in line with the UK regulation.

THEMATIC AREA	UK MANDATORY CLIMATE-RELATED FINANCIAL DISCLOSURES
Governance	(a) a description of the governance arrangements of the company in relation to assessing and managing climate-related risks and opportunities. Management of Climate-related risks and opportunities are embedded at the highest level of our company. The Risk and Compliance Committee (“Committee”) was constituted as a committee of the board of directors (“Board”) of Jaguar Land Rover Limited (“Company”). The Committee has the delegated authority of the Board in respect of Enterprise Risk Management, including Sustainability matters and risks related to climate change. However, the wider organisation is responsible for the proactive day-to-day management and control of those risks. The Risk and Compliance Committee provides oversight of current and emerging risks and monitors the progress of remediation actions against acceptable levels of risk exposure. Principal risks and exceptions are reported to the Audit Committee on a periodic basis to assist in the decision-making process and ensure adequate controls are in place to provide sufficient protection to the organisation. We are continually maturing our corporate governance structure in recognition of the urgency of climate action and in response to our increasing understanding of the impact of climate change on our business.
Risk Management	(b) a description of how the company identifies, assesses, and manages climate related risks and opportunities. Risks are uncertain events that could materially impact organisational objectives; both adversely and favourably. We recognise that risk is inherent in all business activities and must be balanced when assessing returns. Successful management of risk is therefore key to accomplishing our strategic objectives. JLR utilises an enterprise risk management (ERM) framework to identify, assess, manage and continually monitor and report on key risks that could affect our business. Our ERM promotes a holistic and integrated approach to risk management, analysing how risks interrelate and providing a status and ranking of corporate-level risks against acceptable exposure levels. ERM is proactive, continuous and iterative, incorporating both internal and external environments, and is intrinsically tied to strategy and strategic objectives. For climate and other ESG topics, we leveraged our ERM methodology of likelihood and impact thresholds to also assess opportunities.
Risk Management	(c) a description of how processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management process in the company. Climate risks throughout the business value chain are identified using our enterprise risk management (ERM) framework. The severity of a risk is determined by considering two factors: the likelihood of the risk materialising in a given timeframe and the potential impact(s) such as financial or reputational. A combination of these two factors provides an overall risk severity score. We applied this approach to our climate focused business-wide reviews to determine the materiality of risks and opportunities identified. Risks are categorised using the TCFD risk taxonomy of Transition risks (Reputation, Market, Technology, Policy and Legal), Physical risks (Acute and Chronic) and Opportunities (Resource efficiency, Energy source, Products & services, Markets, Resilience). Risks are considered across our key regions (UK, EU, US and China) as well as within the supply chain. We continue to evolve our risk modelling including further analysis of our supply chain-particularly for physical hazard exposure. The five most material climate risks and opportunities were determined based on this scoring and further analysed under different climate scenarios. The climate risks are owned and monitored in terms of mitigation action and strategic response by cross functional risk owners through the ERM Governance.
Strategy	(d) a description of (i) the principal climate-related risks and opportunities arising in connection with the operations of the company, and (ii) the time periods by reference to which those risks and opportunities are assessed. A summary of our climate risk and opportunity analysis can be found in Table 1 on pages 64-65. We know physical and transition climate related risks and opportunities can manifest themselves to different proportions over a longer-term time horizon. We assessed the climate risk over the following time frames: • Short 1 - 2 years - Aligned to our risk management and financial planning processes • Medium 3 - 5 years - Aligned to our product cycle planning process and science-based targets • Long 5 year + - Captures transition and physical risks and opportunities over the long term. Linked to organisational resilience and our long-term net zero goals. (e) a description of the actual and potential impacts of the principal climate-related risks and opportunities on the business model and strategy of the company. A summary of our climate risk and opportunity analysis including the potential business impacts and our strategic response can be found in Table 1 on pages 64-65. (f) an analysis of the resilience of the business model and strategy of the company, taking into consideration of different climate-related scenarios. Scenario analysis allows us to better understand the impact of climate change and how it could affect our company. Scenarios are not forecasts; they help to evaluate a range of hypothetical outcomes, considering a variety of plausible future states under a given limited set of assumptions. Scenario analysis is a critical tool for strategic and financial planning and risk management. We assessed our resilience out to 2050 under different external conditions. The insights from this work further strengthens the importance and relevance of our climate-related actions outlined in our Reimagine strategy. The pathway to help reduce emissions may be gradual or may be abrupt and ambitious. Therefore, to test our strategic resilience to the risks identified, we used three different scenarios . 1. Net zero 2050 – “The low-carbon revolution” (NZ) Net zero 2050 is an ambitious scenario that limits global warming to 1.5°C by 2100 through stringent and immediately introduced climate policies and innovation, reaching net zero CO₂ emissions around 2050. It is linked to RCP2.6, involves more transition risks early on, but manages to limit physical risks to a minimum. Policy is implemented by regions across the globe and technology developed which drives the transition to electrification of transport and shift in mobility. Stakeholders are increasingly aware of and expect sustainability in decisionmaking, which accelerates the move from internal combustion engines (ICE) to electric vehicles and the materials needed for their production. 2. Delayed transition (DT) Follows a path in which social, economic, and technological trends do not shift markedly from historical patterns but the world takes action to limit emission growth but fails to cut emissions in the short term and misses Paris goals resulting in >2°C warming by 2050, but lowered using carbon sequestration and storage (CSS). It is linked to RCP4.5, involves several physical risks, and transition risks after 2030.

Strategy	3. <u>Current policies – “climate chaos” (BAU)</u> Assumes that only currently implemented policies are preserved. World does not cut emissions and climate change accelerates causing 2.5°C of warming by 2050 and >4°C by 2100 bringing irreversible changes. It is linked to RCP8.5, involves little to no transition risks early on, but results in irreversible and globally disrupting physical risks. Physical risks are most prevalent under this scenario, with increased frequency of extreme weather events such as flooding and wildfires impacting operations and supply chains. There is little drive from policy and technology to further transport electrification. Multiple models were analysed consistent with the WBCSD climate scenario catalogue, a repository of scenarios and associated publicly available data for a range of variables. To provide sufficient trajectory and variable coverage across both physical and transition risks, NGFS, IEA and IPCC scenarios were used in this analysis. Please see table 1 and page 66 for information on the analysis of the resilience of our company business model and strategy.
Metrics and Targets	(g) a description of the targets used by the company to manage climate-related risks and to realise climate-related opportunities and of performance against those targets; and our performance against our target can be found on page 67. (h) the key performance indicators used to assess progress against targets used to manage climate-related risks and realise climate-related opportunities and a description of the calculations on which those key performance indicators are based. We have an ambition to achieve net zero across our operations, our supply chain and our vehicles in use by 2039. To align with delivery of this ambition we have set interim targets aligned to a science-based approach to reduce our Scope 1, 2 and 3 CO₂e emissions. Delivery towards these targets will help reduce our exposure to our most significant climate-related risks. Our science-based targets baseline assessments showed that our total annual emissions across Scope 1, 2 and 3 were over 35 MtCO₂e for FY19/20. Over 94 per cent of these emissions are covered by our science-based targets, significantly exceeding the minimum threshold set by the Science Based Targets initiative (SBTi) of 67 per cent. Our science-based targets are outlined below: ▪ To reduce absolute Scope 1 and 2 GHG emissions by 46 per cent by FY29/30 from an FY19/20 base year. ▪ To reduce Scope 3 GHG emissions from purchased goods and services and use of sold products by 54 per cent per vehicle sold by FY29/30 from an FY19/20 base year. ▪ Within that target, to reduce Scope 3 GHG emissions from use of sold products by 60 per cent per vehicle-kilometre within the same timeframe. The calculation and reporting of these targeted emissions is in alignment with our SBTi, Waste and Water Reporting Methodology Statement. By including the emissions generated by our supply chain, we also help to ensure that we avoid any shift in burden from product use to our supply chain in future as we electrify our vehicles. We have built a robust strategy to deliver against our net zero ambition which has been integrated into corporate KPIs. Delivery against targets for Scope 1, 2 and 3 emissions has also been linked to the enterprise strategic bonus plan. Scope 1 and 2 emissions - we will drive energy consumption reduction across our sites, increase the use of on-site and near-site renewable electricity and reduce gas consumption through electrification of key processes. Scope 3 ‘use of sold products’ - we aim for all brands to offer a pure-electric option by 2030 ensuring that significant reduction of our tailpipe emissions is feasible with the aim of achieving zero tailpipe emissions by 2036. Scope 3 ‘purchased goods and services’ – we are collaborating with our suppliers to enhance accuracy and drive reductions by establishing CO₂e limits for future product components in high-impact commodities committed within supplier sourcing contracts.
Performance	Our absolute Scope 1 and 2 emissions for FY24/25 were 249.5ktCO₂e. This was a 23.4 per cent reduction compared to the SBTi baseline and 3 per cent ahead of the required SBTi trajectory to be aligned to a 1.5°C pathway. Our Scope 3 ‘use of sold products’ emissions for FY24/25 were 238.75gCO₂e per vehicle km. This was a reduction of 3.1 per cent compared to FY23/24, and a reduction of 6.7 per cent compared to the SBTi baseline (256gCO₂e/vehicle km). Our Scope 3 ‘combined use of sold products and purchased goods and services’ emissions for FY24/25 were 60.51tCO₂e/vehicle. This was a 2.8 per cent reduction compared to FY23/24, and a reduction of 5.9 per cent compared to the SBTi baseline (64.3tCO₂e/vehicle).

Based on the results of our climate risk review and financial modelling, the most material risks and opportunity are shown in Table 1.

TABLE 1

RISK/OPPORTUNITY AND CLASSIFICATION	TIME HORIZON S 1-2 YEARS M 3-5 YEARS L 5 YEARS +	RISK MODELLED (SEE SCENARIO ANALYSIS SECTION ON PAGE 66)	POTENTIAL BUSINESS/ FINANCIAL IMPACT	BUSINESS STRATEGIC RESPONSE
Transition Risk Failure to manage risk associated with existing and emerging environmental regulations on vehicles. As a response to climate change, there is an increase in and tightening of tailpipe emission regulations all around the world. Our fleet of products must be compliant with all regulations and in the case of non-compliance, we may pay compliance costs.	S, M	Modelled the potential financial impacts based on stress testing potential vehicle emissions compliance costs using the three climate scenarios to perform analysis of the risks (NZ, DT & BAU).	An increase in regulations related to tailpipe emissions could result in increased compliance costs and restrictions on sales of traditional vehicles in particular markets. This needs to balance with market demand and EV transition. The results of the scenario analysis show the risk is greatest in the short to medium term under NZ and DT scenarios. Note: All vehicle tailpipe emissions compliance costs are assumed to be zero by 2036, aligned to our product electrification strategy.	- Engage with regulators through industry bodies, and independently, to detect changes and implement ongoing product actions to mitigate the risk of regulatory change. We cover all major global markets (90 per cent of sales in regulated markets). - Dynamic and accelerated risk modelling, with monetary values of compliance risk/benefit assigned to programmes to deliver the correct electrified product mix for the future. - We are transforming our business with an aim to achieve carbon net zero across our supply chain, products, and operations by 2039. Central to our strategy is our aim for all brands to offer a pure-electric option by 2030.
Transition Risk Failure to manage risk associated with increased exposure to raw material and component shortages. JLR relies on manufactured products and the security of supply of raw materials for operating its business globally, specifically battery pack components for its electric vehicles.	M, L	Modelled the financial impacts which considers the potential change in the prices of key battery raw materials, driven by demand for electric vehicles under three climate scenarios (NZ, DT & BAU).	A change in the supply and demand of key raw materials and components, driven by increasing demand for electric vehicles as well as regulatory changes, could result in increased cost of materials and lead times in the manufacturing process. The results of the scenario analysis show the greatest potential financial impact in the Net Zero scenario (2040). The analysis shows the least potential financial impact under a BAU scenario.	- Strategic Raw Material Team conducted a critical minerals assessment, identifying high-risk materials based on their criticality, cost, and ESG impact. This assessment enables prioritised mitigation activities. - Engaged external support to conduct traceability, risk mapping, certification of EV battery materials back to mine (Cobalt, Nickel, Lithium Natural Graphite). - Circular Economy governance to prioritise strategic action to meet regulated battery recycled material targets. - Our parent company, Tata Sons, announced that Agratas would build a gigafactory in the UK, with the site confirmed at the Gravity Business Park in Somerset. This development marks another critical milestone in our <i>Reimagine</i> strategy. As the anchor client of the gigafactory, it helps support a stable and secure supply of battery cells at the right cost, conveniently located near our UK manufacturing base.
Transition Risk Failure to mitigate increased costs from carbon pricing and taxation schemes. Regulatory and governmental policy changes such as carbon pricing and taxation schemes may increase under different climate scenarios.	M	Modelled the potential financial impact from an increase in carbon pricing regulation under three climate scenarios (NZ, DT and BAU). Carbon pricing regulations include national regulations, carbon taxes, emission trading schemes and mechanisms such as Carbon Border Adjustment Mechanisms (CBAM).	An increase in carbon pricing regulation could result in direct compliance costs and indirect increases in production costs passed on by suppliers. The results of the scenario analysis show the quickest potential financial impact (peaking at 2030) under a NZ scenario and least potential financial impact under BAU scenario.	- We are transforming our business with an aim to achieve carbon net zero by 2039 - decarbonising sites, products and services - helping to reduce our carbon footprint and helping mitigating exposure to carbon taxation. - Working closely with our supplier partners to jointly develop low carbon options and new capabilities via creation of carbon reduction roadmaps and increased transparency. - Governance committees reviewing upcoming legislation to ensure compliance and mitigation including a CBAM specific working group. - We are also developing more detailed modelling to understand both direct and indirect financial impacts.

RISK/OPPORTUNITY AND CLASSIFICATION	TIME HORIZON S 1-2 YEARS M 3-5 YEARS L 5 YEARS +	RISK MODELLED	POTENTIAL FINANCIAL IMPACT	BUSINESS STRATEGIC RESPONSE
Physical Risk Failure to mitigate impact of extreme weather events affecting direct operations and the supply chain. Climate change will increase the intensity and frequency of extreme weather events. JLR relies on its supply chain to provide manufacturing sites with vehicle components. Some suppliers are in regions that will face more intense extreme weather events under future climate scenarios.	S, M, L	Modelled the potential financial impact from increasing extreme weather events causing disruption to direct operations and the supply chain under three climate scenarios (NZ, DT and BAU).	An increase in the frequency of extreme weather events (e.g. storms, floods, heatwaves) could result in direct and indirect impacts to suppliers that increase production costs and lead times. An increase in extreme climate events such as flooding could result in damage to our assets and disruption of operations. The results of the scenario analysis shows under all three scenarios an increase in potential financial impact in the long term, as physical risks increase. This is greatest under a BAU scenario.	- Industrial Operations Chapter (encompassing Manufacturing, Procurement and Supply Chain) increasing accountability and visibility of risk. - Uses of digital risk sensing tools including climate risk assessment and monitoring: - Supply chain mapping (multi-tier) for critical suppliers and commodities. - Improved response to climate events, supply chain rerouting and material fulfilment. - Incorporated a Global Disaster Alert Coordination System tool to provide increased visibility and impacts of tropical storms and other extreme events. - Completed a climate risk assessment of our Solihull manufacturing facility in collaboration with our insurance provider. This assessment provided detailed insights into climate hazard exposure and vulnerabilities. As a result, we are now investigating adaptation measures to help reduce the site's vulnerability to climate hazards. Further critical site assessments will be conducted in 2025, which will prioritise our climate adaptation efforts. - Business continuity process, including trained incident management team and resilience forum. - Insurance policy from property damage and business interruption. Further detail can be found in the supplier risk management section.
Opportunity Opportunity to develop and expand into low-carbon business models and gain reputation as a climate innovator. As a business we have ambitious targets to deliver emission reductions and provide more sustainable products and services for our clients.	M, L	Modelled the potential financial opportunity related to increased variable profit from increasing consumer demand for products with greater sustainability credentials. Three climate scenarios were used to stress test the opportunity (NZ, DT and BAU).	A larger and more diverse low-carbon product and service offering could result in an improved reputation with current and potential clients resulting in increased sales. The development or expansion of low emission products could give us the opportunity to increase variable profit as clients move to low-carbon service offerings and make purchasing decisions based on our sustainability credentials. The results of the modelling show opportunity for growth in the NZ and DT scenario in the medium and long term. Under a BAU scenario the growth is limited.	- House of Brands Strategy to anticipate and meet client demand. - Open Innovation: A strategy designed to accelerate next-generation technology and sustainability implementation through collaborations with start-ups, scale-ups, and like-minded organisations. - InMotion Ventures Studio incubates and accelerates new businesses and services from the ground up. Identifying opportunities in mobility and connected services to elevated luxury experiences through new digital services and sustainability-related innovations. The Studio is the creator of The OUT and Pivotal: two fast-growing startups within JLR. They offer an alternative service model to a new target audience, otherwise out of reach. - These services require infrastructure, design and engineering change to make them more circular. To support this, we have begun trials on the in-life refurbishment of the Pivotal fleet as well as the longer-term processing of end-of-life vehicles for the refurbishment of green parts. See page 43 for more detail on circular products and services.

Climate risk models are regularly reviewed with risk owners to drive ongoing accuracy and improvements.

Based on our current climate risk modelling and scenario analysis, we identify the greatest potential financial impacts from transition risks. These include regulatory tailpipe emission legislation, which increases under a Delayed Transition (DT) scenario, and growing regulatory and governmental policy changes, such as carbon pricing and taxation schemes, under a Net Zero (NZ) scenario.

We anticipate that climate physical risks will continue to rise, potentially disrupting operations and supply chains. To address this, we are enhancing our supply chain mapping capabilities, improving our physical risk modelling, developing climate adaptation and contingency measures.

We acknowledge the uncertainty of climate risks and have strengthened our mitigation and resilience plans; based on performed modelling, we believe our response activities are sufficient to address these risks.

The opportunity to develop and expand into low-carbon business models is most significant under both the NZ and DT scenarios. Conversely, under a Business as Usual (BAU) scenario, growth is limited.

Key business inputs into the climate models:

- Business planning volumes
- JLR Scope 1,2 and 3 carbon emissions data

Key Assumptions

- Models are updated in line with business plan reviews

Note 1: Scenario modelling has several limitations. Scenarios are not forecasts; they help to evaluate a range of hypothetical outcomes, considering a variety of plausible future states under a given limited set of assumptions. Modelling the impacts of climate change is subject to uncertainty and scientific debate, both of which increase with modelling of longer time horizons. The further we look out, the more challenging it is to model external conditions. The results should be reviewed in the context of these limitations.

Note 2: As part of our Climate modelling, we considered the potential financial impact from drought-related water scarcity and the risk of increased material prices due to water stress for critical operations. Also, drought dependency for direct suppliers, estimating the impact on variable profit. This risk was stress tested using three climate scenarios (NZ, DT, BAU) and our current modelling shows low financial impact under all three scenarios. We have continued to map high usage water materials and commodities, prioritising focus on suppliers of these products. Using digital risk tools to map these supplier location with potential for water stress, we will continue to improve modelling and prioritise engagement with suppliers who may be most impacted.

Additionally, we conducted a detailed climate risk assessment of our Solihull manufacturing operation, examining drought risk from a business continuity perspective. We are investigating opportunities to reduce vulnerability to drought.

PERFORMANCE DATA TABLES FY24/25: CLIMATE CHANGE

KEY PERFORMANCE INDICATORS

Ambition	KPI measurement ¹	Baseline year FY19/20	FY24/25
46% reduction by 2030	% reduction in absolute location-based Scope 1 and 2 GHG emissions.	325,942 tCO ₂ e	249,546 ^Δ (-23.4%) tCO ₂ e ^Δ
60% reduction by 2030	% reduction in Scope 3 GHG emissions from use of sold products per vehicle-kilometre.	255.95 gCO ₂ e	238.75 ^Δ (-6.7%) gCO ₂ e ^Δ
54% reduction by 2030	% reduction in Scope 3 GHG emissions from purchased goods and services and use of sold products per vehicle sold.	64.31 tCO ₂ e	60.51 ^Δ (-5.9%) tCO ₂ e ^Δ

GHG EMISSIONS

Metric tonnes CO ₂ e (absolute) by emissions source ¹	Baseline year FY19/20	FY24/25
CO ₂ e emitted (Scope 1)	160,416	131,278 ^Δ
CO ₂ e emitted (Scope 2) location-based (market-based)	165,526 (40,613)	118,268 ^Δ (129,554) ^Δ
CO ₂ e emitted (Scope 3)	32,713,013	25,949,956 ^Δ
Scope 3 emissions by category (as per GHG protocol)		
i) Purchased goods and services	6,675,250	5,472,177 ^Δ
xi) Use of sold products	26,037,763	20,477,779 ^Δ

Metric tonnes CO ₂ e (per vehicle) by emissions source ^{1, 2}	Baseline year FY19/20	FY24/25
CO ₂ e emitted (Scope 3)	64.31	60.51 ^Δ
Scope 3 emissions by category (as per GHG protocol)		
i) Purchased goods and services	13.12	12.76 ^Δ
xi) Use of sold products	51.19	47.75 ^Δ

WASTE

Waste generated ^{1, 3, 4, 5}	FY22/23	FY23/24	FY24/25
Total metric tonnes of waste generated	32,915	37,037	35,118 ^Δ

WATER

Water withdrawal ^{1, 4, 6}	FY22/23	FY23/24	FY24/25
Total cubic metres of water withdrawal	1,521,862*	1,616,821	1,622,957 ^Δ

1 Reported data includes only those sites which are within the scope of our SBTi target. Calculation scope and assumptions provided in SBTi, Waste and Water Reporting Methodology Statement is available on our [corporate website](#).

2 Scope 1 & 2 based on total vehicles produced at in scope sites. Scope 3 based on vehicles sold.

3 Data excludes metal and construction waste.

4 Sites in scope: Solihull, Halewood, Castle Bromwich, EMPC, Gaydon, Whitley, Nitra, Brazil, China JV (50% due to financial control).

5 Disclosure is based on data collated from our third-party waste management partners.

6* Where estimated values were used, these have been corrected with actual meter readings.

We engaged KPMG to provide independent limited assurance over the metrics in the table above indicated with the symbol Δ using the assurance standards ISAE 3000 (Revised) and ISAE 3410. KPMG has issued an unqualified opinion over the selected data, and the full assurance report is available on our [corporate website](#).

UK STREAMLINED ENERGY AND CARBON REPORTING (SECR)

PARAMETER	FY22/23	FY23/24	FY24/25
Energy consumption used to calculate emissions: kWh	1,055,904,317	1,036,059,427	1,082,092,344
Emissions from combustion of gas tCO ₂ e (Scope 1)	105,577	99,185	104,290
Emissions from combustion of fuel, tCO ₂ e, including transport (scope 1)	9,637	10,729	9,876
Emissions from business travel in rental cars or employee-owned vehicles where the company is responsible for purchasing the fuel tCO ₂ e (scope 3)	1,051	1,537	1,987
Emissions from purchased electricity tCO ₂ e (scope 2, location-based)	82,430	90,394	94,360
Total gross tCO ₂ e based on above	198,695	201,846	210,513
Intensity ratio: tCO ₂ e/£m revenue	8.71	6.96	7.3

For energy efficiency actions please see "Key Initiatives" on page 37. Data compiled in accordance with the Greenhouse Gas Protocol for Corporate Accounting and Reporting. UK Government conversion factors for year 2024 are used for calculating SECR CO₂e. Where relevant, SECR data is aligned to sites and fuels within the scope of the science-based target data.



GOVERNANCE

STRATEGIC REPORT

OUR APPROACH TO RISK

We endeavour to manage and monitor risk factors that could impact our plan for long-term sustainable growth.

DEFINING RISK

Risks are uncertain events that could materially impact organisational objectives; both adversely and favourably. We recognise that risk is inherent in all business activities and must be balanced when assessing returns. Successful management of risk is therefore key to accomplishing our strategic objectives. JLR utilises an enterprise risk management (ERM) framework to identify, assess, manage and continually monitor and report on key risks that could affect our business.

RESPONSIBILITY FOR RISK

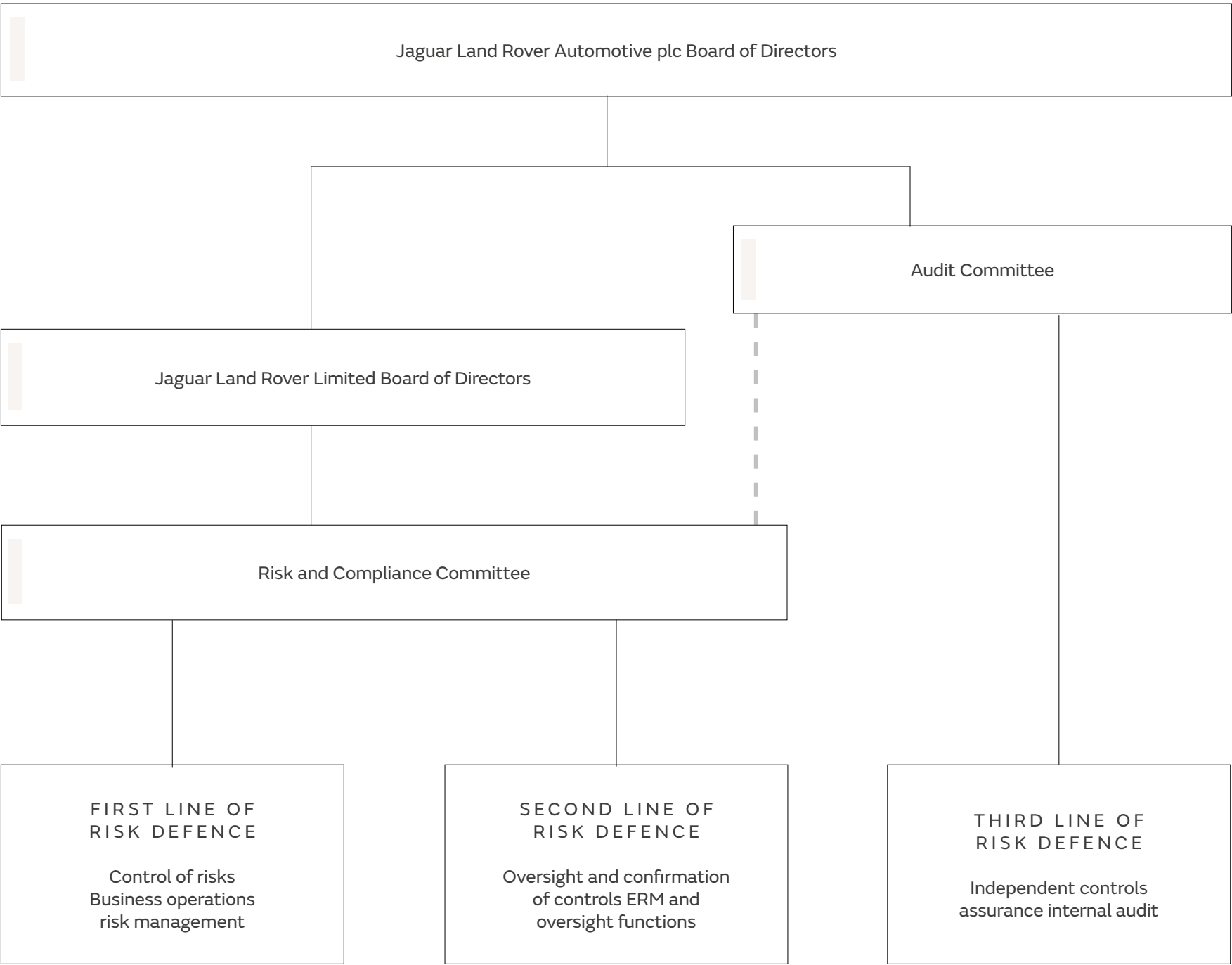
JLR's Board of Directors are ultimately responsible for the management of risks facing our organisation. However, the wider organisation is responsible for the proactive day-to-day management

and control of those risks. The JLRL Board via the Risk and Compliance Committee, provide oversight of current and emerging risks and monitor the progress of remediation actions towards acceptable levels of control and exposure. Principal risks and exceptions are reported to the Audit Committee regularly to assist in the decision-making process and ensure adequate controls are in place to provide sufficient protection to the organisation.

OUR PRINCIPAL RISKS

Principal risks are considered to be the most significant risks faced by JLR, including those that are the most material to our performance, strategic objectives and long-term sustainability. They do not represent all the risks associated with and monitored within our business and are not set out in priority order.

OUR ENTERPRISE RISK MANAGEMENT RESPONSIBILITY FRAMEWORK



— — Reporting of principal risks and exceptions

PRINCIPAL RISKS

CHANGES TO OUR PRINCIPAL RISKS DURING FY24/25

A new risk has been introduced into our principal risks:

- Electrification Transition

The transition to battery electric vehicles (BEVs) is a key component of our *Reimagine* strategy, due to the growing demand for vehicles that produce fewer CO₂ emissions and stringent environmental regulations. This transition reduces our carbon footprint and aligns with global climate change efforts, whilst ensuring we remain innovative, competitive and compliant.

FINANCIAL	CONSEQUENCES	MANAGEMENT OF RISK
Competitive business efficiency ◀▶ Delivering on our business and strategic objectives is key to realising our planned future profitability and cash generation through return on our investments. There are risks inherent in the delivery of our planned <i>Reimagine</i> strategy as we make the investments to transition our product portfolio to increase the proportion of electric vehicles in the future. This includes our assumptions around the level of client demand for our products and delivery of our products at a competitive cost.	If our business is unable to compete effectively on cost, we may experience lower than expected returns on our future investments which may make us unable to deliver on our financial objectives in the future. This may limit our ability to reduce net debt in the future as planned, which could reduce our ability to raise new debt and invest further in new products in the future.	Our <i>Refocus 2.0</i> transformation programme supports the delivery of our <i>Reimagine</i> objectives. This operational transformation programme, alongside the strengthening of our existing programme governance, includes a focus on ensuring timely new product delivery to market, and management of the cost base of the business while also ensuring that we maximise profitability on our sales. We maintain strong liquidity in the business to ensure that we can navigate funding challenges which may arise in the future.
STRATEGIC	CONSEQUENCES	MANAGEMENT OF RISK
Global economic and geopolitical environment ▲ JLR faces a turbulent outlook of global challenges including: political shifts, economic swings, trade tensions, protectionism, wars, terrorism, humanitarian crises and climate related disruptions. Given the global nature of where we sell our finished products and buy our commodities, the risk landscape is complex, significant and wide ranging, particularly in relation to the challenging and changing tariff environment.	Our international presence and global sales profile mean that our business could be significantly impacted by the global external environment. The imposition of higher tariffs and trade barriers could further exacerbate these challenges. Our global supply chain could also be negatively affected by disruptions caused by external factors, including tariff-related trade tensions. As a result, our business could be adversely affected through lower sales of finished vehicles, delays to deliveries, and increasing material costs from supply chain disruption.	We continue to closely monitor, assess and implement mitigation plans in consideration of the turbulent geopolitical and economic landscape. This work is underpinned by foresight intelligence and scenario planning to look further ahead and build resilience to alternative futures. Our diverse global customer base gives us the flexibility to react to regional changes in demand by adjusting our sales mix into other markets, while we may adjust product features or content should we face supply challenges informed through our enhanced supply chain risk management framework. We continue to monitor and assess the global tariff environments to manage their ramifications as effectively as possible.
Brand positioning ◀▶ The automotive sector remains competitive with new entrants joining the market, particularly the electric vehicle segment. Under the <i>Reimagine</i> strategy we will target growth in our most profitable segments and continue to drive our modern luxury vision for the Range Rover, Defender, Discovery and Jaguar brands.	Demand for our products can be impacted by our potential inability to successfully position, maintain and articulate the strength of our brands, in addition to our failure to develop new products and technologies that meet client preferences.	Under our <i>Reimagine</i> strategy our brands continue our modern luxury vision to support our position in the market, with Jaguar relaunching as an all-electric brand from 2026 targeting a more luxury segment of the market. As part of our <i>Reimagine</i> strategy we are also continuing our collaboration and partnerships both within the Tata Group and with external organisations in a number of areas to meet our client expectations.
Rapid technology change ◀▶ Technology in the automotive industry is evolving rapidly, particularly with respect to autonomy, connectivity and electrification. Falling behind with technology trends will increase the risk of not meeting the expectations of both our new and existing clients.	Any delay in the launch of technologically intensive products, or if the technology in our products becomes relatively obsolete, could impact sales as clients move to purchase products from our competitors.	Modern luxury is furthered by our passion to innovate. We prioritise the development of software defined vehicles, including autonomous, connected, electrified and shared technologies. We deliver modernist design philosophy and authentically build desirability and emotional engagement for our brands. It means we create inspirational, exclusive and exceptional experiences for our clients.

Electrification transition N Under our <i>Reimagine</i> strategy, we are enacting a progressive transition from internal combustion engine (ICE) vehicles to battery electric vehicles (BEVs). Delivering a smooth, efficient, and cost-effective shift that minimises disruptions, meets regulatory requirements, satisfies consumer demand and supports environmental sustainability is paramount. This involves managing financial, technological, supply chain and workforce transitions to maintain competitiveness and achieve long-term success in the evolving automotive market.	If the transition is not carefully managed it could lead to multiple inefficiencies resulting in financial losses for JLR. Examples include, but not limited to: - Supply Chain Disruptions: Unmanaged supply chain issues could lead to production delays and shortages. - Market Share Decline: Inability to meet consumer demand for BEVs could result in a loss of market share to more agile competitors. - Regulatory Penalties: Non-compliance with evolving regulations could lead to fines and legal challenges - Reputation Damage: Failure to transition effectively could harm JLR's reputation and brand value	We are making a significant transition from ICE to BEV as part the <i>Reimagine</i> strategy. This shift includes the launch of our first pure-electric Range Rover and a new all-electric, four door GT Jaguar in 2026. To support this electrification, Tata Group's Agratas is to construct the UK's largest battery cell facility in Somerset, which will provide high-performance battery cells for our new electric models. Additionally, we are making significant continued investment in upgrading our core facilities and supply chain for electrification.
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OPERATIONAL	CONSEQUENCES	MANAGEMENT OF RISK
Supply chain disruptions ▲ JLR's ability to supply components to our manufacturing operations at the required time is of paramount importance in achieving production schedules and meeting consumer demand. The continuing conflict in the Ukraine continues to have an impact on our global supply chain. In a similar fashion, the demand, and energy crisis in Europe is continuing to have severe cost implications to our supply base, affecting our tiered supply network, and their ability to operate. Also, an increase in the frequency of extreme weather events (e.g. storms, floods, heatwaves) and the volatile nature of the regulatory landscape (Tariffs) could also result in significant direct and indirect impacts to suppliers and disruption to logistics that increase production costs and lead times.	Supply chain disruptions, if not managed, have an adverse effect on production volume, revenue and profitability, client satisfaction and reputation within the regions in which we operate. Continued supply constraints has impacted many industries including automotive. Higher inflation caused by the scarcity and rising cost of raw materials, commodities, energy and transport is impacting the production of goods.	The industrialisation of JLR's risk management framework has improved our time to recover from events impacting our global value chains as well as communication. We continue to actively engage our internal teams and suppliers to mitigate potential disruption through our Secure26 and Kass programmes (Tier 1+ Financial Risk detection). These protect long lead time part availability and suppliers' financial viability. Our Mapping activities have significantly ramped up in the past six months and have led to more accurate detection and resolution of supply risk and issues.
Information security ◀▶ Information-centric digital transformation is at the heart of JLR's <i>Reimagine</i> vision and strategy. Embracing new ways of working with a focus on product development velocity and efficiency in industrial operations is intrinsic to accelerating returns in service to value creation for our clients, colleagues, business, and brands. As our industry becomes more information-enabled and powered by technology, information security becomes crucial for the benefit of our clients and JLR's profitable sustainability.	As data and digitisation continue to advance within JLR and our products and services, protecting our information assets and maintaining secure information services are critical enterprise enablers for the benefit of our clients and JLR's resilience. Information security aims to manage business risks that could harm the organisation's strategic objectives. The risk impacts can be categorised into four main areas at a macro level: Strategic Risk: Loss/theft of IP leading to long-term value loss. Operational Risk: A severe ransomware attack could result in business disruption and loss of revenue. Financial Risk: Breach of compliance could lead to major fines and operational sanctions being imposed. Reputational Risk: Negative media publicity resulting in loss of clients and long-term client trust impact.	Information security is governed within the JLR Enterprise governance framework based on the three lines of defence, with regular reporting to enterprise supervisory boards and committees. The Information Security Compliance Framework is tailored to meet the requirements of JLR through regulatory, statutory, and enterprise compliance requirements and communicated throughout the group with baseline information security and compliance standards. Internal and external evaluations indicate a positive trajectory in our security discipline, aligning closely with our strategic objectives and agile delivery against our key results. The evaluation underscores the effectiveness of our strategic journey to strengthen our foundation, affirming that we are on the right path with the necessary momentum and investment to systematically reduce risks while enhancing cyber readiness and resilience.
Client Service Delivery ◀▶ To deliver a modern luxury client experience and optimise our sales and service channels, every client must receive a seamless and consistent hassle-free experience provided on their terms. We must know who our clients are, anticipate their needs and respect their privacy on their terms. Clients must be delighted at every step. Our retailer partners reflect our brand strategy and vision, and must effectively communicate our values, with trained and capable representatives, to continue successfully to attract and retain clients, driving high client satisfaction at every touch point.	Inconsistent client experience impacts our ability to attract and retain clients, and impacts overall client satisfaction. Failure to deliver an exceptional experience through our online and physical retailer channels will lead to a weakening in our competitive positioning, potentially impacting our business and financial performance as a result.	Market demand is monitored daily to optimise vehicle and parts and accessory deliveries for our retailers and clients. Online client experience is being enhanced and simplified. Retailer systems and tools are being enhanced, supporting retailer sales, service and technician representatives to deliver a seamless and consistent hassle-free client experience.

People capability and capacity ◀▶ To deliver its strategic and operational plans, JLR needs a workforce with core and critical skills in both current and emerging areas, and a culture underpinned by a safe, secure and inclusive environment that enables people to do their best work every day.	If we are unable to attract, engage, develop and retain the best diverse talent and critical skills in an increasingly competitive environment, our ability to continually innovate and deliver products and services to our clients will be impacted.	We remain dedicated to fostering an environment that drives exceptional business performance. Cultural transformation continues to be at the centre of our plans where we continue to raise awareness of and connect our people to our Purpose; underpin our policies, benefits and engagement in the Creators' Code (our behavioural framework); grow leadership capability and team effectiveness, and whilst integrating our Wellbeing and Diversity, Equity & Inclusion into policies and process. We also continue to respond to the rapidly evolving technological landscape. We are focused on taking a sustainable approach to planning for the future. By building through our early careers, talent attraction and talent upskilling programmes we ensure our people have the skills and capabilities we need.
Data Management ◀▶ JLR recognises data as a valuable asset which is fundamental to achieving its strategic objectives and becoming a data-driven organisation in a future where data, AI and automation are core. As technology advances, our data needs evolve. Robust data management practices enable JLR to generate high quality insight to drive operational efficiency and make strategic decisions effectively. Robust AI management further enhances our ability to leverage data for innovative solutions. This complements the necessity of meeting regulatory and security requirements.	Failure to implement effective data management practices leaves JLR exposed to the risk of regulatory fines and reputational harm. Our ability to meet client needs, expectations and address future challenges will be hindered, potentially leading to decreased investment, loss of market share and reduced business performance.	Data Management provides the foundations for operational excellence that enable JLR to deliver new digital services and sustainable innovations for our clients. We are committed to safeguarding our data assets through specialist data governance capabilities, ensuring all our data assets are owned, controlled and accessible across JLR, and our employees have the skills, tools, and support to enact. Promoting Data Management through an appropriate Data policy, standards and controls demonstrate our dedication to sustainable growth so we are ready for the future. With appropriate awareness We can maximise our ability to exploit new technologies and use AI safely and responsibly.
IT Infrastructure ◀▶ JLR's <i>Reimagine</i> strategy is underpinned by technology transformation which is vital for advancing our vision and embracing a new era in automotive excellence. IT infrastructure and digital technology drives the facilitation of cloud computing, enhancement of vehicle technology and providing real-time insights into production, supply chain, and financial data. As client expectations increasingly revolve around digital experiences, elevating the client journey becomes paramount in our pursuit of excellence, built on the necessity for a stable IT infrastructure and application landscape.	As JLR's technology requirements grow, a more complex environment may ensue. This could make mission-critical applications and infrastructure systems unsustainable and lead to operational vulnerabilities or business disruptions. Failure of critical infrastructure or applications could cause an outage across the JLR enterprise, hindering our ability to conduct essential business transactions or activities.	Key mitigations are in place to address this risk through multiple operational programmes. For instance, through vulnerability management our systems are kept up to date with the required software releases to maintain stability; and a programme focused on technical debt ensures these are removed or mitigated where there may be an exposure to potential prolonged outages. IT operations are being transformed with the deployment of an intelligent enterprise-wide IT observability solution, a modern IT Service management capability, and the introduction of a proactively focused global operations command centre focused on the improvement, scalability and control of our global network. These key activities improve the stability of our IT landscape and provide assurance on JLR's ability to deliver our <i>Reimagine</i> strategy.

LEGAL AND COMPLIANCE

Environmental regulations and compliance ◀▶ We are subject to a rapidly evolving regulatory landscape with associated laws, regulations and policies that all impact our facilities and vehicles. The transition away from traditional fossil fuels to renewable energy sources - and the increasing pace of that transition - creates particular compliance challenges, in particular tailpipe emissions for automotive companies and wider compliance requirements for carbon emissions produced during manufacturing and other operations.
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Litigation / regulatory ◀▶ The litigation process is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance. Various legal proceedings, claims and governmental investigations are pending against the Company on a wide range of topics, including vehicle safety, defective components, systems or general design defects, emissions and fuel economy, competition, alleged violations of law, labour, dealer, supplier and other contractual relationships, intellectual property rights, product warranties and environmental matters.

CONSEQUENCES

We incur additional compliance costs to avoid facing significant civil and regulatory penalties, and our competitors may gain an advantage by adopting new emissions-reducing and fuel-efficient technologies before we do. Furthermore, we may incur significant reputational damage, which could materially impact our brands and sales, if we fail to maintain environmental compliance. Regulatory and governmental policy changes may introduce additional operational costs in the form of carbon pricing and taxation.
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Failure to comply with laws and regulations could expose JLR to civil and/or criminal actions leading to damages, product recalls or other regulatory measures, fines and/or criminal sanctions with negative impact on our corporate reputation..

MANAGEMENT OF RISK

Our ambition is to achieve carbon net zero across our supply chain, products, and operations by 2039. A key element of our strategy is electrification, with an aim for all brands to offer a pure-electric option by 2030 and zero tailpipe emissions by 2036. (See page 67 for progress against targets). We actively engage with regulators through industry bodies and independently to identify changes and implement ongoing product actions to mitigate regulatory risks. Our efforts cover all major global markets, representing 90 per cent of our sales in regulated markets.

We are committed to complying with the laws and regulations of the countries in which we operate. Our specialist teams in areas such as Engineering, Quality, Legal and Compliance are responsible for monitoring legal and regulatory developments, setting detailed standards and ensuring awareness of and compliance with those standards. See note 36 - Commitments and contingencies - and an overview of our accounting policy for litigation. Beyond amounts provided with respect to all aforementioned matters we do not consider there to be any probable loss arising and no other litigation / regulatory matters which require further disclosure as a contingent liability.

INTRODUCTION TO GOVERNANCE

STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENT

For the year ended 31 March 2025, under the Companies (Miscellaneous Reporting) Regulations 2018, the Group has continued to apply the Wates Corporate Governance Principles for Large Private Companies (“Wates Principles”) (published by the Financial Reporting Council (‘FRC’) in December 2018 and available on the FRC website). The following section summarises how the Group has applied the principles over the past year.

The Group remains committed to ensuring effective governance is in place to deliver its core values, as this is the foundation on which it manages and controls its business and provides the platform for sustainable profitability.

SECTION 172 COMPANIES ACT 2006

The Wates Principles provide a framework for the Group to not only demonstrate how the Company’s Board of Directors makes decisions for the long term success of the Company and its stakeholders (see Principle 6 - Stakeholder Relationship and Engagement, on page 87), but also having regard to how the Company’s Board of Directors ensures the Group complies with the requirements of Section 172 (1)(a) to (f) of the Companies Act 2006. Our reporting against the Wates Principles has been included below.

The Group is continuing its strong *Reimagine* journey to deliver a sustainability-rich vision of luxury by design.

We are continuing the transformation of our business to become carbon net zero across our supply chain, products, and operations by 2039. This includes advancing our electric vehicle preparations, expanding our bespoke paint facilities with energy-efficient technology and filtration techniques, and partnering with Pirelli for sustainably sourced, FSC®-certified natural rubber tyres.

In addition, we have introduced new vehicle variants, including the launch of the Defender OCTA, Range Rover SV models, and continued development of the Range Rover Electric. These efforts aim to elevate our brands into new realms of luxury, improve margins, and demonstrate our commitment to achieving the highest levels of quality, durability, and sustainability.

Our focused and strong financial discipline has also enabled us to achieve the ambition first stated at the launch of our *Reimagine* strategy in February 2021. As a result, JLR was in a net cash positive position as at 31 March 2025.

As part of these efforts, the Group has continued to build on its sustainability strategy to ensure the complexity of achieving net zero targets is achievable whilst managing its associated risks.

During the year, François Dossa resigned as Executive Director for Strategy and Sustainability, returning to his home in Brazil to take up a new position at TCS Latam, and Barbara Bergmeier, having taken the decision to return to her native Germany, resigned as Executive Director of Industrial Operations but continues to support the business as Strategic Supplier Development Advisor.

Nigel Blenkinsop was appointed to the position of Executive Director of Industrial Operations and Steve Marsh and Russell Leslie were appointed to the JLRL Board as Executive Director of Vehicle Programmes and Executive Director of Enterprise Quality and Customer Satisfaction respectively.

Alongside this, we appointed Swarna Ramanathan as Chief Strategy Officer, John Beswick as Chief Transformation and Performance Officer and Andrea Debbane as Chief Sustainability Officer.



a) the likely consequences of any decision in the long term	The Company's Board of Directors annually approves the five-year business plan and monitors its implementation throughout the year. External factors are also considered such as economic, political and ongoing challenges within the market as a part of the five-year plan to ensure both financial and operating strategy is set at sustaining and achieving the long-term success of the Group. To further enhance and support the long-term strategy, the Group continues to review debt funding arrangements during the financial year. See page 33.
b) the interests of the Company's employees	At JLR, we are passionate about our people. They are at the heart of our business. We are committed to fostering a diverse, inclusive culture that is representative of the society in which we live; a culture in which every one of our colleagues can bring their authentic self to work and reach their full potential. As part of our cultural transformation journey, we continue to: • shape a culture of unity, belonging, inclusion and respect; • implement progressive policies, benefits and support; and • engage and empower our colleagues to accelerate our progress. The Company's Board of Directors understand the importance of the Group's colleagues to the long-term success of the business. The Group regularly communicates to its colleagues through presentations such as departmental townhalls and brand and product briefings, internal group-wide emails and newsletters. A pulse survey undertaken annually allows colleagues to formally provide feedback to further support the long-term plans of the Group, in addition to informal feedback sessions held during the year with various Executive Directors, with the latest pulse results indicatating a sustained improvement in employee engagement and performance excellence across the Group. Investment in and development of colleagues continues to be an important area of focus for the Company, which continues to provide support to colleagues across a range of initiatives, including through training days, e-learning modules and internal networks which have been created to support wellbeing create communities for our colleagues to discuss and share support on mental health initiatives and general wellbeing. We also proudly support the growing number of active diversity and inclusion employee-led networks both in the UK and overseas. These include Pride, REACH, RISE, Armed Forces, Gender Equality, Women in Engineering, Shine, Disability, and a number of religious groups. See pages 25, 46 to 50 and 53 to 55.
c) the need to foster the Company's business relationships with suppliers, clients and others	The Company's Board of Directors understand the importance of the Group's supply chain in delivering the long-term plans of the Group. The Group's principal risks and uncertainties set out risks that can impact the long-term success of the Group and how these risks interact with our stakeholders. Our suppliers of production and non-production goods, works and services play an integral role in our business and help us to operate globally, and we continue to actively engage and collaborate with our suppliers to mitigate potential disruption to our supply chain. The Group has key objectives and principles which are set out clearly in the Global Supplier Management policy. Ensuring this policy is followed and our suppliers conduct their business in a manner which supports our high level principles and behaviours framework, including in relation to ensuring ethical behaviour, sustainability and health and safety, is considered critical to the continued success of our business relationships. See pages 51 to 52 and 57 to 60 for further details. The Company's Board of Directors monitor the Group's engagement with our customers through the use of various Customer Insight tools which helps collate feedback from customers and prospective customers about our brands, products, services and experiences. This process is run internally and enables both the Group and retailers globally to help improve customer experience and engagement. Other regular customer feedback mechanisms exist through a variety of syndicated surveys to provide and offer external and independent feedback. The Company's Board of Directors actively seek information on the interaction with stakeholders and colleagues to ensure that they have sufficient information to reach appropriate conclusions about the risks faced by the Group. This was further reinforced by the introduction of a Risk and Compliance Committee during FY24 (see page 85 for further details).
d) the impact of the Company's operations on the community and environment	The Company remains committed to its sustainability rich vision of luxury which delivers a more equitable future. It continues to encourage fundraising and charitable initiatives across the Group, and during the year launched the JLR Foundation, a charitable foundation with a mission to provide the resources, education and opportunities to enable disadvantaged young people to reach their full potential. As part of their corporate decision making, the Company's Board of Directors also have regard to ensuring dialogue and safeguarding is in place with investors, stakeholders and colleagues, thereby creating a positive social and environmental impact. This is demonstrated through both financial and non-financial reporting. The key governance issues around conflicts of interest, oversight, accountability, transparency and ethics violations are considered to be a critical and core aspect to the Group's ESG approach, and further information on the Group's initiatives and commitment to and approach to sustainability can be found on pages 36 to 68.

e) the desirability of the company maintaining a reputation for high standards of business conduct

We are committed to fostering a more diverse, inclusive and unified culture that is representative of our clients and the society in which we live; a culture where every one of our colleagues can bring their authentic self to work and feel empowered to reach their full potential.

Through our *Reimagine* strategy, we have set a clear vision and pathway to become the proud creators of modern luxury. Our colleagues are unified under this shared Purpose and collectively drive the business forward to create an environment where everyone can thrive as individuals.

Our Purpose is guided by our Creators’ Code, employee Code of Conduct and other supporting corporate policies, which together support our mission to do the right thing at all times, in any circumstance. We expect our business partners to hold the same high ethical standards as we do, and we pass on this expectation through our Supplier Code of Conduct.

We have a mature compliance and ethics programme which embeds our standards throughout the Group, and we work with the Tata Group to benchmark our programme and share best practice.

The Company’s Board of Directors has total oversight over our compliance and ethics risk management programme, and receives regular updates on programme performance. See pages 56 and 60.

f) the need to act fairly as between members of the Company

The Group is owned by Tata Motors Limited and collectively are committed to continuing to build future growth through new models and a roadmap that provides a clear direction for the business and our House of Brands.

Our partnerships with Tata Group companies strengthen as we continue to leverage synergies within the Tata ecosystem to support the development of our next-generation electric vehicles.

WATES PRINCIPLE 1 – PURPOSE AND LEADERSHIP

The Company’s Board of Directors continues to meticulously develop and promote the purpose of the Group through a diligent review of strategy, performance, responsibility and accountability so that every decision made is in the best interest of the Group. The foundation of these decisions is made by taking into account the business model and processes in place.

The Company’s Board of Directors actively ensures through committee meetings and wider input from the relevant stakeholders within the business that there is careful consideration of all economic, geopolitical and environmental factors, including the impact of changes in global trade conditions. Ongoing and healthy dialogue and discussion with stakeholders continues with trade unions and employee representatives to support the business model and growth of the Group. Empowering stakeholders to make key and critical decisions to ensure objectives are met successfully is at the core of the Group.

This Corporate Governance Report includes further information about the Company’s Board of Directors, areas of focus, and the structure and role of

its committees which supports alignment and decision making to support our global business strategy.

The Company’s Board of Directors continues to focus on sustainable change that will drive high business performance through a decade-long mission to create its own culture. Guided by our Purpose to *Live the Exceptional with Soul*, we continue to engage colleagues across the globe to empower them to lead with purpose and vision. See Our Business section for supporting statements.

The Group also continues to implement its global *Reimagine* strategy, an £18 billion investment over the five years from 2024 to 2028 inclusive, which saw a £500 million investment to transform our Halewood facility for the electric era during FY24/25.

Details of individual directors’ attendance at the Company’s Board of Directors meetings during FY24/25 are shown in the following table:

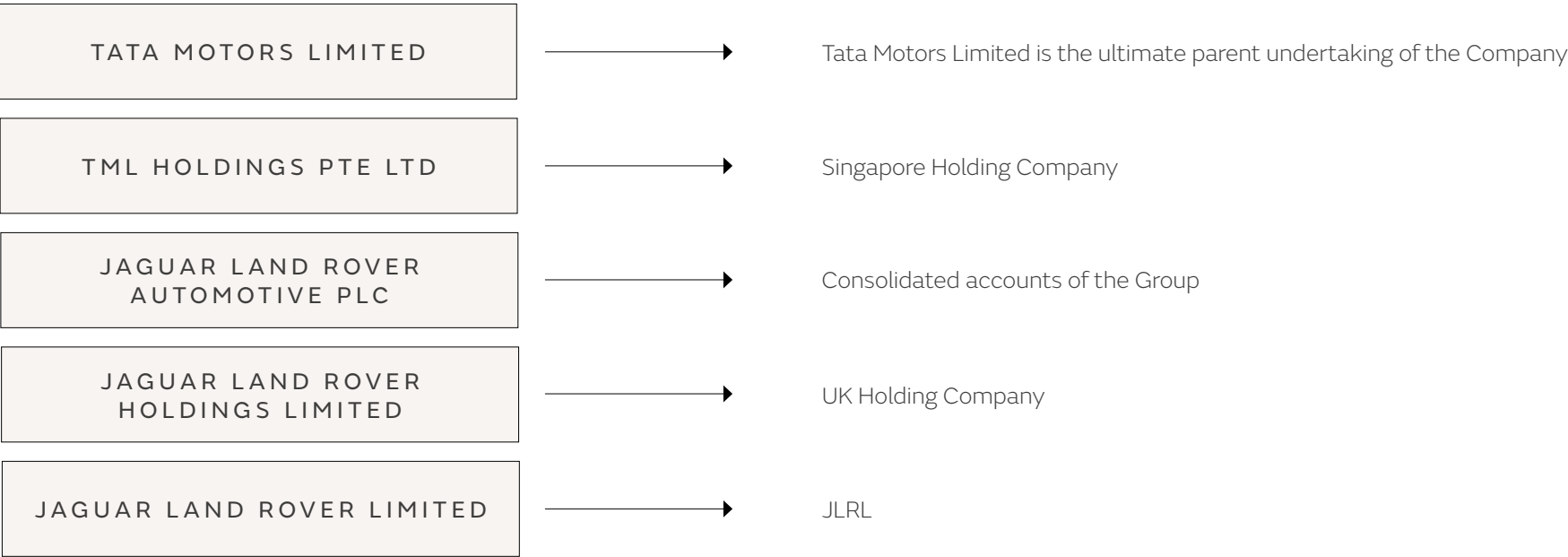
NAME OF DIRECTOR	Maximum no. of Principal Board Meetings director could attend	No. of Principal Board Meetings director attended	Per centage of Principal Board Meetings attended
Chief Executive Officer and Executive Director			
Adrian Mardell	7	7	100
Non-Executive Director			
Natarajan Chandrasekaran (Chairman)	7	7	100
Pathamadaï Balaji	7	7	100
Charles Nichols	7	6	85
Al-Noor Ramji	7	7	100
Hanne Sorensen	7	6	85
Prof. Sir Ralf Speth (Vice Chairman)	7	7	100

WATES PRINCIPLE 2 - BOARD COMPOSITION

Group Structure

The Group has been a wholly-owned subsidiary of Tata Motors Limited, in which Tata Sons is the largest shareholder, since 2008.

The following sets out the Group structure:



HOW WE DIVIDE UP OUR RESPONSIBILITIES

The Company's Board of Directors are committed to fostering a culture that empowers colleagues to be flexible and growth focused and build trust through respect and transparency.

We continuously evaluate the balance of skills, experience, knowledge and independence of the Group's directors, and continue to work on creating a more diverse board of directors across the Group which supports equal opportunities. There are also strategies in place which encourage diversity throughout the workplace with opportunities for colleagues to progress to senior levels.

The Company's Board of Directors is considered to be appropriate with all members possessing the diverse skills, experience and insight required to facilitate constructive dialogue and effective decision making.

The Company's Board of Directors are provided with the detail and information required to work collaboratively together as a unified team to make informed decisions and develop the strategy of the Group. They also receive regular updates on governance-related matters including new legislation and regulatory requirements to enable them to discharge their duties effectively.

The Company's Board of Directors comprises a separate Chairman and Chief Executive Officer to ensure that the balance of responsibilities, accountabilities and decision making across the Group are effectively maintained. They are further supported by Non-Executive Directors, the Chief Financial Officer and the Company Secretarial team.

Chairman of the Company's Board of Directors

Responsible for leading the Company's Board of Directors, its effectiveness and governance. Also sets the agenda to take full account of the issues and concerns of the directors and ensures effective links between external stakeholders, the Company's Board of Directors and management.

Non-Executive Directors

Constructively challenge the Chief Executive Officer and monitor the delivery of the Group's strategy within the risk and controls environment set by the Company's Board of Directors.

Chief Executive Officer

Responsible for the day-to-day leadership, management and control of the Group, recommending the Group strategy to the Company's Board of Directors and implementing the Group's strategy and decisions of the Company's Board of Directors.

Chief Financial Officer

Responsible for the financial performance of the Group and providing support to the Chief Executive Officer in implementing future strategy.

Company Secretary

The Company Secretary has a key role to play in ensuring that board procedures are both followed and regularly reviewed for the effective functioning of the board. The Company Secretary offers guidance to the directors on corporate governance matters and what their responsibilities are under the rules and regulations to which they are subject and on how these responsibilities should be discharged.

Biographies of the Company's Board of Directors can be found on our [corporate website](#).



LEADERSHIP

JAGUAR LAND ROVER AUTOMOTIVE PLC BOARD OF DIRECTORS



**NATARAJAN
CHANDRASEKARAN**
NON-EXECUTIVE
DIRECTOR
AND CHAIRMAN

Appointed February 2017



ADRIAN MARDELL
CHIEF EXECUTIVE OFFICER

Appointed November 2022



**PATHAMADAI
BALACHANDRAN
BALAJI**
NON-EXECUTIVE
DIRECTOR

Appointed December 2017



CHARLES NICHOLS
NON-EXECUTIVE
DIRECTOR

Appointed January 2022



AL-NOOR RAMJI
NON-EXECUTIVE
DIRECTOR

Appointed January 2022



HANNE SØRENSEN
NON-EXECUTIVE
DIRECTOR

Appointed August 2018



PROF SIR RALF D SPETH
KBE FREng FRS
NON-EXECUTIVE VICE
CHAIRMAN

Appointed February 2010

JAGUAR LAND ROVER LIMITED BOARD OF DIRECTORS



ADRIAN MARDELL
CHIEF EXECUTIVE
OFFICER



NIGEL BLENKINSOP
EXECUTIVE DIRECTOR,
INDUSTRIAL
OPERATIONS



LENNARD HOORNIK
CHIEF COMMERCIAL
OFFICER



RUSSELL LESLIE
EXECUTIVE DIRECTOR,
ENTERPRISE QUALITY
AND CUSTOMER
SATISFACTION



STEVE MARSH
EXECUTIVE DIRECTOR,
VEHICLE PROGRAMMES



**PROFESSOR GERRY
MCGOVERN OBE**
CHIEF CREATIVE
OFFICER



RICHARD MOLYNEUX
CHIEF FINANCIAL
OFFICER



THOMAS MÜLLER
EXECUTIVE DIRECTOR,
PRODUCT ENGINEERING



QING PAN
PRESIDENT & CEO,
JLR CHINA



HANNE SØRENSEN
NON-EXECUTIVE
DIRECTOR



DAVE WILLIAMS
EXECUTIVE DIRECTOR,
HUMAN RESOURCES

JAGUAR LAND ROVER LIMITED FIRST LINE OF LEADERSHIP



DAVID BERRY
GLOBAL GENERAL
COUNSEL



JOHN BESWICK
CHIEF TRANSFORMATION
& PERFORMANCE
OFFICER



**SWARNA
RAMANATHAN**
CHIEF STRATEGY
OFFICER



ANDREA DEBBANE
CHIEF SUSTAINABILITY
OFFICER



CHRIS THORP
CHIEF OF STAFF

WATES PRINCIPLE 3 – DIRECTOR RESPONSIBILITIES

Effective risk management is central to achieving the Group’s strategic objectives and is a core responsibility of the Company’s Board of Directors and its committees. In this section, you will find information about the responsibilities and focus of the various committees within the Group.

Good governance is achieved through effective committees tackling core areas of focus on a regular basis. See pages 84-85 for further information.

In this section, you will find information about the induction and development of directors across the Group, as well as the key considerations when measuring the effectiveness of the Company’s Board of Directors and its committees.

JAGUAR LAND ROVER AUTOMOTIVE PLC BOARD OF DIRECTORS

The Company’s Board of Directors provides supervision and guidance to the Group’s management, particularly with respect to corporate governance, business strategies and growth plans. It also considers the identification of risks and their mitigation strategies, entry into new businesses, product launches, demand fulfilment and capital expenditure requirements, as well as the review of business plans and targets.

For more information see pages 84-85

AUDIT COMMITTEE

Reviews the integrity of the financial statements, relationship with the external auditors and effectiveness of internal financial controls.

For more information see pages 84-85

NOMINATIONS & REMUNERATION COMMITTEE

Determines the overall remuneration policy and strategy to ensure transparency and alignment with the Group’s short and long-term strategic goals.

For more information see pages 86-87

TECHNOLOGY COMMITTEE

The scope of the Committee is to have oversight and provide clarity in respect of the technology strategy of the Group.

For more information see page 85

JAGUAR LAND ROVER LIMITED BOARD OF DIRECTORS

The JLRL Board executes the strategy of the Group and ensures the governance principles align with the Company’s Board of Directors, with the JLRL Board operating under the direction and authority of the Chief Executive Officer to support in the execution of the Group’s strategy, including evaluating the Group’s performance against budget and forecast.

The JLRL Board is also responsible for overseeing the implementation of appropriate risk assessment processes and controls to identify, manage and mitigate the principal risks to the Group, and in doing so, provide support to the boards of directors of other Group companies.

RISK & COMPLIANCE COMMITTEE

Provides effective executive oversight of and strategic direction to the Group’s risk management and compliance & ethics programmes.

For more information see page 85

DISCLOSURE COMMITTEE

Supports the Company’s Board of Directors and Audit Committee in reviewing and approving the final form of quarterly and annual statements relating to the performance of the Group.

For more information see page 85

OTHER EXAMPLES OF MANAGEMENT COMMITTEES:

- Product Committee
- Health and Safety Committee
- Financial Risk and Assurance Committee (FRAAC)
- Financial Risk Committee (FRC)

THE KEY MATTERS CONSIDERED BY THE COMPANY’S BOARD OF DIRECTORS DURING FY24/25 INCLUDED:

TOPIC / ACTIVITY	ACTIONS	PROGRESS
STRATEGY		
Review of the business and operating model	Explored the changing automotive, luxury, business and political landscape to evolve our Strategy, Business Model, Operating Model & Investment priorities. Continuously reviewed the Group's performance against its competitors. in the automotive, mobility and luxury arenas.	The Group maintains a dynamic, global 'signal model' of future opportunities and risks across PESTLE factors and uses this to identify growth opportunities, drive business resilience, and inform strategic investment decisions. We have adopted an on-going scenario planning approach to geopolitical, macro economic and climate change risk, informing enterprise risk management & risk mitigation across the business. We have also run an enterprise-wide project to redefine our operating model across leadership and culture, management system, organisation design, people and capabilities, process excellence and digital and data. This project is intended to redefine how the Group is structured in light of new strategic objectives. The Group also recruited and invested in leadership and capability at the executive team level in Strategy, Transformation and Sustainability, with the appointment of Swarna Ramanathan as Chief Strategy Officer, John Beswick as Chief Transformation and Performance Officer and Andrea Debbane as Chief Sustainability Officer.
Monitoring opportunities for future revenue streams	Supported continued investment in high return, high margin activities to promote sustainable business growth over the long term. in line with the <i>Reimagine Strategy</i>.	We announced the launch of our waiting list for our first reimagined luxury electric vehicle, Range Rover Electric. We advanced our electric vehicle preparations and continued to expand our SV bespoke paint facilities to meet the growing demand for personalised luxury vehicles. In addition, innovations such as the launch of the powerful Defender OCTA, new Range Rover SV models, rigorous testing of the Range Rover Electric, and sustainable initiatives like FSC®-certified tyres and closed-loop recycling of seat foam present significant opportunities for future revenue streams. The Group's venture capital business, InMotion Ventures, continues to invest in and incubate start-ups, new ventures and successful small businesses.
Discussion of the Group's capital structure and financial strategy	Considered and approved the Group's debt funding arrangements. Reviewed a number of opportunities in the fiscal year.	The Group achieved its net cash positive target in the fourth quarter of FY24/25. We refinanced our undrawn unsecured revolving credit facility in October 2024 for £1.66 billion, with £0.62 billion maturing in October 2027 and £1.04 billion maturing in October 2029. Two loans for ¥1.5 billion each were issued in December 2024 with local banks in China, which will mature in December 2025. A four-year term loan of \$500 million was issued in January 2025, which increased to \$650 million in March 2025, due to a \$150 million accordion. We repaid a €500 million bond in November 2024, with a syndicated loan of \$798 million repaid in January 2025 and £198 million of amortising UKEF loans also repaid during the financial year.

RISK MANAGEMENT AND INTERNAL CONTROL

Review the Group's principal risks and the effectiveness of risk management and internal control systems.	Clearly articulated the Group's approach to risk and internal control. Reviewed and updated approach to identify and manage principal risks and potential weaknesses and deficiencies in the design or operation of the Group's internal controls. Continuing assessment of significant and emerging risks, including geopolitical uncertainty.	We have agreed Group-level risks and a robust set of mitigating activities, which are regularly monitored. We continued to develop the Group's approach to risk through the Risk & Compliance Committee, which aims to provide effective executive oversight of and strategic direction on JLR's risk management and compliance & ethics programmes, including the implementation and maintenance of effective controls. The Group has continued to consider movements in movements in key risks resulting from changes to likelihood or business impact.
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TOPIC / ACTIVITY	ACTIONS	PROGRESS
LEADERSHIP AND PEOPLE		
Review composition of the Company's Board of Directors and its committees	Discussed the composition of the Company's Board of Directors and its committees, including succession planning.	The Company's Board of Directors and its committees regularly assess their effectiveness in a number of areas. Please see pages 84 to 87 for more details.
Review the development of people and talent in the Group, including succession planning for senior roles	Ongoing commitment to maintain a balance of appropriate skills and experience among the Company's Board of Directors and in the workforce across the Group.	Due to the strength of succession planning built into the business, changes surrounding board positions has been appropriately addressed, with a number of changes having been made to the JLRL Board during the year, Please see pages 86 to 87 for more details.
GOVERNANCE, STAKEHOLDERS AND SHAREHOLDERS		
Review the Group's purpose, goal, vision and values	Considered sustainability, including the Group's impact on the community and the environment. Monitored and addressed regular Health and Safety updates.	We reviewed developments in corporate governance and considered key legal and regulatory updates. Our five year business plan was also reviewed and approved, alongside monitoring of corporate scorecards which are continuously assessed to ensure the Group's vision and goal to drive strategy and business initiatives is achieved.
Encourage strong engagement with investors and stakeholders	Actively supported engagement opportunities. Regularly reviewed and acted upon feedback from key stakeholders.	We continued ongoing discussions with shareholders at all levels of the business, and engaged with other stakeholders based on feedback received. We also dialogued regularly with our bond investors and relationship banks, including at our annual capital markets day where investors, banks and other credit providers had the opportunity to meet with our senior management. We also attended investor conferences throughout the year, providing the opportunity for Q&A sessions with investors. Further information relating to our existing and future relationships with shareholders, customers, suppliers and our communication and dialogue with our stakeholder groups is set out on page 75 and page 88.
FINANCIAL PERFORMANCE		
Assessment of the Group's financial performance	Evaluated the Group's performance against budget and forecast. Reviewed the quarterly and annual results and associated presentations to investors.	We reviewed and approved the latest five-year business plan for the Group and the Annual Report.

EFFECTIVENESS

THE COMPANY’S BOARD OF DIRECTORS

The Company’s Board of Directors will continue to consider the core areas described previously. Though not an exhaustive list, they will continue with particular focus on:

- Ongoing investment and support within production facilities to become an electric-first luxury car manufacturer by 2030;
- Partnering with key suppliers and leaders who are specialists in their fields to support transformation of our business to be sustainable;
- Development of our colleagues and the wider workplace by continuing to embed the Creators’ Code;
- Ongoing review and monitoring of external risk factors, considering their impact on the future of the Group in light of continuing market conditions.

INDUCTION, DEVELOPMENT AND SUPPORT

All new directors receive a full, formal and tailored induction upon joining the Company’s Board of Directors. The Company’s Board of Directors calendar is also planned to enable directors to visit the increasing number of JLR geographic locations. Directors are briefed on a wide range of topics throughout the year.

These topics range from those with particular relevance to the business of the Group, such as global automotive demand, to more general matters such as developments in corporate governance. We recognise that our directors have a range of experience and so we encourage them to attend external seminars and briefings that will assist them individually.

EVALUATION

The Company’s Board of Directors continuously assesses its effectiveness in the following areas:

- The flow and quality of information to and from the Company’s Board of Directors to ensure effective communication;
- Decision-making process and culture;
- The outcome and impact of decisions made by the Company’s Board of Directors.

The Company’s Board of Directors and committees also provide direct feedback to the JLRL board and its management committees during the year.

COMMITTEES SUPPORTING ACCOUNTABILITY

AUDIT COMMITTEE

Composition of the Audit Committee

Charles Nichols (Chairperson)
Pathamadaï Balaji
Hanne Sørensen
Al-Noor Ramji

Role of the Audit Committee

- Monitors the integrity of the financial statements, including the review of significant financial reporting issues and judgements alongside the findings of the external auditor;
- Oversees the relationship with the external auditor, external audit process, nature and scope of the external audit and the appointment, effectiveness, independence and fees of the external auditor;
- Monitors and reviews the effectiveness of Corporate Audit, ensuring coordination with the activities of the external auditor;

- Reviews the effectiveness of the Group’s systems for internal financial control, financial reporting and risk management.

MAIN ACTIVITIES OF THE AUDIT COMMITTEE DURING THE YEAR

Financial Reporting

During the year, the Audit Committee met with the external auditor and management as part of the FY24/25 annual and quarterly reporting approval process a total of four times. The Audit Committee reviewed the draft financial statements and considered a number of supporting papers to confirm the financial statements are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company’s performance, business model and strategy. This included reviewing information presented by management on significant accounting judgements to ensure all issues raised were properly dealt with; reviewing presentation and disclosure of material to ensure adequacy, clarity and completeness; reviewing the documentation prepared to support the going concern statement; and reviewing external audit reports. The key matters considered in the year included: capitalisation of product development assets, valuation of defined benefit plan obligations and changes in warranty costs.

Internal Controls

The Audit Committee reviewed the effectiveness of risk management systems and internal control over financial reporting within the Group. The reviews also considered any potential major deficiencies in the design or operation of the Group’s internal control over financial reporting, which are reasonably likely to adversely affect the Group’s ability to record, process and report financial data, including that of systems controls. During the year the Audit Committee received presentations and reports from the external auditor, Business Assurance and Corporate Audit with respect to these matters, to enable them to identify any relevant control weaknesses and report to the Company’s Board of Directors, including in relation to any matters that were being remediated.

Corporate Audit

During the year, the Audit Committee considered the effectiveness of the Corporate Audit function, including annual review of the Corporate Audit charter, Audit Plan and resourcing, as well as audits performed during the year. Periodically Corporate Audit will undertake an External Quality Assessment.

External Audit

The Company’s External Auditor is KPMG LLP (KPMG). The Audit Committee reviewed the significant audit issues affecting the Group with KPMG and how they have been addressed in the financial statements. The Audit Committee also evaluated KPMG by reviewing the firm’s independence, its internal quality control procedures and any material issues raised by the most recent quality control or peer review of audit firms.

To help safeguard KPMG’s objectivity, independence and effectiveness, the Group has a non-audit services policy which sets out the circumstances and financial limits within which the external auditor may be permitted to provide certain non-audit services. This policy sets a presumption that KPMG should only be engaged for non-audit services where there is an obvious and compelling reason to do so (for example skills and experience or ability to provide specific non-audit assurances or auditor certificates to meet local requirements) and provided such work does not impair their independence or objectivity and has no impact on the audited financial statements. It prohibits KPMG from providing certain services, including legal, valuation, actuarial and internal audit. The Audit Committee reviews the nature and level of all non-audit services before they are approved and subsequently performed, to satisfy itself that such services will not impact KPMG’s independence. Non-audit fees paid to KPMG in the year totalled £0.8 million (2024: £0.5 million), representing nine per cent of the total fees paid for audit and audit related assurance services.

KPMG have now completed their eighth year as external auditor of the Group. The Indian Companies Act, 2013, which governs the Company’s indirect and listed parent company, Tata Motors Limited, mandates that all listed companies must rotate their auditors once the auditor has served for a period of 10 or more consecutive years. As a result, the Group is required to conduct an external audit tender to appoint a new auditor by no later than the end of FY26/27.

Following conclusion of a competitive audit tender process led by the Company’s Audit Committee, the Company’s Board of Directors have approved the appointment of Deloitte LLP as the Company’s auditor for the financial period beginning 1 April 2027, subject to shareholder approval at the FY28 Annual General Meeting of the Company.

DISCLOSURE COMMITTEE

Composition of the Disclosure Committee
Chief Financial Officer and his direct reports.

Role of the Disclosure Committee

- To review and update the terms of reference of the Disclosure Committee;
- To review the audit and control findings from the external auditor;
- To review areas of key management judgement and significant transactions, including their presentation and disclosure in both the quarterly and annual financial statements;
- To review new disclosures in both the quarterly and annual financial statements for appropriateness;
- To consider the impact of new accounting standards on the Group.

RISK AND COMPLIANCE COMMITTEE

Composition of the Risk & Compliance Committee
Chief Transformation and Performance Officer (Chairperson)
Executive Board Directors of JLRL
Global General Counsel
Chief of Staff
Chief Strategy Officer
Chief Sustainability Officer
Director of Compliance, Ethics & Risk

Role of the Risk and Compliance Committee
The Committee was established during FY23/24 to provide effective executive oversight of and strategic direction on JLR’s risk management and compliance and ethics programmes, including the implementation and maintenance of effective controls. During FY24/25 the Committee was expanded to include the Chief Transformation and Performance Officer, Chief Strategy Officer and Chief Sustainability Officer.

The following are the key focus areas for the Committee in undertaking its role:

- Resilience and Enterprise Risk Management
- Compliance and Ethics
- Trends in Unusual Events, Incidents, Breaches and their Resolution
- Physical and Cyber Security
- Strategic Incident Management and Business Continuity Planning

TECHNOLOGY COMMITTEE

Composition of the Technology Committee
Al-Noor Ramji (Chairperson)
Hanne Sørensen

Role of the Technology Committee

- Review Cycle Programs and Investment for overall PLC Program Approval – overall platform strategy to deliver curated products for the different brands;
- Review Future Technology Roadmap – overall research and service roadmap review;
- Review Enterprise Delivery Enablers – consideration of digital transformation in alignment with agile operating model;
- Assess Global Technology Footprint – technological approach for the Group.

ACCOUNTABILITY

WATES PRINCIPLE 4 - OPPORTUNITY AND RISK

In addition to the matters referred to throughout this report on risk management, please also refer to pages 26 and 27 for details of the Group's operating environment, pages 70 to 73 for a list of all emerging and principal risks, including assessment and categorisation of principal risks and actions to mitigate, and pages 82 to 83 which contains the key matters considered by the Group during FY25.

WATES PRINCIPLE 5 - REMUNERATION

In accordance with Wates Principle 5, the Nominations and Remuneration Committee and the Company's Board of Directors ensures that appropriate senior management is recruited to deliver on the Group's objectives. The Nominations and Remuneration Committee has clearly defined Terms of Reference and is responsible for remuneration strategy, recruitment and long-term incentive plans for senior executives.

NOMINATIONS AND REMUNERATION COMMITTEE

Composition of the Nominations and Remuneration Committee

Hanne Sørensen, (Chairperson)
Natarajan Chandrasekaran

In addition to the Committee members, the Chief Executive Officer is invited to attend meetings, except where there is a conflict of interest. The Nominations and Remuneration Committee is supported by the Chief People Officer and the Director, Global Reward & Mobility.

Role of the Nominations and Remuneration Committee

The Nominations and Remuneration Committee is responsible for the structure, appointments, removals, succession, performance and compensation of the Company's Board of Directors and the JLRL Board. The Committee's involvement in all aspects of nominations and remuneration ensures that all decisions in terms of Board appointments are made in a fair, equal and balanced way.

In August 2024, Francois Dossa, Executive Director, Strategy and Sustainability, resigned from the JLRL Board to take up a position with Tata Consultancy Services. In January 2025, Barbara Bergmeier, Executive Director, Industrial Operations, announced her resignation from the JLRL Board. Barbara took up a new role as Strategic Supplier Development Advisor for JLR effective 1 February 2025.

Following Barbara's change of role, Nigel Blenkinsop, previously Executive Director, Enterprise Performance and Quality, was appointed to the role of Executive Director, Industrial Operations effective 1 February 2025.

During this financial year the Committee further strengthened the JLRL Board by confirming the appointments of Steve Marsh as Executive Director, Vehicle Programmes effective 21 October 2024 and Russ Leslie as Executive Director, Enterprise Quality and Customer Satisfaction effective 1 February 2025.

Remuneration Policy

The remuneration policy is designed to attract, retain and motivate executives of the highest quality, encouraging them to deliver exceptional business performance aligned to JLR's strategy and the objective of delivering long-term sustainable growth. Its structure and individual remuneration elements align with the design of the Company's remuneration policy for the wider organisation. Any decisions the

Nominations and Remuneration Committee makes in relation to executive remuneration will be made with clear understanding of the developments to pay and conditions for the wider workforce.

Executive remuneration consists of:

Fixed elements:

- Salary. Designed to recruit and retain individuals with the necessary knowledge, skills and experience to deliver the Group's strategic objectives. Salary is reviewed annually and benchmarked against comparable roles in appropriate comparator groups.
- Retirement benefits. The Group has a number of defined benefit pension schemes that are closed to new employees as well as an active defined contribution scheme. All except one of the current Executives have elected to receive a cash allowance in lieu of retirement benefits. The cash allowance is at the same level as the equivalent defined contribution provision.
- Other benefits. Executives are eligible to participate in the Group's management car programme, medical arrangements, and life insurance and disability plans.

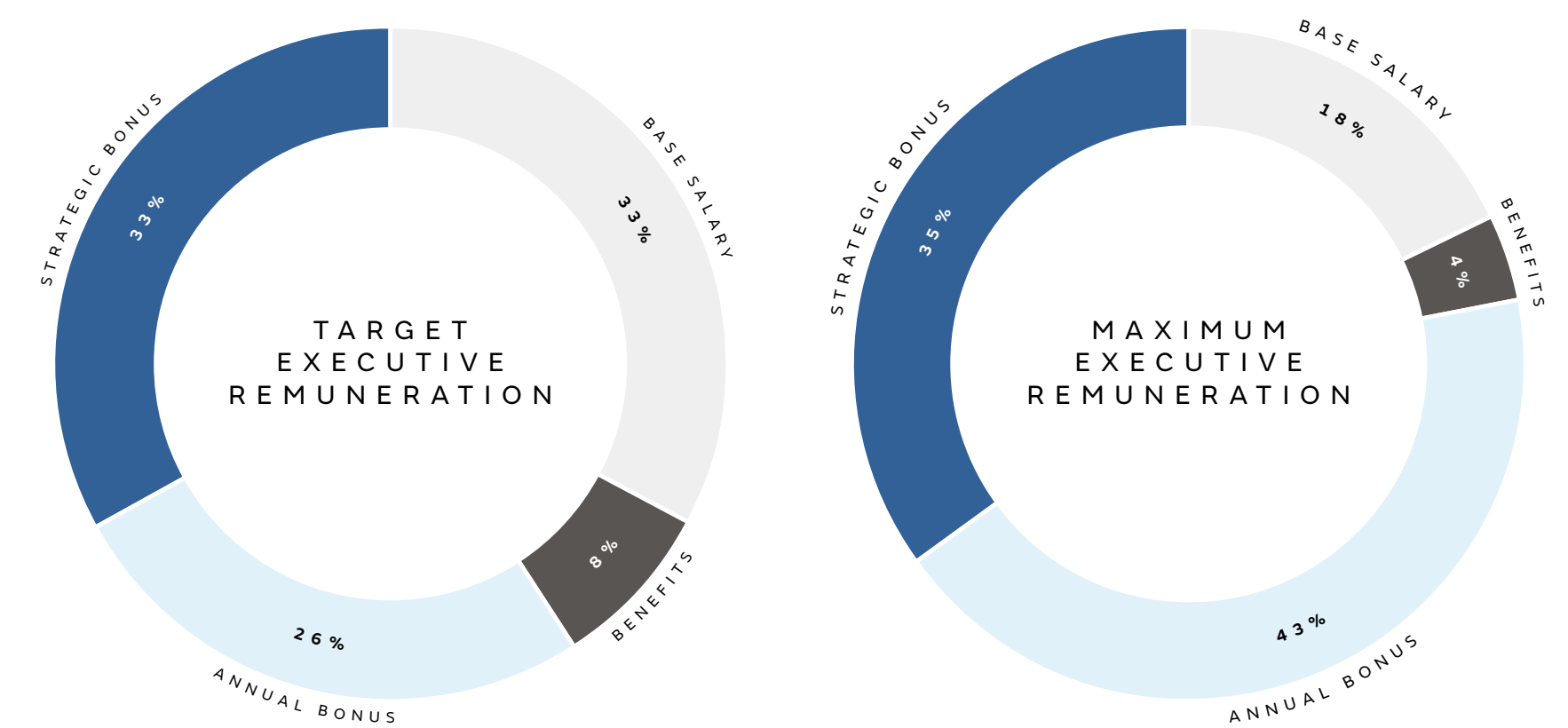
Performance-related elements:

- The Global Bonus Plan is an annual bonus plan which focusses on the Company's key operational priorities. It rewards the achievement of short-term financial and operational objectives. Each of the metrics has an equal weighting.
- The Strategic Bonus Plan, open to JLR's senior worldwide leadership, is an annual bonus plan which rewards the progress and transformation necessary to achieve the Company's strategic targets. The metrics are set annually against a longer-term glidepath which ensures that they can be adjusted to evolving priorities and external conditions whilst also providing good governance and accountability for long-term improvements. The plan metrics for FY25 continue to focus on Financial Health, Brand Health and Sustainability and reward the collaborative effort and steps senior leadership make towards implementing the *Reimagine* strategy and delivering results.
- During FY25, a new Long Term Incentive Plan (LTIP) was introduced which will replace the Strategic Bonus Plan after a transition period. Like the Strategic Bonus Plan, the LTIP is open to JLR's senior worldwide leadership. The LTIP is a cash settled phantom share scheme, based on Tata Motors shares, with a three-year vesting period. It will reward for achieving outstanding business results and sustained growth in JLR's enterprise value. First awards under the new plan were made in 2024 and the plan metrics for the 2024 grant, which will vest and pay in 2027, focus on Financial Health, Brand Health, Product Delivery and Sustainability.

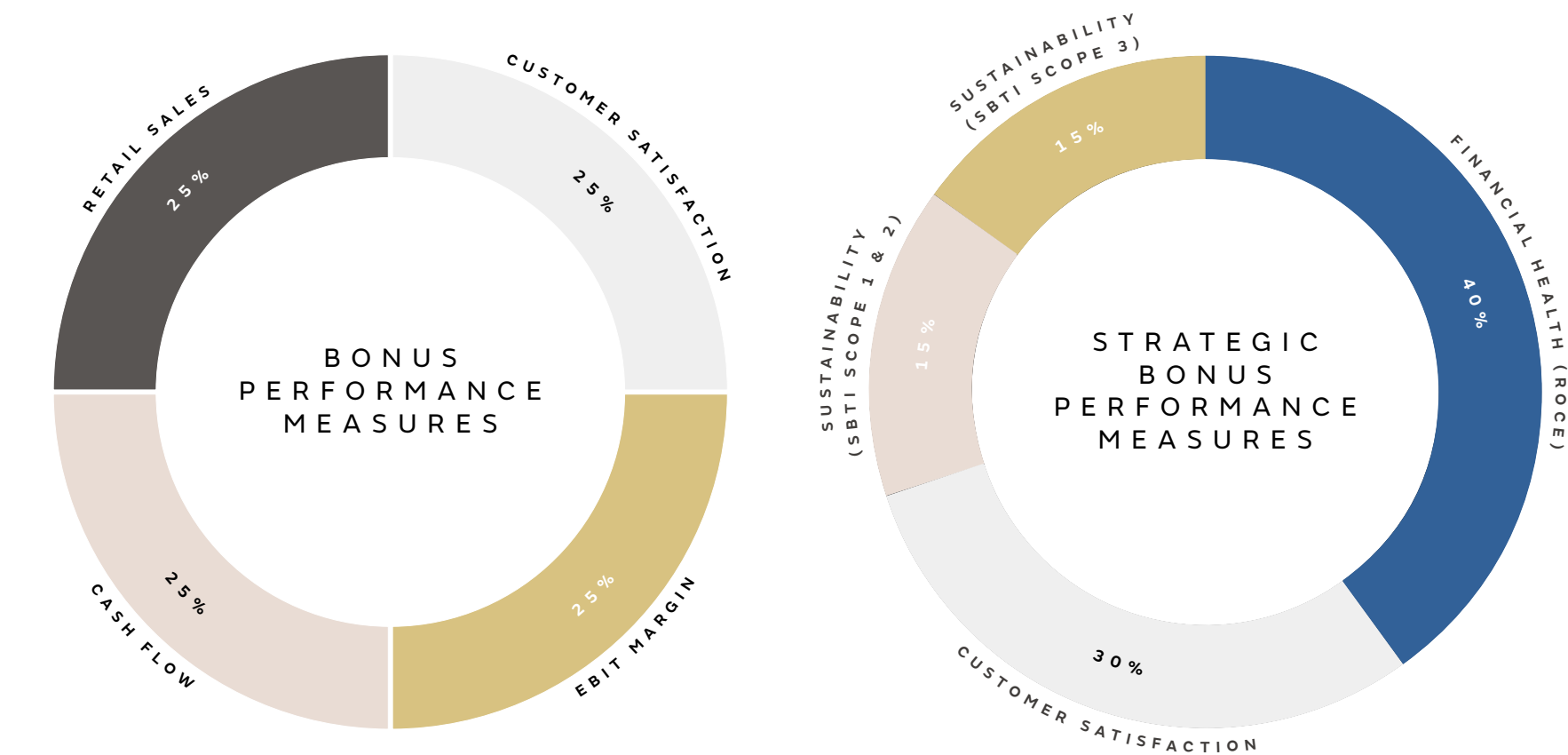
JLR's CO₂e reduction targets by 2030, approved by the Science Based Targets initiative (SBTi), is reflected in the FY25 Strategic Bonus plan and LTIP. This year's bonus plan continues to reward for performance against scope 1+2 and scope 3 SBTi targets. The inclusion of these targets underlines the importance sustainability has in the Company's future strategy.

EXECUTIVE REMUNERATION FY25

There is linkage between JLR business strategy and the performance related elements of remuneration.



The overall objective is to deliver executive pay in line with a market median range for target performance, with enhanced reward opportunity to reflect exceptional business performance. Overall remuneration is balanced, with the majority linked to business performance.



WATES PRINCIPLE 6 – STAKEHOLDER RELATIONSHIPS AND ENGAGEMENT

The Company’s Board of Directors continues to promote accountability and transparency with all stakeholders and shareholders and effectively communicates the Group’s strategic direction. Brand and reputation including existing and future relationships with shareholders, clients, suppliers, employment interaction and communication with clients and suppliers are set out on page 75. Maintaining strong relationships with shareholder and bond investors is crucial to achieving the Group’s aims.

INVESTOR RELATIONS ENGAGEMENT

SOLE SHAREHOLDER

The Company (and its subsidiaries) is a wholly owned subsidiary of TML (held through Tata Motors Limited Holdings Pte. Ltd. (Singapore)). Although we operate on a stand-alone, arm's length basis, we maintain an open and collaborative strategic relationship with TML and plan to increase our collaboration in numerous areas going forward.

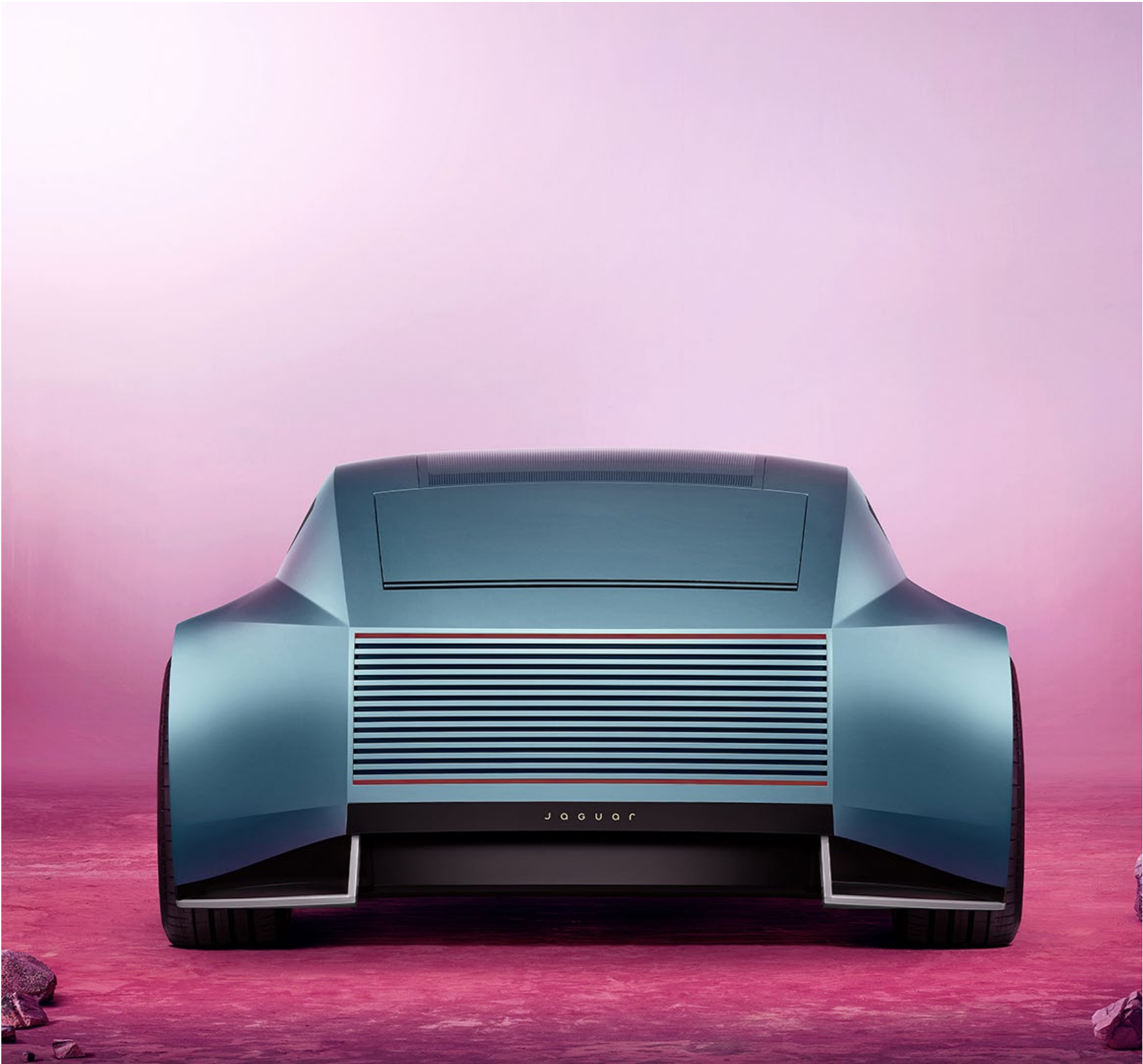
BOND INVESTORS, LOAN AND OTHER CREDIT PROVIDERS

As at 31 March 2025, we had approximately £2.7 billion of listed unsecured bonds outstanding (31 March 2024: £3.1 billion) and £1.0 billion of loans (31 March 2024: £1.0 billion). The Company also had £0.7 billion of leases at 31 March 2025 (£0.7 billion at 31 March 2024). We maintain regular

dialogue with our bond investors and relationship banks (some of whom provide support for loans and other credit facilities) through the quarterly publication of operational and financial results on the Group's website supported by live broadcasts. The investor relations team also attends various credit conferences held throughout the year and our annual capital markets day where investors, banks and other credit providers have the opportunity to meet with JLR senior management in person to discuss the Company's strategy and aspirations.

CREDIT RATING AGENCIES

As at 31 March 2025, Jaguar Land Rover Automotive plc had a credit rating of BBB- from S&P and Ba2 from Moody's, both with a positive outlook.



OUR APPROACH TO TAX

INTRODUCTION

We are committed to complying with the tax laws and regulations in the countries in which we operate and have a policy of zero tolerance towards non-compliance. We embrace our Creators' Code in all that we do to curate and enhance our luxury client experience and brand reputation as a responsible taxpayer. JLR is a global business and as such our operations are large and complex. As a result, we operate through multiple companies, with activities, colleagues and assets located in numerous countries around the world. This, in turn, naturally drives an inherent level of complexity in our tax affairs. The global business is however united in adopting the following key tax principles which are aligned with our business behaviours.

OUR KEY TAX PRINCIPLES

The following core principles have been formally adopted by the Company's Board of Directors in relation to our approach to tax matters and the conduct of our tax affairs.

1. Compliance - We act with integrity, both within the letter and spirit of all tax legislation and relevant international standards. We have a zero tolerance to tax evasion, including the evasion of tax by third parties associated with our business. We ensure that the right amount of tax is paid at the right time in the right country. As a commercially driven organisation, we consider the tax consequences of our decisions, but we do not engage in transactions without commercial substance with the sole purpose of avoiding tax. In making business decisions we seek to maximise value to our stakeholders. Tax decisions are driven by core values of integrity, unity and responsibility and planning is driven by commercial rationale.
2. International tax – We embrace business unity to ensure that our international tax affairs are aligned and kept current with the substance of our business operations in keeping with international tax guidance. We do not engage in any form of artificial tax structuring and we do not operate in or use any offshore tax havens. All JLR subsidiaries are located in countries where the business has significant physical and economic operations. We claim reliefs, credits, incentives and exemptions that are legislated in the countries in which we operate and have a genuine presence.
3. Relationships with governments and tax authorities and industry associations where we operate - We seek to maintain trusting, transparent and constructive relationships with tax authorities, including HMRC in the UK, and to engage in future tax policy and legislation to create shared value.
4. People – We invest in our people, their continued learning and growth to deliver on these commitments. Regular updates are provided on recent tax related developments through training and focused sessions.

OUR APPROACH TO TAX RISK

We maintain a limited appetite for tax risk and continuously strive to limit tax risks in line with the principles outlined above.

A risk assessment model is applied to assess any significant transaction to ensure that these principles are adhered to.

Our business is global and we operate in numerous countries, each of which has its own tax legislation. Tax law is often complex and subject to change and interpretation. Recent international tax developments further add to this complexity. Therefore, a degree of tax uncertainty is inevitable. We partner with the business to provide appropriate and current tax advice on the implications of business decisions.

Where local legislation permits, we may seek advance agreement from the relevant tax authority, including advance pricing agreements to ensure that we do not pay tax on the same profits twice. In the event of any audit activity or scrutiny, we seek to engage with the relevant tax authorities to provide all relevant information in a transparent and timely manner to resolve any matters efficiently and effectively.

MANAGING OUR TAX RISK AND OUR GOVERNANCE FRAMEWORK

Our tax strategy is approved by the Company's Board of Directors annually and tax risks are reported quarterly to the Financial Risk and Assurance Committee. Appropriate accounting and financial oversight is exercised through the Audit Committee with the Chief Financial Officer having oversight responsibility on behalf of the Company's Board of Directors.

We maintain a robust risk framework to ensure adherence to these principles. We achieve this through internal reviews, refreshing our policies periodically and seeking external advice wherever required in case of interpretational issue or uncertainty. Our key tax principles are embedded in roles and responsibilities outlined in our tax charter which is issued annually across the global business.

Responsibility for the day-to-day management of JLR's tax affairs rests with our central Tax function, comprising an appropriate blend of tax professionals led by the JLR Tax Director. In addition to the central Tax function, the business also has dedicated tax professionals embedded within the finance teams of key non-UK subsidiaries. All have the necessary qualifications, training, skills and experience required to effectively undertake their roles and ensure that our compliance standards are met. The Tax function also advises the Company's Board of Directors in relation to setting Group tax strategy and policy.

Where appropriate, we look to implement technology-based solutions to track compliance, streamline processes, drive efficiency and manage risk including reviews and escalation where necessary.

The Company regards this document and its publication as complying with its duty under Para 19(2), Sch 19, FA16.

APPROVAL OF STRATEGIC REPORT

The Strategic Report on pages 9 to 89 was approved by the Company's Board of Directors and authorised for issue on 20 May 2025 and signed on its behalf by:



ADRIAN MARDELL
CHIEF EXECUTIVE OFFICER
Jaguar Land Rover Automotive plc
20 May 2025

DIRECTORS'
REPORT

DIRECTORS' REPORT

The directors present their report and the audited consolidated financial statements of the Group for the year ended 31 March 2025. Jaguar Land Rover Automotive plc is a public limited company incorporated under the laws of England and Wales. The business address of the directors and senior management of the Group is Banbury Road, Gaydon, CV35 0RR, England, United Kingdom.

Certain matters required to be included in this Directors' Report are included in the Strategic Report on pages 9 to 89, including how the Directors have had regard to the need to foster the Company's business relationships with suppliers (pages 57 to 59), customers (page 75) and others.

FUTURE DEVELOPMENTS

Future developments impacting the Group are disclosed in the Strategic report from pages 9 to 89.

DIVIDENDS

No dividends were paid during the year ended 31 March 2024. (For the year ended 31 March 2023 and 2022: £nil).

In May 2024, the Company paid an ordinary dividend of £387 million to its immediate parent company TML Holdings Pte. Ltd. (Singapore). (For the year ended 31 March 2023: £nil).

In May 2025, the Company paid an ordinary dividend of £448 million to its immediate parent company TML Holdings Pte. Ltd. (Singapore). (For the year ended 31 March 2024: £387 million).

DIRECTORS

Directors currently serving on the Company's Board of Directors are set out on page 79.

DIRECTORS' INDEMNITIES

The Group has made qualifying third-party indemnity provisions for the benefit of its directors during the year; these remain in force at the date of this report.

MATERIAL INTERESTS IN SHARES

The Company is a wholly owned subsidiary of Tata Motors Limited, held through TML Holdings Pte. Ltd. (Singapore).

SHARE CAPITAL

See note 32 to the consolidated financial statements on page 142 for further details.

CORPORATE GOVERNANCE STATEMENT

The Corporate Governance Statement is set out on pages 69 to 89 and is incorporated by reference into this report.

BRANCHES

The Group has 9 branches that exist and operate outside of the UK, based in China and the United Arab Emirates.

RESEARCH AND DEVELOPMENT

The Group is committed to an ongoing programme of expenditure on research and development activities as disclosed in note 12 to the consolidated financial statements on page 122.

FINANCIAL INSTRUMENTS

The disclosures required in relation to the use of financial instruments by the Group, together with details of the Group's and Company's treasury policy and management, are set out in note 38 to the consolidated financial statements on pages 151 - 162 and in note 54 on pages 170 to 172 of the parent company financial statements.

COLLEAGUE INFORMATION

The average number of colleagues within the Group is disclosed in note 7 to the consolidated financial statements on page 121. Apart from determining that an individual has the ability to carry out a particular role, the Group does not discriminate in any way. It endeavours to retain colleagues if they become disabled, making reasonable adjustments to their role and, if necessary, looking for redeployment opportunities within the Group. The Group also ensures that training, career development and promotion opportunities are available to all colleagues irrespective of gender, race, age or disability.

COLLEAGUE INVOLVEMENT

We are committed to creating a workplace where every colleague feels respected and valued and we want our workplace to reflect our society and the clients we serve, because it delivers better outcomes and business performance. Details of how the Group involves its colleagues are contained in the Strategic Report on pages 9 to 89, which are incorporated by reference into this report. Please see pages 10 to 14 (Culture Transformation), page 25 (People), page 55 (Human Capital Development), and pages 75 to 76 (Section 172 Statement) for further information.

POLITICAL INVOLVEMENT AND CONTRIBUTIONS

The Group respects an employee's right to use their own time and resources to participate as individual citizens in political and governmental activities of their choice. The Group itself operates under legal limitations on its ability to engage in political activities and, even where there are no legal restrictions, the Group does not typically make contributions to political candidates or political parties, or permit campaigning on its property by political candidates (including those who work for the Group) or persons working on their behalf. There have not been any political donations in any of the periods covered by these financial statements.

GOING CONCERN

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic report. The financial position of the Group, including details of the Group's liquidity, available financing facilities and the maturity of facilities is described in note 28 to the consolidated financial statements.

In addition, note 38 to the consolidated financial statements includes the Group's objectives, policies and processes for managing its exposures to interest rate risk, foreign currency risk, credit risk and liquidity risk; and gives details of the Group's financial instruments and hedging activities.

The Group has assessed its projected cash flows for the 12-month period from the date of authorisation of the financial statements (the 'going concern assessment period') and has carried out a reverse stress test against this base case to determine the performance level that would result in a breach of covenants.

Within the going concern assessment period there is a £1 billion minimum quarter-end liquidity covenant attached to the Group's UKEF loans and RCF facility. Details of the scenarios and assumptions used in the assessment as at 31 March 2025 are set out in note 2 to the consolidated financial statements on page 111.

The Group forecasts sufficient funds to meet its liabilities as they fall due throughout the going concern assessment period, without breaching any relevant covenants nor the need for any mitigating actions, new funding, or drawing on its RCF facility and considers the stress test scenario so remote as to not be plausible. Consequently, the directors consider that adequate resources exist for the Group and parent company to continue operating for the going concern assessment period. Accordingly, the directors continue to adopt the going concern basis in preparing these consolidated and parent company financial statements.

EVENTS AFTER THE BALANCE SHEET DATE

In May 2025, the Company proposed and paid an ordinary dividend of £448 million to its immediate parent company TML Holdings Pte. Ltd. (Singapore).

CODE OF CONDUCT

Directors, colleagues and others working for and on behalf of the Group are required to comply with the JLR Code of Conduct, which is intended to help them put the Group's ethical principles into practice. The Code of Conduct clarifies the basic principles and standards they are required to follow and the behaviour expected of them. The Code of Conduct can be found at www.jaguarlandrover.com.

Colleagues, contract staff, third parties with whom the Group has a business relationship (such as retailers, suppliers and agents), and any member of the public may raise ethical and compliance concerns to the Group's global helpline or via www.jlrspeakup.ethicspoint.com. See page 60 for further details.

SLAVERY AND HUMAN TRAFFICKING STATEMENT

Pursuant to section 54 of the Modern Slavery Act 2015, the Group has published a slavery and human trafficking statement for the year ended 31 March 2025. The statement sets out the steps that the Group has taken to address the risk of slavery and human trafficking occurring within its own operations and its supply chains. This statement can be found on the corporate website at www.jaguarlandrover.com.

WHISTLEBLOWING POLICY

The Group's whistleblowing policy encourages colleagues to report, in confidence and anonymously if preferred, concerns about suspected impropriety or wrongdoing in any matters affecting the business.

An independent hotline exists to facilitate this process. Any matters reported are thoroughly investigated and escalated to the Unusual Events Committee.

GLOBAL DIVERSITY, EQUITY AND INCLUSION POLICY

Diversity, Equity and Inclusion continues to form a core part of the Group's global business strategy. The diverse perspectives of our colleagues form the foundation of a strong and dynamic company. See pages 53 to 54 for further details.

GREENHOUSE GAS EMISSIONS

The Group is committed to reducing greenhouse gas emissions and continues to invest heavily in this activity. See pages 37 to 45 for further details.

The Directors' Report on pages 91 to 92 was approved by the Jaguar Land Rover Automotive plc Board and authorised for issue on 20 May 2025 and signed on its behalf by:



ADRIAN MARDELL
CHIEF EXECUTIVE OFFICER
Jaguar Land Rover Automotive plc
20 May 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent Company financial statements for each financial year. The Group and parent Company financial statements have been prepared in accordance with UK-adopted international accounting standards and applicable law.

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 parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report and a Directors' Report that complies with that law and those regulations.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure Of Information To Auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditor is unaware, and each director has taken all the steps that they ought to have taken as director to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Auditor

A resolution to reappoint KPMG LLP as auditor of the Group is to be proposed at the 2025 Tata Motors Limited Annual General Meeting.

Acknowledgement

The directors wish to convey their appreciation to all employees for their continued commitment, effort and contribution in supporting the delivery of the Group's performance. The directors would also like to extend their thanks to all other key stakeholders for their continued support of the Group and their confidence in its management.

The Annual Report contains a number of links that signpost to complimentary information. This complimentary information does not form part of the Annual Report.

The Annual Report on pages 1 to 174, consisting of the Strategic Report, the Directors Report, and the Financial Statements, was approved by the Jaguar Land Rover Automotive plc Board and authorised for issue on 20 May 2025 and signed on its behalf by:



ADRIAN MARDELL

CHIEF EXECUTIVE OFFICER

Jaguar Land Rover Automotive plc

20 May 2025

INDEPENDENT AUDITOR'S
REPORT





1. OUR OPINION IS UNMODIFIED

We have audited the financial statements of Jaguar Land Rover Automotive plc (“the Company”) for the year ended 31 March 2025 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income and Expense, Consolidated Balance Sheet, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement, the parent Company Balance Sheet, the parent Company Statement of Changes in Equity, the parent Company Cash Flow Statement, and the related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Group’s and of the parent Company’s affairs as at 31st March 2025 and of the Group’s profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed other entities of public interest. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

OVERVIEW		
Materiality:		£135m (2024:£135m)
Group financial statements as a whole		0.5% (2024: 0.5%) of group revenue
Key audit matters		vs 2024
Recurring risks	New: Estimation of warranty provisions	▲
	Capitalisation of product engineering costs	▼
	Valuation of defined benefit plan obligations	◀▶
Parent Company key audit matter	Recoverability of Parent Company intra-group debtors	◀▶

2. KEY AUDIT MATTERS: OUR ASSESSMENT OF RISKS OF MATERIAL MISSTATEMENT

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows:

	The risk	Our response
Estimation of warranty provisions Warranty provision (£2,262 million; 2024: £1,865 million) Refer to page 84 (Audit Committee Report), note 2 (accounting policy) and note 30 (financial disclosures).	Subjective estimate The Group provides product warranties on new vehicle sales in respect of repairing manufacturing defects during the contractual warranty period, as well as recall campaigns, customer goodwill and the Group's other obligations under the warranty. The warranty provision calculation utilises historical actual claims data and recent data trends to estimate the nature, frequency and expected cost of claims for each vehicle line by model year. There is an inherent uncertainty that future events may not mirror past experience. The risk of material misstatement has increased due to increasing warranty spend in the year which has diverged from provision levels. There is an additional risk of fraud in relation to warranties in respect of campaigns as each individual campaign is influenced by distinct factors relevant to its specific context thus complicating costs predictions and increasing the potential for management bias. The effect of these matters is that, as part of our risk assessment, we determined that warranty provision has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possible many times that amount.	Our procedures included: ▪ Control operation: Tested controls operated by management over the key information used in the warranty provision calculation; ▪ Benchmarking assumptions: Challenged the key assumptions applied, including repair cost per vehicle and disbursement curve analysis, through analysis of historic data and sensitivity analysis. Performed a retrospective review by comparing approved cost per unit against actual cost per unit within the year; ▪ Methodology choice: Assessed and evaluated the Group's methodology of calculating warranty provision; ▪ Reperformance: With the assistance of our Data and Analytics team, we independently reperformed the warranty provision calculation following the Group's methodology, and compared it to the amount recognised by the Group; ▪ Our sector experience: Assessed the assumptions applied using our own knowledge of recent campaigns and product recalls in the industry based on independent research; and ▪ Assessing transparency: Considered the adequacy of the Group's disclosures in respect of the sensitivity of the provision to these assumptions.

	The risk	Our response
Capitalisation of product engineering costs (2025: £2,004 million; 2024: £1,541 million) Refer to page 84 (Audit Committee Report), note 2 (accounting policy) and note 12 (financial disclosures).	Accounting treatment The Group has historically capitalised a significant portion of its product development costs. A key judgment is involved in determining whether these costs meet the criteria for capitalisation. These include confirming the technical feasibility of developing the asset for use or for sale and ensuring that the costs capitalised are directly attributable. There is a risk that the Group may capitalise costs that do not meet these criteria. In addition, it is noted that there is a risk of fraud around the allocation of directly attributable expenditure to the correct project codes to ensure appropriate costs are being capitalised. In previous years, the risk included an assessment of whether the asset would generate future economic benefits. However, following an update to our risk assessment in the current year, taking into account the directors' forecasts and their expectations of improved prospects for the group, we consider the risk in this area to have reduced, and it therefore no longer forms part of the key audit matter.	Our procedures included: ▪ Control operation: Tested controls including in relation to the Directors' assessment as to whether product engineering costs are eligible for capitalisation; ▪ Personnel interviews: Corroborated judgements made by the Directors around the capitalisation of product engineering costs through discussions with project level staff; ▪ Our sector experience: Critically assessed the Directors' judgements regarding product engineering costs identified by the Directors as being eligible for capitalisation against both the accounting standards and our experience of practical application of these standards in other companies; ▪ Tests of details: For a sample of product engineering costs identified by the Directors as being eligible for capitalisation, agreed that their nature was consistent with the description of the account to which those costs were recorded, and the timing of recognition was appropriate. In addition, we inspected any reallocations from accounts ineligible for capitalisation to accounts that are eligible as capitalised project engineering costs, which we would consider to meet the criteria of a high risk journal, and obtained evidence to assess the appropriateness of the reallocation; and ▪ Assessing transparency: Assessed the adequacy of the Group's disclosures in respect of the key judgements made relating to the nature of the costs capitalised.

	The risk	Our response
Valuation of defined benefit plan obligations (£4,694 million; 2024: £5,104 million) Refer to page 84 (Audit Committee Report), note 2 (accounting policy) and note 35 (financial disclosures).	Subjective estimate Small changes in the assumptions applied in the valuation of the liabilities, being the discount rate, inflation rate and mortality/life expectancy used to value the Group's pension obligation (before deducting scheme assets) would have a significant effect on the Group's net pension surplus. The effect of these matters is that, as part of our risk assessment, we determined that the Group's pension obligation has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The financial statements (note 35) disclose the sensitivity estimated by the Group.	Our procedures included: ▪ Control operation: Tested controls operating over the assumptions applied in the valuation and inspected the Group's annual evaluation of the assumptions used by its actuarial expert. Tested the Group's controls operating over selection and monitoring of its actuarial expert for competence and objectivity. ▪ Benchmarking assumptions: Challenged, with the support of our own actuarial specialists, by comparison to externally derived data, the key assumptions applied, being the discount rate, inflation rate and mortality/life expectancy; ▪ Assessing actuaries' credentials: Evaluated the competency, capability and objectivity of the Group's external experts who assisted in determining the actuarial assumptions used to determine the defined benefit obligation; and ▪ Assessing transparency: Considered the adequacy of the Group's disclosures in respect of the sensitivity of the obligation to these assumptions.

2. KEY AUDIT MATTERS: OUR ASSESSMENT OF RISKS OF MATERIAL MISSTATEMENT (CONTINUED)

	The risk	Our response
Recoverability of Parent Company intra-group debtors (£4,674 million; 2024: £4,872 million)	Low risk, high value The carrying amount of the intra-group debtors balance represents 76% (2024:74%) of the parent Company's total assets. Their recoverability is not at a high risk of material misstatement or subject to significant judgement. However, due to their materiality in the context of the parent Company financial statements, this is considered to be the area that had the greatest effect on our overall parent Company audit.	We performed the tests below rather than seeking to rely on any of the parent Company's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included : ▪ Assessment of risk of default: For each intra-group debtor counterparty, evaluating the likely risk of default with reference to the parent Company's definition of default and forecasts of future profitability. ▪ Assessing subsidiary audits: Assess the work performed by the subsidiary audit teams on all of those subsidiaries and considered the results of that work on all of those subsidiaries' profits, net assets and the likely risk of default on the intra-group balance;

We continue to perform procedures over impairment of property, plant and equipment, intangible, and right-of-use non-current assets, recoverability of the parent company investment in subsidiaries and the recognition of UK deferred tax assets. However, following a further year of profitability and cash generation, we have not assessed either of these as one of the most significant risks in our current year audit and, therefore, they are not separately identified in our report this year.

3. OUR APPLICATION OF MATERIALITY AND AN OVERVIEW OF THE SCOPE OF OUR AUDIT

OUR APPLICATION OF MATERIALITY

Materiality for the Group financial statements as a whole was set at £135 million (2024: £135 million), determined with reference to a benchmark of Group revenue of £28,961 million (2024: £28,995 million), of which it represents 0.5% (2024: 0.5%). We consider total Group revenue to be the most appropriate benchmark because it provides a more stable measure year on year than Group profit before tax while the Group is implementing its ‘Reimagine’ strategy.

Materiality for the parent Company financial statements as a whole was set at £54 million (2024: £64 million), determined with reference to a benchmark of parent Company total assets of which it represents 0.85% (2024: 0.98%).

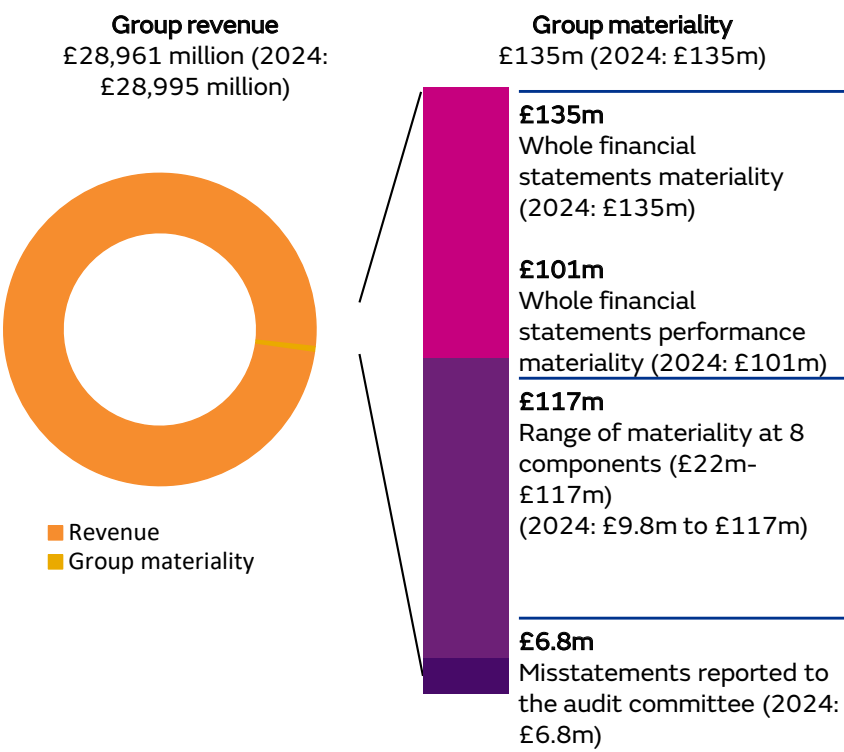
In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole. Performance materiality was set at 75% (2024: 75%) of materiality for the financial statements as a whole, which equates to £101 million (2024: £101 million) for the Group and £40 million (2024: £48 million) for the parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £6.8 million (2024: £6.8 million), in addition to other identified misstatements that warranted reporting on qualitative grounds.

OVERVIEW OF THE SCOPE OF OUR AUDIT

This year, we applied the revised group auditing standard in our audit of the consolidated financial statements. The revised standard changes how an auditor approaches the identification of components, and how the audit procedures are planned and executed across components.

In particular, the definition of a component has changed, shifting the focus from how the entity prepares financial information to how we, as the group auditor, plan to perform audit procedures to address group risks of material misstatement (“RMMs”). Similarly, the group auditor has an increased role in designing the audit procedures as well as making decisions on where these procedures are performed (centrally and/or at component level) and how these procedures are executed and supervised. As a result, we assess scoping and coverage in a different way and comparisons to prior period coverage figures are not meaningful. In this report we provide an indication of scope coverage on the new basis.



OVERVIEW OF THE SCOPE OF OUR AUDIT (CONT.)

We performed risk assessment procedures to determine which of the Group’s components are likely to include risks of material misstatement to the Group financial statements and which procedures to perform at these components to address those risks.

In total, we identified 54 components, having considered our evaluation of the Group’s operational structure, regulatory factors, the existence of common information systems, and our ability to perform audit procedures centrally.

Of those, we identified 3 quantitatively significant components which contained the largest percentages of either total revenue or total assets of the Group, for which we performed audit procedures. Additionally, having considered qualitative and quantitative factors, we selected 5 components with accounts contributing to the specific RMMs of the Group financial statements.

Accordingly, we performed audit procedures on 8 components, of which we involved component auditors in performing the audit work on 6 components. The 2 components directly audited by the group audit team make up a significant proportion of the Group’s balance sheet. Additionally, we have centrally audited the warranty provision which is present across multiple components. We also performed the audit of the parent Company. We set the component materialities, ranging from £22m to £117m, having regard to the mix of size and risk profile of the Group across the components.

OUR APPLICATION OF MATERIALITY AND AN OVERVIEW OF THE SCOPE OF OUR AUDIT (CONT.)

OVERVIEW OF THE SCOPE OF OUR AUDIT (CONT.)

Our audit procedures covered 85% of Group revenue.

We performed audit procedures in relation to components that accounted for 92% of Group total assets and 88% of Group profit before tax.

For the remaining components for which we performed no audit procedures, no component represented more than 3% of Group total revenue, Group total assets, or Group profit before tax. We performed analysis at an aggregated Group level to re-examine our assessment that there is not a reasonable possibility of a material misstatement in these components.

IMPACT OF CONTROLS ON OUR GROUP AUDIT

We were able to rely upon the Group's internal control over financial reporting in several areas of our audit, where our controls testing supported this approach, which enabled us to reduce the scope of our substantive audit work; in the other areas the scope of the audit work performed was fully substantive.

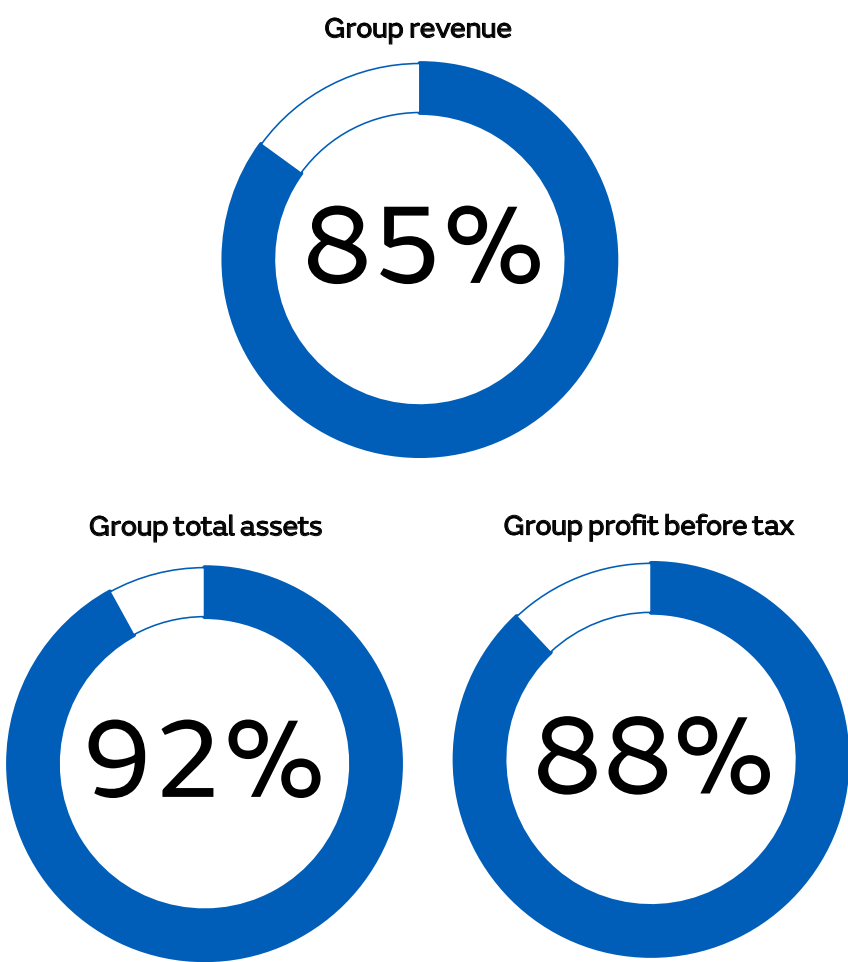
GROUP AUDITOR OVERSIGHT

As part of establishing the overall Group audit strategy and plan, we conducted risk assessment and planning discussion meetings with component auditors to discuss Group audit risks relevant to the components.

We visited component auditors in USA, China and France to assess the audit risks and strategy, which we perform on a rotational basis each year. Video and telephone conference meetings were also held with these component auditors and others that were not physically visited. At these visits and meetings, the results of the planning procedures and further audit procedures communicated to us were discussed in more detail, and any further work required by us was then performed by the component auditors.

We inspected the work performed by the component auditors for the purpose of the Group audit and evaluated the appropriateness of conclusions drawn from the audit evidence obtained and consistencies between communicated findings and work performed, with a particular focus on new vehicle revenue and procedures to address the risk of management override of controls

We performed audit procedures in relation to components that accounted for the following percentages of Group revenue, Group total assets and Group profit before tax:



4. GOING CONCERN

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Company's available financial resources and metrics relevant to debt covenants over this period were geopolitical risks affecting demand in certain markets or supply from those markets.

We considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by assessing the degree of downside assumption that, individually and collectively, could result in a liquidity issue, taking into account the Group's and Company's current and projected cash and facilities (a reverse stress test).

We critically assessed assumptions in the base case and downside scenarios relevant to liquidity and covenant metrics, in particular in relation to the impact of the risks noted above on wholesale volumes by comparing to third-party volume forecasts and overlaying knowledge of the entity's plans based on approved budgets and our knowledge of the entity and the sector in which it operates.

We considered whether the going concern disclosure in note 2 to the financial statements gives a full and accurate description of the directors' assessment of going concern, including the identified risks, dependencies, and related sensitivities. We assessed the completeness of the going concern disclosure.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Company's ability to continue as a going concern for the going concern period; and
- we found the going concern disclosure in note 2 to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

5. FRAUD AND BREACHES OF LAWS AND REGULATIONS – ABILITY TO DETECT

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

Our risk assessment procedures included:

- Enquiring of Directors, the audit committee, internal audit and certain senior managers as to the Group’s high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group’s channel for “whistleblowing”, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and audit committee minutes.
- Considering remuneration incentive schemes and performance targets for management and Directors.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

This included communication from the Group auditor to component auditors of relevant fraud risks identified at the Group level and requesting component auditors perform procedures at the component level to report to the Group auditor any identified fraud risk factors or identified or suspected instances of fraud.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular: the risk that Group and component management may be in a position to make inappropriate accounting entries; the risk of bias in accounting estimates and judgements; and the risk that new vehicle revenue is overstated through recording revenues in the incorrect period.

We also identified fraud risks related to inappropriate capitalisation of development costs and inappropriate assumptions in relation to the warranty provision estimate, in response to possible pressures to meet profit targets. Further detail in respect of these matters is set out in the key audit matter disclosures in section 2 of this report.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Group-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries to test for all relevant full scope components based on risk criteria tailored for the risks at each component and comparing the identified entries to supporting documentation. Examples of the criteria applied include those posted by senior finance management, those posted and approved by the same user, those posted to unusual accounts specific to revenue and the warranty provision, and those in relation to inappropriate capitalisation as discussed in the key audit matter disclosure in section 2 of this report.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Assessing when revenue was recognised, particularly focusing on revenue recognised in the days before the year end date, and whether it was recognised in the correct year.

Work on the fraud risks was performed by a combination of component auditors and the group audit team.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Directors and other management (as required by auditing standards), and from inspection of the Group’s regulatory and legal correspondence and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the Group audit team to component audit teams of relevant laws and regulations identified at the Group level, and a request for component auditors to report to the group team any instances of non-compliance with laws and regulations that could give rise to a material misstatement at the Group level.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation, and pension legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: product compliance, environmental, health and safety, data protection laws, bribery and corruption, employment law, competition laws and export controls.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

6. WE HAVE NOTHING TO REPORT ON THE OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

7. WE HAVE NOTHING TO REPORT ON THE OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

8. RESPECTIVE RESPONSIBILITIES

Directors' responsibilities

As explained more fully in their statement set out on page 93, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

9. THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Craig Parkin (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

20 May 2025

FINANCIAL
STATEMENTS



FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

Year ended 31 March (£ millions)	Note	2025	2024	2023
Revenue	5	28,961	28,995	22,809
Material and other cost of sales*	4, 6	(16,865)	(16,964)	(14,008)
Employee costs*	4, 7	(3,417)	(3,064)	(2,524)
Other expenses*	4, 11	(6,616)	(6,026)	(4,777)
Exceptional items	4	(15)	-	161
Other income	10	368	342	349
Engineering costs capitalised	12	1,792	1,453	727
Depreciation and amortisation	15	(1,677)	(2,175)	(2,107)
Foreign exchange gain/(loss) and fair value adjustments	13	97	(114)	(108)
Finance income	14	136	164	67
Finance expense (net)	14	(287)	(469)	(507)
Share of (loss)/profit of equity accounted investments	17	(3)	23	15
Profit before tax		2,474	2,165	97
Income tax excluding impact of deferred tax asset recognition		(698)	(616)	(157)
Impact of deferred tax asset recognition		24	1,029	-
Income tax (expense)/credit	16	(674)	413	(157)
Profit/(loss) for the year		1,800	2,578	(60)

*Material and other cost of sales, 'Employee costs' and 'Other expenses' exclude the exceptional items explained in note 4.

The notes on pages 111 to 164 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENSE

Year ended 31 March (£ millions)	Note	2025	2024	2023
Profit/(loss) for the year		1,800	2,578	(60)
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of net defined benefit obligation	35	(7)	(405)	(14)
Income tax related to items that will not be reclassified	16	2	101	4
		(5)	(304)	(10)
Items that may be reclassified subsequently to profit or loss:				
Gain/(loss) on cash flow hedges (net)		350	895	(135)
Currency translation differences		(28)	(47)	13
Income tax related to items that may be reclassified	16	(88)	(84)	(108)
		234	764	(230)
Other comprehensive income/(expense) net of tax		229	460	(240)
Total comprehensive income/(expense) attributable to shareholder		2,029	3,038	(300)

The notes on pages 111 to 164 are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET

As at 31 March (£ millions)	Note	2025	2024	2023
Non-current assets				
Investments in equity accounted investees	17	310	328	329
Other non-current investments	18	55	52	43
Other financial assets	19	520	355	149
Property, plant and equipment	20	5,919	5,724	5,842
Intangible assets	21	6,697	5,406	4,864
Right-of-use assets	22	580	608	635
Pension asset	35	313	300	659
Other non-current assets	23	192	143	75
Deferred tax assets	16	797	1,157	357
Total non-current assets		15,383	14,073	12,953
Current assets				
Cash and cash equivalents		4,611	4,051	3,687
Short-term deposits and other investments		23	103	105
Trade receivables		922	1,236	1,013
Other financial assets	19	752	543	375
Inventories	25	3,628	3,751	3,238
Other current assets	23	707	657	607
Current tax assets		24	2	16
Assets classified as held for sale	26	46	54	62
Total current assets		10,713	10,397	9,103
Total assets		26,096	24,470	22,056
Current liabilities				
Accounts payable	27	7,148	7,113	5,891
Short-term borrowings	28	1,286	1,256	1,478
Other financial liabilities	29	796	885	923
Provisions	30	1,186	1,026	1,089
Other current liabilities	31	649	711	590
Current tax liabilities		171	125	110
Total current liabilities		11,236	11,116	10,081
Non-current liabilities				
Long-term borrowings	28	2,399	2,936	4,600
Other financial liabilities	29	658	758	1,123
Provisions	30	1,596	1,311	1,091
Retirement benefit obligation	35	22	22	22
Other non-current liabilities	31	1,140	957	772
Deferred tax liabilities	16	101	91	128
Total non-current liabilities		5,916	6,075	7,736
Total liabilities		17,152	17,191	17,817
Equity attributable to shareholders				
Ordinary share capital	32	1,501	1,501	1,501
Capital redemption reserve	32	167	167	167
Other reserves	33	7,276	5,611	2,571
Equity attributable to shareholders		8,944	7,279	4,239
Total liabilities and equity		26,096	24,470	22,056

The notes on pages 111 to 164 are an integral part of these consolidated financial statements.

These consolidated financial statements were approved by the Company's Board of Directors and authorised for issue on 20 May 2025. They were signed on its behalf by:



ADRIAN MARDELL
CHIEF EXECUTIVE OFFICER
COMPANY REGISTERED NUMBER: 06477691

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

£ millions	Ordinary share capital	Capital redemption reserve	Other reserves	Total equity
Balance at 1 April 2022	1,501	167	2,835	4,503
Loss for the year	-	-	(60)	(60)
Other comprehensive expense for the year	-	-	(240)	(240)
Total comprehensive expense	-	-	(300)	(300)
Amounts removed from hedge reserve and recognised in inventory	-	-	45	45
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	-	(9)	(9)
Balance at 31 March 2023	1,501	167	2,571	4,239
Profit for the year	-	-	2,578	2,578
Other comprehensive income for the year	-	-	460	460
Total comprehensive income	-	-	3,038	3,038
Amounts removed from hedge reserve and recognised in inventory	-	-	3	3
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	-	(1)	(1)
Balance at 31 March 2024	1,501	167	5,611	7,279
Profit for the year	-	-	1,800	1,800
Other comprehensive income for the year	-	-	229	229
Total comprehensive income	-	-	2,029	2,029
Amounts removed from hedge reserve and recognised in inventory	-	-	30	30
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	-	(7)	(7)
Dividends paid	-	-	(387)	(387)
Balance at 31 March 2025	1,501	167	7,276	8,944

The notes on pages 111 to 164 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March (£ millions)	Note	2025	2024	2023
Cash flows from operating activities				
Cash generated from operations	40	4,909	5,296	2,590
Income tax paid		(311)	(333)	(239)
Net cash generated from operating activities		4,598	4,963	2,351
Cash flows from investing activities				
Purchases of other investments		(7)	(7)	(7)
Investment in other restricted deposits		(36)	(25)	(42)
Redemption of other restricted deposits		33	27	43
Movements in other restricted deposits		(3)	2	1
Investment in short-term deposits and other investments		(23)	(285)	(849)
Redemption of short-term deposits and other investments		104	286	933
Movements in short-term deposits and other investments		81	1	84
Purchases of property, plant and equipment		(1,063)	(860)	(605)
Purchases of other assets acquired with view to resale		-	-	(24)
Proceeds from sale of fixed assets and assets held for sale		77	16	7
Cash outflow relating to intangible asset expenditure		(1,851)	(1,516)	(775)
Finance income received		139	158	62
Dividends received		2	2	-
Acquisition of subsidiary (net of cash acquired)		(65)	-	-
Disposal of subsidiaries (net of cash disposed)		49	9	2
Net cash used in investing activities		(2,641)	(2,195)	(1,255)
Cash flows from financing activities				
Finance expenses and fees paid		(424)	(494)	(495)
Proceeds from issuance of borrowings		844	-	1,261
Repayment of borrowings		(1,252)	(1,752)	(2,426)
Payments of lease obligations		(86)	(74)	(72)
Dividends paid		(387)	-	-
Net cash used in financing activities		(1,305)	(2,320)	(1,732)
Net increase/(decrease) in cash and cash equivalents		652	448	(636)
Cash and cash equivalents at beginning of year		4,051	3,687	4,223
Effect of foreign exchange on cash and cash equivalents		(92)	(84)	100
Cash and cash equivalents at end of year		4,611	4,051	3,687

The notes on pages 111 to 164 are an integral part of these consolidated financial statements.

1 BACKGROUND AND OPERATIONS

Jaguar Land Rover Automotive plc (“the Company”) and its subsidiaries are collectively referred to as “the Group” or “JLR”. The Company is a public limited company incorporated and domiciled in the United Kingdom. The address of its registered office is Abbey Road, Whitley, Coventry, CV3 4LF, England, United Kingdom.

The Company is a subsidiary of Tata Motors Limited, India and acts as an intermediate holding company for the Jaguar Land Rover business. The principal activity during the year was the design, development, manufacture and marketing of premium all-terrain vehicles and luxury performance cars.

These consolidated financial statements have been prepared in Pound Sterling (GBP) and rounded to the nearest million GBP (£ million) unless otherwise stated. Results for the year ended and as at 31 March 2023 have been disclosed solely for the information of the users.

2 ACCOUNTING INFORMATION AND POLICIES

Statement of compliance

These consolidated and Parent Company financial statements have been prepared in accordance with UK-adopted international accounting standards. The Company has taken advantage of section 408 of the Companies Act 2006 and, therefore, the separate financial statements of the Company do not include the income statement or the statement of comprehensive income of the Company on a stand-alone basis.

Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value at the end of each reporting period as explained in the accounting policies in note 38.

Going concern

The consolidated financial statements have been prepared on a going concern basis, which the Directors consider appropriate for the reasons set out below.

The Directors have assessed the financial position of the Group as at 31 March 2025 and the projected cash flows of the Group for the twelve-month period from the date of authorisation of the consolidated financial statements (the ‘going concern assessment period’).

The Group had available liquidity of £6.3 billion at 31 March 2025, £4.6 billion of which is cash, with the remainder the undrawn RCF facility. Within the going concern assessment period there is a £1 billion minimum quarter-end liquidity covenant attached to the Group’s UKEF loans and forward start RCF facility. There is £1.4 billion of maturing debt in the going concern assessment period and no new funding is assumed. The Group moved from an opening net debt position of £0.7 billion to a closing net cash position of £0.3 billion in the year, an improvement of £1.0 billion and the Group will continue to take action to manage net debt/cash levels in the future. Further details of the Group’s available financing facilities and the maturity of facilities are described in note 28.

The Group has assessed its projected cash flows over the going concern assessment period. This base case uses the most recent Board-approved forecasts that include the going concern assessment period and include the forecast impact that the changes made to US tariffs will have on the Group.

The Group has carried out a reverse stress test against the base case to determine the decline in wholesale volumes over a twelve-month period that would result in a liquidity level that breaches the £1 billion liquidity financial covenant. The reverse stress test models an appropriate assumption in reductions in demand across the Group’s product portfolio as the primary risk on wholesale volume is now deemed to be more likely to arise from demand rather than supply given resolution of previously noted supply constraints.

In order to reach a liquidity level that breaches the covenant, it would require a sustained decline in wholesale volumes of 43% compared to the base case over a 12-month period. The reverse stress test reflects the variable profit impact of the wholesale volume decline, and assumes all other assumptions are held in line with the base case. It does not reflect other potential upside measures that could be taken in such a reduced volume scenario; nor any new funding.

The Group does not consider this scenario to be plausible given that the stress test volumes are significantly lower than forecast. The Group has a strong order bank and is confident that it can significantly exceed reverse stress test volumes.

The Group has also considered the impact of severe but plausible downside scenarios, including scenarios that reflect a decrease in variable profit per unit compared with the base case to include additional increases in material and other related production costs. Under all scenarios the Group has sufficient headroom.

The Directors, after making appropriate enquiries and taking into consideration the risks and uncertainties facing the Group, consider that the Group has adequate financial resources to continue operating throughout the going concern assessment period, meeting its liabilities as they fall due. Accordingly, the Directors continue to adopt the going concern basis in preparing these consolidated financial statements.

Accounting policies

Accounting policies are included in the relevant notes to the consolidated financial statements. These are presented as text highlighted in orange boxes on pages 118 to 164. The accounting policies below and on the next page are applied throughout the financial statements.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and highly liquid investments with an original maturity of up to three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of changes in value.

Climate change

In the preparation of these consolidated financial statements, the Group has considered the potential effects of climate change, related regulatory requirements and of the targets set out in the Group's Strategic Report. Where relevant, these are included within assumptions and estimates used to determine the carrying value assets and liabilities at 31 March 2025. In particular, the Group has considered the impact on the future cash flows used in the impairment assessment of its cash generating unit (see note 21); and on its provisions for the costs of compliance with emission regulations (see note 30).

In addition, there are other areas of the consolidated financial statements that may be impacted by climate related risks. These are not considered to be key areas of judgement or to contain material estimation uncertainty and the impact of climate related matters is not material on any of these areas as at 31 March 2025. These areas are outlined below:

Recoverability of trade receivables

Climate related matters could impact the Group's customers and subsequently their ability to pay amounts owed to the Group. There have been no material climate related matters during the year that have impacted the recoverability of receivables and the Group continues to monitor recoverability on an ongoing basis and does not deem this to be a material risk or judgement.

Useful lives of assets

Climate related matters could reduce the useful life of assets, for example due to physical or legal risks resulting in accelerated depreciation or amortisation recognised each financial year. From a review of the useful lives of assets, there is deemed to be no material impact from climate related matters.

Inventory valuation

The value of inventories could be impacted by climate related matters, resulting in obsolescence or the need to recognise additional provisions. After reviewing inventory as at 31 March 2025, inventory is deemed appropriately valued when taking into consideration climate related matters.

Basis of consolidation***Subsidiaries***

The consolidated financial statements include Jaguar Land Rover Automotive plc and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company (a) has power over the investee, (b) is exposed or has rights to variable return from its involvement with the investee and (c) has the ability to affect those returns through its power to direct relevant activities of the investee. Relevant activities are those activities that significantly affect an entity's returns. In assessing control, potential voting rights that currently are exercisable are taken into account, as well as other contractual arrangements that may influence control. Intercompany transactions and balances including unrealised profits are eliminated in full on consolidation.

Joint ventures and associates (equity accounted investments)

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Associates are those entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. Significant influence is presumed to exist when the Group holds between 20 and 50 per cent of the voting power of the investee unless it can be clearly demonstrated that this is not the case.

The results, assets and liabilities of joint ventures and associates are incorporated in these financial statements using the equity method of accounting as described in note 17.

Cost recognition

Costs and expenses are recognised when incurred and are classified according to their nature.

Expenditures are capitalised, where appropriate, in accordance with the policy for internally generated intangible assets and represent employee costs and other expenses incurred for product development undertaken by the Group.

Material and other cost of sales as reported in the consolidated income statement is presented net of the impact of realised foreign exchange relating to derivatives hedging cost exposures.

Foreign currency

The Company has a functional currency of GBP. The presentation currency of the consolidated financial statements is GBP.

Transactions in currencies other than the functional currency of the entity are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are remeasured into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange differences are recognised in the consolidated income statement as "Foreign exchange (loss)/gain and fair value adjustments".

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (non-GBP functional currency) are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity.

Impairment

Property, plant and equipment and intangible assets

At each balance sheet date, the Group assesses whether there is any indication that any property, plant and equipment or intangible assets with finite lives may be impaired. If any such impairment indicator exists, the recoverable amount of the asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, or earlier if there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of sale and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated income statement.

An asset (or cash generating unit) impaired in prior years is reviewed at each balance sheet date to determine whether there is any indication of a reversal of impairment losses recognised in prior years

Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Those that are significant to the Group are discussed separately below.

Judgements

In the process of applying the Group's accounting policies management has made the following judgements which have a significant effect on the amounts recognised in the consolidated financial statements:

- Revenue recognition: The Group uses judgement to determine when control of its goods, primarily vehicles and parts, pass to the customer. This is assessed with reference to indicators of control, including physical possession of the vehicles and parts, and the risks and rewards of ownership and legal title with reference to the underlying terms of the customer contract. Refer to note 5 for further information.
- Assessment of cash generating units: The Group has determined that there is one cash generating unit. This is on the basis that there are no smaller groups of assets that can be identified with certainty that generate specific cash inflows that are independent of the inflows generated by other assets or groups of assets. Refer to note 21 for further information.
- Alternative performance measures (APMs) and exceptional items: The Group exercises judgement in determining the adjustments to apply to IFRS measurements in order to derive APMs that provide additional useful information on the underlying trends and in classifying items as exceptional items. Refer to notes 3 and 4 for further information.
- Capitalisation of product engineering costs: The Group applies judgement in determining at what point in a vehicle programme's life cycle the recognition criteria under IAS 38 are satisfied, and in determining the nature of the cost capitalised. Refer to note 21 for further information.
- Deferred tax asset recognition: The extent to which deferred tax assets can be recognised is based on an assessment of the availability of future taxable income against which the deductible temporary differences and tax loss carry-forwards can be utilised. The Group has exercised judgement in determining the jurisdictions in which deferred tax assets have not been fully recognised. This has been done based on forecast profitability and historical results of the companies in which the deferred tax assets arise. Refer to note 16 for further information.

Estimates and assumptions

The areas where assumptions and estimates are significant to the financial statements are as described below. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Significant estimates are those that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next year.

Significant estimates

Retirement benefit obligation

The present value of the post-employment benefit obligation depends on a number of factors and assumptions, including discount rate, inflation and mortality assumptions. Refer to note 35 for details of these assumptions and sensitivities.

Product warranties

The Group provides product warranties on all new vehicle sales in respect of manufacturing defects. These warranties are not separate performance obligations but are accounted for under IAS 37, which requires recognising a provision for warranty repairs.

The estimation process involves assessing historical warranty claim data, considering the nature and frequency of claims, and projecting future warranty costs. This provision is inherently uncertain and requires significant management estimation. Refer to note 30 for further detail.

Given the complexity and uncertainty involved in estimating future costs, the warranty provision is a significant estimate that can materially affect our financial statements. We continuously review and adjust our estimates to reflect new information and trends, ensuring that our financial reporting remains accurate and reliable. Refer to note 30 for further detail.

Other estimates

Impairment of intangible and tangible fixed assets

The Group has intangible assets with indefinite lives and therefore tests annually whether intangible and tangible fixed assets have suffered any impairment. Refer to note 21 for further information on the key assumptions and sensitivities used in the testing of these assets for impairment.

New accounting policy pronouncements

(a) Standards, revisions and amendments to standards and interpretations applied for the first time in the year ending 31 March 2025

The following amendments and interpretations have been adopted by the Group in the year ending 31 March 2025:

- Amendments to IAS 7 Statement of Cash Flow and IFRS 7 Financial Instruments: Disclosures - supplier finance arrangements;
- Amendments to IAS 1 Presentation of Financial Statements - Classification of liabilities as current or non-current;
- Amendments to IAS 1 Presentation of Financial Statements - Non-current liabilities with covenants; and
- Amendments to IFRS 16 Leases - lease liability in a sale and leaseback.

The adoption of the above amendments and interpretations has not had a significant impact on the consolidated financial statements.

(b) Standards, revisions and amendments to standards and interpretations not yet effective and not yet adopted by the Group

The following pronouncement, issued by the IASB and endorsed by the UK, is not yet effective and has not yet been adopted by the Group. This amendment is effective for annual report periods beginning on or after 1 January 2025:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates - lack of exchangeability.

The Group is currently assessing the impact of this pronouncement on the consolidated financial statements.

(c) Standards, revisions and amendments to standards and interpretations not yet endorsed by the UK and not yet adopted by the Group

The following pronouncements, issued by the IASB, have not yet been endorsed by the UK, are not yet effective and have not yet been adopted by the Group:

- IFRS S1 General Requirements for Disclosure of Sustainability related Financial Information;
- IFRS S2 Climate related Financial Disclosures;
- Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;
- Annual Improvements to IFRS Accounting Standards - Volume 11;
- IFRS 18 Presentation and Disclosure in Financial Statements; and
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

3 ALTERNATIVE PERFORMANCE MEASURES

In reporting financial information, the Group presents alternative performance measures (“APMs”) that are not defined or specified under the requirements of IFRS. The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the business. The APMs used within this Annual Report are defined below.

Alternative performance measure	Definition
Adjusted EBITDA	Adjusted EBITDA is defined as profit/(loss) before: income tax expense; exceptional items; finance expense (net of capitalised interest) and finance income; gains/losses on debt and unrealised derivatives, realised derivatives entered into for the purpose of hedging debt, and equity or debt investments held at fair value; foreign exchange gains/losses on other assets and liabilities, including short-term deposits and cash and cash equivalents; share of profit/(loss) from equity accounted investments; depreciation and amortisation.
Adjusted EBIT	Adjusted EBIT is defined as for adjusted EBITDA but including share of profit/(loss) from equity accounted investments, depreciation and amortisation.
Return on capital employed ('ROCE')	ROCE is defined as adjusted EBIT for the last twelve months divided by the average capital employed over the same period. Capital employed is defined as net assets excluding interest-bearing borrowings and lease liabilities.
Profit/(loss) before tax and exceptional items	Profit/(loss) before tax excluding exceptional items.
Free cash flow	Net cash generated from operating activities less net cash used in automotive investing activities, excluding investments in joint ventures, associates and subsidiaries and movements in financial investments, and after finance expenses and fees paid. Financial investments are those reported as cash and cash equivalents, short-term deposits and other investments, and equity or debt investments held at fair value.
Total product and other investment	Cash used in the purchase of property, plant and equipment, intangible assets, investments in equity accounted investments and other trading investments, acquisition of subsidiaries and expensed research and development costs.
Working capital and accruals	Changes in assets and liabilities as presented in note 40. This comprises movements in assets and liabilities excluding movements relating to financing or investing cash flows or non-cash items that are not included in adjusted EBIT or adjusted EBITDA.
Total cash and cash equivalents, deposits and investments	Defined as cash and cash equivalents, short-term deposits and other investments, marketable securities and any other items defined as cash and cash equivalents in accordance with IFRS.
Available liquidity	Defined as total cash and cash equivalents, deposits and investments plus committed undrawn credit facilities.
Net cash / (debt)	Total cash and cash equivalents, deposits and investments less total interest-bearing loans and borrowings.
Retail sales	Jaguar Land Rover retail sales represent vehicle sales made by dealers to end customers and include the sale of vehicles produced by our Chinese joint venture, Chery Jaguar Land Rover Automotive Company Ltd.
Wholesales	Wholesales represent vehicle sales made to retailers or other external clients. The Group recognises revenue on wholesales.

The Group uses adjusted EBITDA as an APM to review and measure the underlying profitability of the Group on an ongoing basis for comparability as it recognises that increased capital expenditure year on year will lead to a corresponding increase in depreciation and amortisation expense recognised within the consolidated income statement.

The Group uses adjusted EBIT as an APM to review and measure the underlying profitability of the Group on an ongoing basis as this excludes volatility on unrealised foreign exchange transactions. Due to the significant level of debt and currency derivatives held, unrealised foreign exchange can distort the financial performance of the Group from one period to another.

The Group uses ROCE to assess the efficiency in allocating capital to profitable investments.

Free cash flow is considered by the Group to be a key measure in assessing and understanding the total operating performance of the Group and to identify underlying trends.

Total product and other investment is considered by the Group to be a key measure in assessing cash invested in the development of future new models and infrastructure supporting the growth of the Group.

Working capital is considered by the Group to be a key measure in assessing short-term assets and liabilities that are expected to be converted into cash within the next twelve-month period; as well as over the longer term.

Total cash and cash equivalents, deposits and investments and available liquidity are measures used by the Group to assess liquidity and the availability of funds for future spend and investment.

Exceptional items are defined in note 4.

Reconciliations between these alternative performance measures and statutory reported measures are given on the next pages.

Adjusted EBIT and Adjusted EBITDA

Year ended 31 March (£ millions)	Note	2025	2024	2023
Adjusted EBITDA		4,151	4,620	2,636
Depreciation and amortisation		(1,677)	(2,175)	(2,107)
Share of (loss)/profit of equity accounted investments	17	(3)	23	15
Adjusted EBIT		2,471	2,468	544
Foreign exchange on debt, derivatives and balance sheet revaluation	40	126	60	(14)
Unrealised gain/(loss) on commodities	40	46	(59)	(163)
Finance income	14	136	164	67
Finance expense (net)	14	(287)	(469)	(507)
Fair value (loss)/gain on equity investments	13	(3)	1	9
Profit/(loss) before tax and exceptional items		2,489	2,165	(64)
Exceptional items	4	(15)	-	161
Profit before tax		2,474	2,165	97

As at 31 March (£ millions)	Note	2025	2024	2023
Adjusted EBIT		2,471	2,468	544
Revenue	5	28,961	28,995	22,809
Adjusted EBIT margin (%)		8.5%	8.5%	2.4%

Return on capital employed

As at 31 March (£ millions)	Note	2025	2024	2023
Adjusted EBIT		2,471	2,468	544
Capital employed				
Net assets		8,944	7,279	4,239
Add: total interest-bearing loans and borrowings	28	4,356	4,886	6,788
Capital employed		13,300	12,165	11,027
Average capital employed		12,733	11,596	11,564
Return on capital employed (%)		19.4%	21.3%	4.7%

Free cash flow

Year ended 31 March (£ millions)	2025	2024	2023
Net cash generated from operating activities	4,598	4,963	2,351
Purchases of property, plant and equipment	(1,063)	(860)	(605)
Cash outflow relating to intangible asset expenditure	(1,851)	(1,516)	(775)
Proceeds from sale of fixed assets and assets held for sale	77	16	7
Purchases of other assets acquired with view to resale	-	-	(24)
Dividends received	2	2	-
Finance expenses and fees paid	(424)	(494)	(495)
Finance income received	139	158	62
Free cash flow	1,478	2,269	521

Total product and other investments

Year ended 31 March (£ millions)	Note	2025	2024	2023
Purchases of property, plant and equipment		1,063	860	605
Cash outflow relating to intangible asset expenditure		1,851	1,516	775
Engineering costs expensed	12	869	880	966
Purchases of other investments		7	7	7
Total product and other investments		3,790	3,263	2,353

Total cash and cash equivalents, deposits and investments

As at 31 March (£ millions)	Note	2025	2024	2023
Cash and cash equivalents		4,611	4,051	3,687
Short-term deposits and other investments		23	103	105
Total cash and cash equivalents, deposits and investments		4,634	4,154	3,792

Available liquidity

As at 31 March (£ millions)	Note	2025	2024	2023
Cash and cash equivalents		4,611	4,051	3,687
Short-term deposits and other investments		23	103	105
Committed undrawn credit facilities	28	1,660	1,520	1,520
Available liquidity		6,294	5,674	5,312

Net cash / (debt)

As at 31 March (£ millions)	Note	2025	2024	2023
Cash and cash equivalents		4,611	4,051	3,687
Short-term deposits and other investments		23	103	105
Interest-bearing loans and borrowings	28	(4,356)	(4,886)	(6,788)
Net cash / (debt)		278	(732)	(2,996)

Retail and wholesales

Year ended 31 March (units)	2025	2024	2023
Retail sales	428,854	431,733	354,662
Wholesales	400,898	401,303	321,362

Retail sales include the sale of vehicles produced by our Chinese joint venture, Chery Jaguar Land rover Automotive Company Ltd, as defined on page 115.

Included in wholesales are 301 vehicles (2024, 2023: nil) sold on sale and leaseback arrangements.

4 EXCEPTIONAL ITEMS

Exceptional items are disclosed separately in the consolidated income statement and excluded from adjusted EBIT and adjusted EBITDA measures to support the reader's understanding of the performance of the Group.

The Group considers qualitative and quantitative factors to determine whether a transaction or event is exceptional, including the expected size, nature and frequency of the transaction or event, and any precedent for similar items in previous years.

Items that are considered exceptional may include the following:

- Costs associated with significant restructuring events;
- Impairments or reversals of impairments arising from an impairment assessment of the Group's cash generating unit in accordance with IAS 36;
- Defined benefit past service costs or credits arising from scheme amendments; and
- Costs associated with provisions and related reversals arising from a significant one-off event not in the normal course of business.

The exceptional items recognised during the year ended 31 March 2025 comprise:

- £10 million update to the exceptional item recognised during the years ended 31 March 2022 and 2021 in relation to the impact of the Group's Reimagine strategy;
- £(20) million in relation to separation payments made to employees;
- £(7) million in relation to acquisition and disposal of non-core subsidiaries, net of transaction costs; and
- £4 million update to the exceptional item recognised during the year ended 31 March 2022 in relation to customer liabilities arising from sanctions imposed against Russia.

No exceptional items were recognised during the year ended 31 March 2024.

The exceptional items recognised during the year ended 31 March 2023 comprise:

- £155 million in relation to a pension past service credit due to a change in inflation index from RPI to CPI;
- £5 million update to the exceptional item recognised during the years ended 31 March 2022 and 31 March 2021 in relation to the impact of the Group's Reimagine strategy; and
- £1 million update to the exceptional item recognised during the year ended 31 March 2022 in relation to customer liabilities arising from sanctions imposed against Russia.

There are tax charges of £5 million and tax credits of £3 million arising from exceptional items.

The tables below set out the exceptional items recorded during the years ended 31 March 2025 and 2023 and the impact on the consolidated income statement if these items were not disclosed separately as exceptional items.

Year ended 31 March 2025 (£ millions)	Other expenses	Employee costs	Material and other cost of sales
Excluding exceptional items	(6,616)	(3,417)	(16,865)
Acquisition and disposal of non-core subsidiaries, net of transaction costs	(7)	-	-
Restructuring costs - employee and third party obligations	4	(20)	10
Other	(2)	-	-
Including exceptional items	(6,621)	(3,437)	(16,855)

Year ended 31 March 2023 (£ millions)	Other expenses	Employee costs	Material and other cost of sales
Excluding exceptional items	(4,777)	(2,524)	(14,008)
Restructuring costs - employee and third party obligations	1	-	4
Pension past service credit	-	155	-
Other	1	-	-
Including exceptional items	(4,775)	(2,369)	(14,004)

Revenue from ordinary activities, including sales of vehicles, parts and accessories and services, is recognised when the control of the goods or services is transferred to the customer. Revenue is measured based on the contract price, net of variable consideration and any amounts collected on behalf of third parties. Revenue is measured based on the contract price, which is the consideration specified in the contract with the customer and excludes amounts collected on behalf of third parties, and net of settlement discounts, bonuses, rebates and sales incentives. The Group’s primary clients from the sale of vehicles, parts and accessories are retailers, fleet and corporate clients, and other third-party distributors. The Group recognises revenue when it transfers control of a good or service to a customer, thus evidencing the satisfaction of the associated performance obligation under that contract.

The Group recognises revenue on the sale of vehicles, parts and accessories at the point of wholesale. The sale of the relevant good is generally recognised at the point of dispatch or the point of delivery to the customer, depending on individual contractual arrangements.

When agreed with clients on a case-by-case basis, revenue may be recognised on a bill-and-hold basis, where goods are sold to the customer but are retained in the Group’s possession on behalf and at the request (usually due to the lack of available space at their own premises) of the client ahead of being physically transferred to them at a future time. The goods are identifiable as separately belonging to the customer, ready for physical transfer to the customer, and the Group does not have the ability to use the goods or direct them elsewhere.

The Group sells a small number of vehicles under sale and leaseback arrangements that qualifies as a sale under IFRS 15. As they are part of the Group’s ordinary activity, the revenue and associated cost of sales are presented gross.

The consideration arising from vehicle wholesales is usually settled immediately (within two working days). The consideration arising from sales of parts and accessories usually falls due for payment within 30 days.

The costs associated with providing sales incentives (variable marketing expense) are considered to be variable components of consideration, thus reducing the amount of revenue recognised by the Group.

Under IFRS 15, the Group ensures that variable consideration is recognised to the extent of the amount to which it expects to be entitled. To meet this principle, the Group constrains its estimate of variable consideration to include amounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty is subsequently resolved.

The Group estimates the expected sales incentive by market and considers uncertainties including competitor pricing, ageing of dealer stock and local market conditions. The constraint on variable consideration is estimated with reference to historical accuracy, current market conditions and a prospective assessment considering relevant geopolitical factors, including global stock positions for both the Group and its third-party dealer network reflecting the pipeline of vehicle inventory for sale to end clients.

Variable consideration received for contracts with multiple performance obligations is allocated to all such obligations only when applicable. For example, with the sale of a vehicle, the cost of the incentive provided is allocated entirely to the vehicle as its purpose is to incentivise the sale of the vehicle rather than support any additional obligations. Liabilities in relation to sales incentives are disclosed in note 27.

Revenue from services relates to scheduled maintenance contracts, vehicle connected service features and extended warranties. The Group typically receives payment relating to services at the same time as the proceeds from the vehicle sale, at which point the amount is recognised as a contract liability. This is measured at the stand-alone selling price of the service; which for scheduled maintenance contracts is estimated using a cost-plus approach. The stand-alone selling price for vehicle connected service features and extended warranties is the observable price of the service when the Group sells the service separately to customers.

Revenue for vehicle connected service features and extended warranties is recognised on a straight-line basis over the period to which the service relates, which generally ranges from 12 to 60 months. Revenue for scheduled maintenance contracts is recognised over the life of the plan based on the expected performance of the services from the point of a vehicle being retailed to an end customer and aligned to the expected profile of costs to fulfil those services based on historical information.

When a contract includes an option or obligation for the Group to repurchase the product sold (including repurchasing a product originally sold as part of an amended product), revenue is not recognised until the product is sold by the Group with no repurchase obligation or option attached. Such instances are common in the Group’s arrangements with third-party fleet clients or in contract manufacturing arrangements that the Group is party to. The related inventory continues to be recognised on the Group’s consolidated balance sheet.

Vehicle sales do not typically include allowances for returns or refunds, except where there is legislative requirement. Regarding other goods, where rights of return may be prevalent, the Group estimates the level of returns based on the historical data for specific products, adjusted as necessary to estimate returns for new products. Revenue is not recognised for expected returns - instead the Group recognises a refund liability and asset where required.

The Group’s revenues are summarised as follows:

Year ended 31 March (£ millions)	2025	2024	2023
Revenue recognised for sales of vehicles, parts and accessories	27,364	27,656	22,209
Revenue recognised for services transferred	438	349	318
Revenue - other*	967	1,044	872
Total revenue from contracts with clients	28,769	29,049	23,399
Realised revenue hedges	192	(54)	(590)
Total revenue	28,961	28,995	22,809

*Relates primarily to materials acquired and controlled by the Group which are sold to suppliers. The revenue is recognised at a point in time when control of the goods is transferred.

Revenue disaggregation

The following table presents the Group's revenue, disaggregated by primary geographical market, timing of revenue recognition and major product categories. All revenue is generated from the Group's single automotive operating segment.

Year ended 31 March 2025 (£ millions)	UK	US	China	Rest of Europe	Rest of World	Total Revenue
Revenue recognised for sales of vehicles, parts and accessories	3,795	8,432	4,839	4,771	5,527	27,364
Revenue recognised for services transferred	145	138	52	31	72	438
Revenue - other	871	24	62	-	10	967
Total revenue from contracts with clients	4,811	8,594	4,953	4,802	5,609	28,769
Realised revenue hedges	-	(45)	159	-	78	192
Total revenue	4,811	8,549	5,112	4,802	5,687	28,961

Year ended 31 March 2024 (£ millions)	UK	US	China	Rest of Europe	Rest of World	Total Revenue
Revenue recognised for sales of vehicles, parts and accessories	3,991	6,579	5,277	5,380	6,429	27,656
Revenue recognised for services transferred	137	102	24	16	70	349
Revenue - other	938	5	94	-	7	1,044
Total revenue from contracts with clients	5,066	6,686	5,395	5,396	6,506	29,049
Realised revenue hedges	-	(156)	82	-	20	(54)
Total revenue	5,066	6,530	5,477	5,396	6,526	28,995

Year ended 31 March 2023 (£ millions)	UK	US	China	Rest of Europe	Rest of World	Total Revenue
Revenue recognised for sales of vehicles, parts and accessories	3,058	5,359	4,766	4,311	4,715	22,209
Revenue recognised for services transferred	114	105	9	13	77	318
Revenue - other	760	6	96	3	7	872
Total revenue from contracts with clients	3,932	5,470	4,871	4,327	4,799	23,399
Realised revenue hedges	-	(274)	(290)	-	(26)	(590)
Total revenue	3,932	5,196	4,581	4,327	4,773	22,809

Contract assets

As at 31 March (£ millions)	2025	2024	2023
Accrued income	29	53	40
Total contract assets	29	53	40

Contract liabilities

As at 31 March (£ millions)	2025	2024	2023
Ongoing service obligations	1,003	929	779
Liabilities for advances received	74	102	51
Total contract liabilities	1,077	1,031	830

"Ongoing service obligations" mainly relate to long-term service and maintenance contracts, extended warranties and telematics services. "Liabilities for advances received" primarily relate to consideration received in advance from clients for products not yet wholesaled, at which point the revenue will be recognised. "Ongoing service obligations" and "Liabilities for advances received" are both presented within "Other liabilities" in the consolidated balance sheet.

The Group applies the practical expedient in IFRS 15.121 and does not disclose information about remaining performance obligations that have an original expected duration of one year or less. This is because revenue resulting from those sales will be recognised in a short-term period. The services included with the vehicle sale are to be recognised as revenues in subsequent years but represent an insignificant portion of expected revenues in comparison.

Revenue that is expected to be recognised within five years related to performance obligations that are unsatisfied (or partially unsatisfied) at 31 March 2025 amounted to £1,077 million (2024: £1,031 million, 2023: £830 million).

The movement in contract liabilities relates solely to revenue recognised from balances held at the beginning of the year of £540 million (2024: £400 million, 2023: £440 million) and increases due to cash received for performance obligations unsatisfied at the year end of £586 million (2024: £601 million, 2023: £467 million).

Revenue recognised in the year from performance obligations satisfied in the previous year is £19 million (2024: £5 million, 2023: £5 million).

6 MATERIAL AND OTHER COST OF SALES

Year ended 31 March (£ millions)	2025	2024	2023
Changes in inventories of finished goods and work-in-progress	175	(548)	(476)
Purchase of products for sale	1,562	1,449	1,331
Raw materials and consumables used	15,107	16,063	13,075
Realised purchase hedges	26	-	78
Realised commodity hedges	(5)	-	-
Total material and other cost of sales	16,865	16,964	14,008

7 EMPLOYEE NUMBERS AND COSTS

Year ended 31 March (£ millions)	2025	2024	2023
Wages and salaries - employee costs	2,543	2,310	1,826
Wages and salaries - agency costs	273	214	190
Total wages and salaries	2,816	2,524	2,016
Social security costs and benefits	408	382	334
Pension costs	193	158	174
Total employee costs	3,417	3,064	2,524

Average employee numbers for the year ended 31 March 2025	Non-agency	Agency	Total
Manufacturing	17,908	1,980	19,888
Research and development	12,901	450	13,351
Other	10,433	431	10,864
Total employee numbers	41,242	2,861	44,103

Average employee numbers for the year ended 31 March 2024	Non-agency	Agency	Total
Manufacturing	18,513	2,235	20,748
Research and development	10,992	377	11,369
Other	9,501	312	9,813
Total employee numbers	39,006	2,924	41,930

Average employee numbers for the year ended 31 March 2023	Non-agency	Agency	Total
Manufacturing	17,086	2,434	19,520
Research and development	8,607	299	8,906
Other	9,592	361	9,953
Total employee numbers	35,285	3,094	38,379

8 DIRECTORS' EMOLUMENTS

Year ended 31 March (£)	2025	2024	2023
Directors' emoluments	3,757,722	4,193,414	3,975,221
Increase/(decrease) of long-term incentive scheme amounts receivable	229,591	-	(10,420)
Compensation for loss of office	-	-	2,180,998

The aggregate of emoluments received in the year and amounts accrued under the bonus schemes of the highest paid director was £3,615,306 (2024: £3,827,850, 2023: £2,458,509), together with contributions to pension schemes of £nil (2024, 2023: £nil). During the year, the value of LTIP awards accrued has increased by £229,591 (2024, 2023: £nil), which will become payable in future periods.

There was one director who was a member of a defined benefit pension scheme or a defined contribution scheme during the year ended 31 March 2025 (2024, 2023: nil). LTIP cash payments received by directors during the year ended 31 March 2025 were £nil (2024, 2023: £nil)

9 LONG-TERM INCENTIVE PLAN

During the year ended 31 March 2025, the Group introduced a cash-settled Long-Term Incentive Plan ("LTIP") for certain employees. The LTIP is based on the value of phantom shares, which mirror the value of Tata Motors Limited's share price, but does not confer any ownership or voting rights. As the LTIP is cash-settled and based on phantom shares, it is non-dilutive to existing shareholders. The LTIP vests over a three-year period, effective from June 2024. The scheme will provide a cash payment to certain employees based on the Group's performance against long-term business metrics related to performance and strategic priorities and the share price of Tata Motors Limited over a period of three years. This new LTIP has been accounted for under IFRS 2 Share-based payments. The expense is recognised as an employee cost in the consolidated income statement over the three-year vesting period. The liability is remeasured at each reporting date and on settlement, with changes in fair value recognised in the income statement.

The following table presents the number of shares outstanding during the period:

Year ended 31 March (number)	2025	2024	2023
Outstanding at the beginning of the year	-	-	-
Granted in the year	3,092,216	-	-
Forfeited in the year	(53,972)	-	-
Outstanding at the end of the year	3,038,244	-	-

No phantom shares were exercisable at 31 March 2025.

The fair value of the phantom shares granted under the LTIP is deemed to be materially equivalent to the market value of Tata Motors Limited's share price at the current year end. At 31 March 2025, the fair value of the phantom shares was £6.11.

During the year ended 31 March 2025, £5 million (2024, 2023: £nil) was recorded as an expense in "Employee costs" in relation to the LTIP.

The fair value of the balance sheet liability in respect of the LTIP at 31 March 2025 was £5 million (2024, 2023: £nil).

10 OTHER INCOME

Government grants are recognised when there is reasonable assurance that the Group will comply with the relevant conditions and the grant will be received.

Government grants are recognised in the consolidated income statement, either on a systematic basis when the Group recognises, as expenses, the related costs that the grants are intended to compensate or immediately, if the costs have already been incurred.

Government grants related to income are presented as an offset against the related expenditure except in cases where there are no ongoing performance obligations to the Group, in which case the government grant is recognised as other income in the period in which the Group becomes entitled to the grant.

Government grants related to assets are presented as gross as separate liabilities and unwound over the useful economic lives of the assets as other income.

Cash flows arising from grants related to income and assets are presented within cash flows from operating activities in the consolidated cash flow statement.

The terms and treatment of each grant is assessed on a case by case basis.

Year ended 31 March (£ millions)	2025	2024	2023
Grant income	225	226	219
Commissions	32	23	29
Other	111	93	101
Total other income	368	342	349

During the year ended 31 March 2025, £302 million (2024: £231 million, 2023: £175 million) was recognised by a UK subsidiary as a Research and Development Expenditure Credit ("RDEC") incentive on qualifying expenditure. During the year ended 31 March 2025, £181 million (2024: £140 million, 2023: £76 million) of the RDEC - the proportion relating to capitalised product development expenditure and other intangible assets - has been recognised as deferred grant income. The remaining £121 million (2024: £91 million, 2023: £99 million) of the RDEC has been recognised as "Other income".

11 OTHER EXPENSES

Year ended 31 March (£ millions)	2025	2024	2023
Stores, spare parts and tools	137	132	105
Freight cost	708	710	630
Works, operations and other costs	3,466	3,243	2,466
Power and fuel	139	130	182
Product warranty	1,272	1,034	885
Publicity	894	777	509
Total other expenses	6,616	6,026	4,777

12 ENGINEERING COSTS CAPITALISED

Year ended 31 March (£ millions)	2025	2024	2023
Total engineering costs incurred	2,661	2,333	1,693
Engineering costs expensed	(869)	(880)	(966)
Engineering costs capitalised	1,792	1,453	727
Interest capitalised in relation to engineering costs	212	88	20
Total capitalised in property, plant and equipment and intangible assets	2,004	1,541	747

Engineering costs capitalised of £1,792 million (2024: £1,453 million, 2023: £727 million) comprises £814 million (2024: £631 million, 2023: £327 million) included in "Employee costs" and £978 million (2024: £822 million, 2023: £400 million) included in "Other expenses" in the consolidated income statement.

13 FOREIGN EXCHANGE AND FAIR VALUE ADJUSTMENTS

Year ended 31 March (£ millions)	2025	2024	2023
Foreign exchange and fair value adjustments on loans	129	133	(209)
Foreign exchange (loss)/gain on economic hedges of loans	(44)	(119)	203
Foreign exchange gain/(loss) on derivatives	4	1	(14)
Other foreign exchange gain	8	3	35
Realised (loss)/gain on commodities	(38)	(74)	31
Unrealised gain/(loss) on commodities	46	(59)	(163)
Fair value (loss)/gain on equity investments	(2)	1	9
Revaluation (loss)/gain on hedged commodity derivatives	(6)	-	-
Total foreign exchange and fair value adjustments	97	(114)	(108)

14 FINANCE INCOME AND EXPENSE

Year ended 31 March (£ millions)	2025	2024	2023
Finance income	136	164	67
Total finance income	136	164	67
Interest expense on lease liabilities	(55)	(56)	(54)
Total interest expense on financial liabilities measured at amortised cost other than lease liabilities measured at amortised cost	(333)	(401)	(438)
Interest expense on derivatives designated as a fair value hedge of financial liabilities	(28)	(27)	(12)
Unwind of discount on provisions	(85)	(77)	(25)
Interest capitalised	214	92	22
Total finance expense (net)	(287)	(469)	(507)

The capitalisation rate used to calculate borrowing costs eligible for capitalisation was 6.8 per cent (2024: 6.4 per cent, 2023: 5.4 per cent)

15 PROFIT BEFORE TAX

Expense/(income) in profit before tax includes the following:

Year ended 31 March (£ millions)	2025	2024	2023
Depreciation of property, plant and equipment	805	1,023	971
Amortisation of intangible assets (excluding internally generated development costs)	62	77	76
Amortisation of internally generated development costs	708	977	973
Depreciation of right-of-use assets	102	98	87
Expenses related to short-term leases	16	15	10
Expenses related to leases of low-value assets (excluding short-term leases of low-value assets)	14	13	12
Loss on disposal of fixed assets and assets held for sale	17	20	10
Exceptional items	15	-	(161)
Auditor remuneration	9	8	7

The following table sets out the auditor remuneration for the year (rounded to the nearest £0.1 million):

Year ended 31 March (£ millions)	2025	2024	2023
Fees payable to the Company's auditor and its associates for the audit of the Parent Company and consolidated financial statements	0.1	0.1	0.1
Fees payable to the Company's auditor and its associates for other services:			
- Audit of the Company's subsidiaries	7.7	7.3	6.8
Total audit fees	7.8	7.4	6.9
Audit-related assurance services	0.5	0.5	0.5
Other assurance services	0.3	-	-
Total non-audit fees	0.8	0.5	0.5
Total audit and related fees	8.6	7.9	7.4

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the consolidated income statement, except when related to items that are recognised outside of profit or loss (whether in other comprehensive income or directly in equity) or where related to the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination. Current income taxes are determined based on the respective taxable income of each taxable entity and tax rules applicable for respective tax jurisdictions.

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised tax losses, depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity for each taxable jurisdiction. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised. The future profitability is based on the business plan for each respective entity within the Group. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Tax provisions are recognised for uncertain tax positions where a risk of an additional tax liability has been identified and it is probable that the Group will be required to settle that tax. Measurement is dependent on management's expectations of the outcome of decisions by tax authorities in the various tax jurisdictions in which the Group operates. This is assessed on a case by case basis using in-house experts, professional firms and previous experience. Where no provision is required the exposure is disclosed as a contingent liability in note 36 unless the likelihood of an outflow of economic benefits is remote.

Judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Amounts recognised in the consolidated income statement:

Year ended 31 March (£ millions)	2025	2024	2023
Current tax expense			
Current year	398	416	257
Adjustments for prior years	13	3	11
Current tax expense	411	419	268
Deferred tax expense/(credit)			
Origination and reversal of temporary differences	310	187	(121)
Adjustments for prior years	(23)	9	9
Deferred tax asset recognition	(24)	(1,029)	-
Rate changes	-	1	1
Deferred tax expense/(credit)	263	(832)	(111)
Total income tax expense/(credit)	674	(413)	157

Amounts recognised in the consolidated statement of other comprehensive income:

Year ended 31 March (£ millions)	2025	2024	2023
Deferred tax credit on actuarial gains on retirement benefits	(2)	(101)	(3)
Deferred tax expense on change in fair value of cash flow hedges	88	84	113
Deferred tax credit on rate changes	-	-	(6)
	86	(17)	104
Total tax expense/(credit)	760	(430)	261

Reconciliation of effective tax rate:

Year ended 31 March (£ millions)	2025	2024	2023
Profit/(loss) for the year	1,800	2,578	(60)
Total income tax expense/(credit)	674	(413)	157
Profit before tax	2,474	2,165	97
Income tax expense using the tax rates applicable to individual entities of 25.3% (2024: 25.4%, 2023: 60.8%)	627	549	59
Non-deductible expenses	47	30	17
Unrecognised or written-down deferred tax assets	4	-	34
Changes in tax rates	-	1	1
Deferred tax asset recognition	(24)	(1,029)	-
Overseas unremitted earnings	29	30	29
Tax on share of profit of equity accounted investments	1	(6)	(3)
(Over)/under provided in prior years	(10)	12	20
Total income tax expense/(credit)	674	(413)	157

The net underlying statutory tax rate represents the blended average of the tax rates suffered on profits and losses earned in our various countries of operation. The comparative positions reflect the fact that statutory tax rates applicable in profitable non-UK subsidiaries are higher than the UK tax rate applied to UK losses.

Deferred tax asset recognition relates to recognition of previously unrecognised deferred tax assets.

For the year ended 31 March 2025, the “Under provided in prior years” credit of £10 million (2024: charge of £12 million, 2023: charge of £20 million) arises as a result of the finalisation of prior year tax submissions with global tax authorities and the ongoing assessment of prior period tax risks.

Included within “Unrecognised or written-down deferred tax assets” for the year ended 31 March 2023 is a charge of £34 million as a result of the inability to fully recognise UK deferred tax assets arising in the year.

Deferred tax assets and liabilities

Significant components of deferred tax assets and liabilities for the year ended 31 March 2025 are as follows:

£ millions	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Reclassified from other equity reserves	Foreign exchange	Closing balance
Deferred tax assets						
Property, plant & equipment	854	(87)	-	-	1	768
Expenses deductible in future periods	233	64	-	-	(12)	285
Unrealised profit in inventory	189	(24)	-	-	-	165
Tax loss	891	36	-	-	(1)	926
Other	239	86	-	-	(2)	323
Total deferred tax asset	2,406	75	-	-	(14)	2,467
Deferred tax liabilities						
Intangible assets	1,169	322	-	-	-	1,491
Derivative financial instruments	26	5	88	7	-	126
Overseas unremitted earnings	79	6	-	-	-	85
Compensated absence and retirement benefits	66	5	(2)	-	-	69
Total deferred tax liability	1,340	338	86	7	-	1,771
Presented as deferred tax asset*	1,157					797
Presented as deferred tax liability*	(91)					(101)

*For balance sheet presentation purposes, deferred tax assets and deferred tax liabilities are offset to the extent that they relate to the same taxation authority and are expected to be settled on a net basis.

At 31 March 2025, deferred tax assets of £797 million (2024: £1,157 million, 2023: £357 million) have been recognised in relation to deductible temporary differences, including unused tax losses, on the basis that it is probable that future taxable profits will be available against which those deductible temporary differences can be utilised.

At 31 March 2025, the Group had unused tax losses of £15 million (2024: £86 million, 2023: £5,442 million) for which no deferred tax asset has been recognised on the basis of forecast profitability of the companies in which the deferred tax assets arise. As explained above, deferred tax assets are recognised only to the extent that it is probable that they will be recovered through sufficient future taxable profits. When assessing the probable future taxable profits, the Group considers whether the relevant Group entity has sufficient taxable temporary differences which will result in taxable amounts against which the unused tax losses can be utilised. These tax losses are due to expire as follows:

As at 31 March (£ millions)	2025	2024	2023
No expiry	15	86	5,442

All deferred tax assets and deferred tax liabilities at 31 March 2025, 2024 and 2023 are presented as non-current.

Significant components of deferred tax assets and liabilities for the year ended 31 March 2024 were as follows:

£ millions	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Reclassified from other equity reserves	Foreign exchange	Closing balance
Deferred tax assets						
Property, plant & equipment	799	54	-	-	1	854
Expenses deductible in future periods	204	40	-	-	(11)	233
Derivative financial instruments	38	(38)	-	-	-	-
Unrealised profit in inventory	118	71	-	-	-	189
Tax loss	233	659	-	-	(1)	891
Other	202	37	-	-	-	239
Total deferred tax asset	1,594	823	-	-	(11)	2,406
Deferred tax liabilities						
Property, plant & equipment	47	(47)	-	-	-	-
Intangible assets	1,041	128	-	-	-	1,169
Derivative financial instruments	-	(59)	84	1	-	26
Overseas unremitted earnings	120	(41)	-	-	-	79
Compensated absence and retirement benefits	157	10	(101)	-	-	66
Total deferred tax liability	1,365	(9)	(17)	1	-	1,340
Presented as deferred tax asset*	357					1,157
Presented as deferred tax liability*	(128)					(91)

*For balance sheet presentation purposes, deferred tax assets and deferred tax liabilities are offset to the extent that they relate to the same taxation authority and are expected to be settled on a net basis.

Significant components of deferred tax assets and liabilities for the year ended 31 March 2023 were as follows:

£ millions	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Reclassified from other equity reserves	Foreign exchange	Closing balance
Deferred tax assets						
Property, plant & equipment	1,134	(335)	-	-	-	799
Expenses deductible in future periods	228	(24)	-	-	-	204
Derivative financial instruments	125	30	(108)	(9)	-	38
Unrealised profit in inventory	73	45	-	-	-	118
Tax loss	19	214	-	-	-	233
Other	-	202	-	-	-	202
Total deferred tax asset	1,579	132	(108)	(9)	-	1,594
Deferred tax liabilities						
Property, plant & equipment	46	1	-	-	-	47
Intangible assets	1,090	(49)	-	-	-	1,041
Overseas unremitted earnings	105	15	-	-	-	120
Compensated absence and retirement benefits	107	54	(4)	-	-	157
Total deferred tax liability	1,348	21	(4)	-	-	1,365
Presented as deferred tax asset*	336					357
Presented as deferred tax liability*	(105)					(128)

*For balance sheet presentation purposes, deferred tax assets and deferred tax liabilities are offset to the extent that they relate to the same taxation authority and are expected to be settled on a net basis.

An interest in an associate or joint venture is accounted for using the equity method from the date the investee becomes an associate or a joint venture and is recognised initially at cost. The carrying value of investments in associates and joint ventures includes goodwill identified on the date of acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Group’s share of profits or losses, other comprehensive income and equity movements of equity accounted investments, from the date that joint control or significant influence commences until the date that joint control or significant influence ceases. When the Group’s share of losses exceeds its interest in an equity accounted investment, the carrying amount of that interest (including any long-term interests in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has incurred constructive or legal obligations or has made payments on behalf of the investee.

When the Group transacts with a joint venture or associate of the Group, profits and losses are eliminated to the extent of the Group’s interest in its joint venture or associate.

Dividends are recognised when the right to receive payment is established.

Impairment of equity accounted investments

The requirements of IAS 28 Investments in associates and joint ventures are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group’s investment in a joint venture or an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of assets as a single asset by comparing its recoverable amount (the higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

(A) Associates

Details of the Group’s associates as at 31 March 2025 are as follows:

Name of investment	Proportion of voting rights	Principal place of business and country of incorporation	Principal activity	Registered office address
Jaguar Cars Finance Limited	49.9%	England & Wales	Non-trading	250 Bishopsgate, London, England, EC2M 4AA
Synaptiv Limited	33.3%	England & Wales	Business and domestic software development	2 Leman Street, London, United Kingdom, E1W 9US

The Group has no material associates as at 31 March 2025. The aggregate summarised financial information in respect of Group’s immaterial associates that are accounted for using the equity method is set out below.

As at 31 March (£ millions)	2025	2024	2023
Carrying amount of the Group’s interests in associates	-	-	-
Year ended 31 March (£ millions)	2025	2024	2023
Group’s share of profit and total comprehensive income in associates	-	-	-

(B) Joint ventures

Details of the Group’s material joint venture as at 31 March 2025 are as follows:

Name of investment	Proportion of voting rights	Principal place of business and country of incorporation	Principal activity	Registered office address
Chery Jaguar Land Rover Automotive Company Ltd.	50.0%	China	Manufacture and assembly of vehicles	Room 1102, Binjiang International Plaza, No 88 Tonggang Road, Changshu Economic and Technical Development Zone, Suzhou City, Jiangsu Province, China

Chery Jaguar Land Rover Automotive Company Ltd. is a limited liability company whose legal form confirms separation between the parties to the joint arrangement. There is no contractual arrangement or any other facts or circumstances that indicate that the parties to the joint control of the arrangement have rights to the assets or obligations for the liabilities relating to the arrangement. Accordingly, Chery Jaguar Land Rover Automotive Company Ltd. is classified as a joint venture. Chery Jaguar Land Rover Automotive Company Ltd. is not publicly listed.

The joint venture is accounted for using the equity method and is a private company and there are no quoted market prices available for its shares.

The following tables sets out the summarised financial information of the Group's individually material joint venture, Chery Jaguar Land Rover Automotive Company Ltd., after adjusting for material differences in accounting policies:

As at 31 March (£ millions)	2025	2024	2023
Cash and cash equivalents	290	276	396
Current financial liabilities (excluding trade and other payables and provisions)	(224)	(202)	(339)
Non-current financial liabilities (excluding trade and other payables and provisions)	(24)	-	(71)
Current assets	532	476	649
Current liabilities	(660)	(856)	(1,175)
Non-current assets	772	1,032	1,266
Non-current liabilities	(24)	(4)	(74)
Net assets of material joint venture	620	648	666

Year ended 31 March (£ millions)	2025	2024	2023
Revenue	1,105	1,511	1,683
(Loss)/profit for the year	(14)	28	30
Total comprehensive (expense)/income	(14)	28	30
Depreciation and amortisation	(192)	(172)	(176)
Finance income	6	8	10
Finance expense	(6)	(8)	(14)
Income tax credit/(expense)	9	(9)	(11)

A reconciliation of the summarised financial information to the carrying amount of the Group's material joint venture recognised in the consolidated balance sheet is given below:

As at 31 March (£ millions)	2025	2024	2023
Net assets of material joint venture	620	648	666
Share of net assets of material joint ventures	310	324	333
Other consolidation adjustments	(5)	(4)	(5)
Carrying amount of the Group's material joint venture	305	320	328

As at 31 March 2025, an adjustment of £5 million (2024: £4 million, 2023: £5 million) has been made to derecognise profit that has not yet been realised on goods sold by the Group to Chery Jaguar Land Rover Automotive Company Ltd.

During the year ended 31 March 2025, the Group received a dividend from Chery Jaguar Land Rover Automotive Company Ltd. of £nil (2024, 2023: £nil).

Details of the Group's immaterial joint ventures as at 31 March 2025 are as follows:

Name of investment	Proportion of voting rights	Principal place of business and country of incorporation	Principal activity	Registered office address
Jaguar Land Rover Schweiz AG	30.0%	Switzerland	Vehicle sales and distribution	Emil Frey Strasse, 5745 Safenwill
Inchcape JLR Europe Limited	30.0%	England & Wales	Vehicle distribution	22a St James's Square, London, United Kingdom, SW1Y 5LP
Bilia JLR Import AB	30.0%	Sweden	Vehicle sales and distribution	Norra Långebergsgatan 3 421 32 Västra Frölunda, Sweden

The summarised financial information in respect of the Group's immaterial joint ventures accounted for using the equity method is set out below:

As at 31 March (£ millions)	2025	2024	2023
Carrying amount of the Group's interests in immaterial joint ventures	5	8	1

Year ended 31 March (£ millions)	2025	2024	2023
Group's share of profit and total comprehensive income in immaterial joint ventures	4	9	-

During the year ended 31 March 2025, the Group received dividends from its immaterial joint ventures of £2 million (2024: £2 million, 2023: £nil).

(C) Summary of amounts recognised in the consolidated financial statements

As at 31 March (£ millions)	2025	2024	2023
Carrying amount of material joint ventures	305	320	328
Carrying amount of immaterial joint ventures	5	8	1
Carrying amount of the Group's interests in equity accounted investees	310	328	329
Year ended 31 March (£ millions)	2025	2024	2023
Share of profit/(loss) of:			
Material joint venture	(7)	14	15
Immaterial joint venture	4	9	-
Share of (loss)/profit of equity accounted investees	(3)	23	15
Year ended 31 March (£ millions)	2025	2024	2023
Currency translation differences	(12)	(23)	(7)
Share of other comprehensive expense related to equity accounted investees	(12)	(23)	(7)

18 OTHER NON-CURRENT INVESTMENTS

The Group's other investments comprise equity investments of 10 per cent or less of the ordinary share capital of the investee companies and are designated as fair value through profit and loss financial instruments.

As at 31 March (£ millions)	2025	2024	2023
Other investments	55	52	43
Total other non-current investments	55	52	43

During the year ended 31 March 2025, the Group invested £7 million (2024: £7 million, 2023: £7 million) in other investments. A fair value loss of £2 million (2024: gain of £1 million, 2023: gain of £9 million) was recognised during the year.

The Group has no additional rights or influence over any of these equity investments other than the voting rights attached to the ordinary share capital, and during the year ended 31 March 2025 no dividends were received (2024, 2023: no dividends).

Disclosure of the valuation techniques applied in calculating the fair value of these other non-equity accounted investments are included in note 38(A).

19 OTHER FINANCIAL ASSETS

As at 31 March (£ millions)	2025	2024	2023
Non-current			
Restricted cash	10	8	9
Derivative financial instruments	336	223	71
Warranty reimbursement and other receivables	70	58	54
Other	104	66	15
Total non-current other financial assets	520	355	149
Current			
Restricted cash	9	10	11
Derivative financial instruments	354	239	101
Warranty reimbursement and other receivables	251	121	85
Accrued income	29	53	40
Other	109	120	138
Total current other financial assets	752	543	375

Accrued income is included within "Contract assets" - see note 5.

Other financial assets pledged as collateral against borrowings are disclosed in note 28.

Property, plant and equipment is stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any. Land is not depreciated.

Cost includes purchase price, non-recoverable taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Interest cost incurred for constructed assets is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Depreciation is charged on a straight-line basis over the estimated useful lives of the assets. Estimated useful lives of the assets are as follows:

Class of property, plant and equipment	Estimated useful life (years)
Buildings	10 to 40
Plant and equipment	3 to 30
Vehicles	3 to 10
IT Equipment	3 to 10
Fixtures and Fittings	3 to 20

The depreciation period for property, plant and equipment with finite useful lives is reviewed at least at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

Freehold land is measured at cost and is not depreciated. Residual values are reassessed on an annual basis.

Depreciation is not recorded on assets under construction until construction and installation are complete and the asset is ready for its intended use. Depreciation is not recorded on heritage assets as the Group considers their residual value to approximate their cost.

An item of property, plant and equipment is derecognised on disposal or when it is withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising from derecognition is included in the consolidated income statement.

An annual review of the carrying value of heritage assets is performed as the assets are held at cost and not depreciated. Any write-down in the carrying value of heritage assets is recognised immediately in the consolidated income statement.

£ millions	Land and buildings	Plant and equipment	Vehicles	IT Equipment	Fixtures and fittings	Heritage vehicles	Under construction	Total
Cost								
Balance at 1 April 2022	2,639	11,264	15	195	134	46	231	14,524
Additions	-	-	-	17	7	-	516	540
Transfers	67	292	-	-	-	-	(359)	-
Disposals	-	(217)	(1)	-	(1)	(4)	-	(223)
Transfer of right-of-use assets	(13)	-	-	-	-	-	-	(13)
Assets classified as held for sale	(64)	-	-	-	-	(2)	-	(66)
Foreign currency translation	17	21	-	1	-	-	-	39
Balance at 31 March 2023	2,646	11,360	14	213	140	40	388	14,801
Additions	-	-	-	6	4	1	980	991
Transfers	97	405	-	-	-	-	(502)	-
Disposals	(7)	(1,179)	(3)	(15)	(13)	(27)	-	(1,244)
Impairment - asset write-downs	(3)	-	-	-	-	-	-	(3)
Assets classified as held for sale	(51)	(14)	-	(2)	-	-	-	(67)
Foreign currency translation	(14)	(21)	-	-	-	-	-	(35)
Balance at 31 March 2024	2,668	10,551	11	202	131	14	866	14,443
Additions	-	-	-	5	3	-	1,040	1,048
Transfers	205	289	-	-	-	-	(494)	-
Disposals	(11)	(673)	-	(6)	(5)	-	-	(695)
Transfer from right-of-use assets*	-	2	-	-	-	-	-	2
Assets classified as held for sale	(8)	-	-	-	(1)	-	-	(9)
Acquisition of subsidiary	1	28	-	-	-	-	5	34
Disposal of subsidiary	(3)	(29)	-	-	-	-	(9)	(41)
Foreign currency translation	(12)	(16)	-	(1)	-	-	-	(29)
Balance at 31 March 2025	2,840	10,152	11	200	128	14	1,408	14,753
Depreciation and impairment								
Balance at 1 April 2022	619	7,321	10	117	87	34	-	8,188
Depreciation charge for the year	118	831	-	15	7	-	-	971
Disposals	-	(207)	(1)	-	(1)	-	-	(209)
Assets classified as held for sale	(6)	-	-	-	-	-	-	(6)
Foreign currency translation	5	8	2	-	-	-	-	15
Balance at 31 March 2023	736	7,953	11	132	93	34	-	8,959
Depreciation charge for the year	124	873	-	17	9	-	-	1,023
Disposals	(7)	(1,158)	-	(14)	(13)	(27)	-	(1,219)
Assets classified as held for sale	(12)	(13)	-	(3)	-	-	-	(28)
Foreign currency translation	(7)	(9)	-	-	-	-	-	(16)
Balance at 31 March 2024	834	7,646	11	132	89	7	-	8,719
Depreciation charge for the year	126	657	-	15	7	-	-	805
Disposals	(9)	(654)	-	(6)	(5)	-	-	(674)
Disposal of subsidiary	-	(4)	-	-	-	-	-	(4)
Foreign currency translation	(4)	(8)	-	-	-	-	-	(12)
Balance at 31 March 2025	947	7,637	11	141	91	7	-	8,834
Net book value								
At 31 March 2023	1,910	3,407	3	81	47	6	388	5,842
At 31 March 2024	1,834	2,905	-	70	42	7	866	5,724
At 31 March 2025	1,893	2,515	-	59	37	7	1,408	5,919

*During the year ended 31 March 2025, amounts with a net book value of £2 million (2024: £nil, 2023: £nil) were reclassified from right-of-use assets to property, plant and equipment at the cessation of the respective leases. The assets reclassified related to leases with purchase options for which the Group had been depreciating the assets over their expected economic lives.

Intangible assets purchased, including those acquired in business combinations, are measured at acquisition cost, which is the fair value on the date of acquisition, where applicable, less accumulated amortisation and accumulated impairment, if any. Intangible assets with indefinite lives are reviewed annually to determine whether an indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis. For intangible assets with finite lives, amortisation is provided on a straight-line basis over the estimated useful lives of the intangible assets as per the estimated amortisation periods below:

Class of intangible asset	Estimated amortisation period (years)
Software	2 to 8
Patents and technological know-how	2 to 12
Product development costs	2 to 12
Customer related - retailer network	20
Intellectual property rights and other intangibles	3 to indefinite
Goodwill	Indefinite

The amortisation for intangible assets with finite useful lives is reviewed at least at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

Customer-related intangibles acquired in a business combination consist of dealer networks. Intellectual property rights and other intangibles includes brand names, which are considered to have indefinite lives due to the longevity of the brands.

Internally generated intangible assets

The Group undertakes significant levels of research and development activity. Product engineering costs incurred on new vehicle platforms, engines, transmission and new products are recognised as intangible assets - when feasibility has been established, the Group has committed technical, financial and other resources to complete the development and it is probable that the asset will generate future economic benefits.

Periodic reviews are undertaken and judgement is applied in determining at what point in a programme's life cycle the recognition criteria under IAS 38 are satisfied. During the year, £215 million (2024: £30 million, 2023: £585 million) of development expenditure was capitalised for programmes that started capitalisation in the year. If a later capitalisation point had been used then this would have had the impact of reducing the amounts capitalised as product engineering costs.

The costs capitalised include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use. Interest cost incurred is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

The Group applies judgement in determining which central and product development overhead costs are directly attributable and therefore meet the criteria for capitalisation. If these central and product development overheads were not classified as directly attributable, the total value capitalised would have been £359 million lower in the year ended 31 March 2025 (2024: £270 million, 2023: £143 million).

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment loss, if any. Amortisation is not recorded on product engineering in progress until development is complete. Research costs are charged to the consolidated income statement in the year in which they are incurred.

£ millions	Goodwill	Software	Patents and technological know-how	Customer-related	Intellectual property rights and other intangibles	Product development - completed	Product development - in progress	Total
Cost								
Balance at 1 April 2022	-	894	147	61	650	9,500	574	11,826
Additions - externally purchased	-	56	-	-	-	-	-	56
Additions - internally developed	-	-	-	-	-	-	738	738
Transfers	-	-	-	-	-	519	(519)	-
Disposals	-	(3)	-	-	-	(867)	-	(870)
Foreign currency translation	-	1	-	-	-	-	-	1
Balance at 31 March 2023	-	948	147	61	650	9,152	793	11,751
Additions - externally purchased	-	66	-	-	-	-	-	66
Additions - internally developed	-	-	-	-	-	-	1,538	1,538
Transfers	-	-	-	-	-	147	(147)	-
Disposals	-	(241)	-	-	-	(221)	-	(462)
Foreign currency translation	-	(1)	-	-	-	-	-	(1)
Balance at 31 March 2024	-	772	147	61	650	9,078	2,184	12,892
Additions - externally purchased	-	61	-	-	-	-	-	61
Additions - internally developed	-	-	-	-	-	-	2,002	2,002
Disposals	-	(76)	(147)	-	(22)	(2,676)	-	(2,921)
Transfers	-	-	-	-	-	92	(92)	-
Acquisition of subsidiary	40	-	-	-	11	-	-	51
Disposal of subsidiary	(40)	-	-	-	(11)	-	-	(51)
Foreign currency translation	-	(1)	-	-	-	-	-	(1)
Balance at 31 March 2025	-	756	-	61	628	6,494	4,094	12,033
Amortisation and impairment								
Balance at 1 April 2022	-	674	147	46	170	5,670	-	6,707
Amortisation charge for the year	-	71	-	2	3	973	-	1,049
Disposals	-	(2)	-	-	-	(867)	-	(869)
Balance at 31 March 2023	-	743	147	48	173	5,776	-	6,887
Amortisation charge for the year	-	70	-	5	2	977	-	1,054
Disposals	-	(233)	-	-	-	(221)	-	(454)
Foreign currency translation	-	(1)	-	-	-	-	-	(1)
Balance at 31 March 2024	-	579	147	53	175	6,532	-	7,486
Amortisation charge for the year	-	58	-	2	2	708	-	770
Disposals	-	(73)	(147)	-	(22)	(2,676)	-	(2,918)
Disposal of subsidiary	-	-	-	-	(1)	-	-	(1)
Foreign currency translation	-	(1)	-	-	-	-	-	(1)
Balance at 31 March 2025	-	563	-	55	154	4,564	-	5,336
Net book value								
At 31 March 2023	-	205	-	13	477	3,376	793	4,864
At 31 March 2024	-	193	-	8	475	2,546	2,184	5,406
At 31 March 2025	-	193	-	6	474	1,930	4,094	6,697

Included within Intellectual property rights and other intangibles at 31 March 2025 are intangible assets with a carrying value of £471 million (2024: £471 million, 2023: £471 million) that have indefinite useful lives.

Impairment testing

In accordance with prevailing accounting standards, management have performed an annual impairment assessment as at 31 January 2025, using the value in use ("VIU") approach to determine the recoverable value of the cash generating unit ("CGU"). A subsequent assessment has been performed to the year end date which has determined that there have been no events or changes in circumstances which would have changed the outcome of the assessment performed as at 31 January.

The directors are of the view that the operations of the Group, excluding equity accounted investments, represent a single CGU. This is because the degree of integrated development and manufacturing activities is such that no one group of assets has been determined to generate cash inflows that are independent of any other.

The impairment assessment determined that the recoverable value of the CGU exceeded the carrying amount by £5.7 billion (2024: £6.5 billion, 2023: £1.5 billion) and therefore no impairment was identified. The decrease in headroom has largely been driven by an increase to the value of the CGU offset by improved performance projections forecast for future periods following cycle plan actions and other strategic changes. It was further determined that this decrease did not require the reversal of the previously recorded impairment loss.

The Group has considered it appropriate to undertake the impairment assessment with reference to the Group business plan which was based on the Group approved Cycle Plan that was in effect as at the assessment date. The business plan includes a five-year cash flow forecast and contains growth rates that are primarily a function of the Group's Cycle Plan assumptions, historical performance and management's expectation of future market developments through to 2029/30.

In estimating the future cash flows management have given due consideration to the inherent uncertainty of forecast information and have adjusted some of the assumptions in the business plan to take into account possible variations in the amount or timing of the cash flows. In doing so, management has incorporated execution risks associated with our 'Reimagine' strategy and the transition to electrified powertrain into the VIU, risks associated with tariffs that may be levied on the Groups products and other risks outlined on pages 71 to 73, that may impact future cash flows.

Climate risk

The Group recognises that the potential impact of climate risk to areas such as supply chain, operations, and material and compliance costs may result in variations to the timing and amounts of future cash flows. As such climate risk is incorporated into the development of our forecast cash flows in the VIU by reference to our climate change risk assessment. These risks are principally reflected by the risk adjustments related to the variable profit and volumes which would be most affected by climate change events, for example, scarcity of certain commodities driving up costs and therefore adversely impacting variable profit. Further details on our approach to sustainability are included in the Strategic Report on pages 36 to 68.

Key assumptions

The assessment of impairment is based on forecasts of future cash flows which are inherently uncertain and are developed using informed assumptions such as historical trends and market information. The directors consider the key assumptions that impact the value in use are those to which:

- (i) the recoverable amount is most sensitive;
- (ii) involve a significant amount of judgement and estimation; and
- (iii) drive significant changes to the recoverable amount when flexed under reasonably possible outcomes.

The directors' approach and key assumptions used to determine the Group's CGU VIU were as follows:

- **Variable profit per unit and volumes** - The approach to determining the forecast variable profit per unit and volumes is based on consideration of historical performance, the order book, profit optimisation efforts and Group Cycle Plan assumptions, along with the impact of risks on future cash flows discussed above. A small change in either assumption may have a significant impact to future cash flows and for this reason, as well as the impact of risks associated with supply and inflationary pressures on variable profit and volumes, the directors consider variable profit per unit and volumes to be key assumptions. Further, the variable profit per unit and volumes included in the business plan are largely driven by an updated portfolio, which includes estimates and judgements related to the transition to electrified powertrain, including the introduction of new Jaguar.
- **Terminal value capital expenditure** - The 5-year cash flows timings and amounts are based on the latest Cycle Plan. The terminal value is based on the best estimate of a maintenance level of capital expenditure which has been derived from depreciation and amortisation expectations and funding requirements in response to longer-term industry trends and risks informed by those listed above and increases in execution risks in particular, which are anticipated in the VIU calculation. Due to the judgement and estimation involved in the calculation of terminal value capital expenditure, as well as the sensitivity of the recoverable amount to any change in the value, the directors consider this to be a key assumption.
- **Discount rate** - The approach to determining the discount rate is based on the Capital Asset Pricing Model and a market participant after tax cost of debt. These inputs are based on a typical build up approach, calculated using country specific premiums without size premium and with an unlevered equity Beta with reference to industry peers. The increase in the year has mainly been driven by an increase in the cost of equity capital and cost of debt. The discount rate is regarded as a key assumption as it is the rate which drives the discounted cash flows used to determine the VIU of the CGU primarily due to the level of judgement and estimation involved and the sensitivity of the recoverable amount to small changes in the percentage.

The VIU assessment is sensitive to certain assumptions, such as Sales, General & Administration ("SG&A") costs, where the cash flows are based on consideration of historical performance adjusted for future plans and expected cost savings. These are not considered to be key assumptions because they have less estimation uncertainty than those set out above. Similarly, certain assumptions which involve greater judgement and estimation, such as growth rate of 1.8 per cent (2024: 1.7 per cent, 2023: 1.7 per cent), but for which even relatively significant changes have a limited impact on the assessment are not regarded as key assumptions. Management have outlined the key assumptions to which the VIU assessment is sensitive later in this disclosure.

The value of key assumptions used to calculate the recoverable amount are as follows, presented as a % of Gross Vehicle Revenues (“GVR”) to demonstrate the relative value to the assessment where noted:

As at	31 January 2025	31 January 2024	31 March 2023
Forecast period (Yr1-5) variable profit* (%GVR)	27.6%	27.2%	24.9%
Terminal value variable profit * (%GVR)	25.5%	24.3%	23.2%
Terminal value capital expenditure (%GVR)	8.0%	8.7%	8.1%
Pre-tax discount rate	11.2%	11.8%	15.6%

*Based on forecast variable profit per unit and volumes.

Sensitivity to reasonably possible changes to key assumptions

Given the inherent uncertainty about the timing and amount of any change in key assumptions, as well as the significant portion of the recoverable amount related to the VIU terminal value, management consider a net impact on terminal period cash flows to be the best means of indicating the sensitivity of key assumptions.

Management consider the variable profit and volumes assumptions to be interdependent as movement in one assumption will impact the other, impacting the overall variable profit. For example, the profit optimisation efforts discussed above will likely result in higher average variable profit per unit with lower volumes whereas a focus on volumes would likely see a reduction in the average variable profit per unit. Consequently, the terminal value variable profit sensitivity below incorporates sensitivity in volumes via the impact on variable profit.

The table below shows the amount by which the value assigned to the key assumptions must change for the recoverable amount of the CGU to be equal to its carrying amount. Management considers it reasonably possible that these individual assumptions could vary, which could have a material impact on the value in use calculation, but do not consider it to be reasonably possible that the individual assumptions could change by the quantum outlined below such that the carrying value of the CGU would materially change. Management have also performed analysis which considers the impact of reasonably possible variances on these assumptions in aggregate and that analysis did not result in a material change to the carrying value of the CGU.

As at (% change)	31 January 2025	31 January 2024	31 March 2023
Forecast period (Yr1-5) variable profit	(20.4%)	(22.2%)	(6.0%)
Terminal value variable profit	(11.3%)	(12.5%)	(5.5%)
Terminal value capital expenditures	38.4%	37.7%	17.5%
Pre-tax discount rate	46.6%	66.0%	31.4%

In each of the four scenarios above, the sensitivity has been performed in isolation with all other assumptions remaining constant.

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has this right when it has the decision making rights that are most relevant to changing how and for what purposes the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
 - The Group has the right to operate the asset; or
 - The Group designed the asset in a way that predetermines how and for what purposes it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is allocated, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method over the shorter of the useful life of the leased asset and the expected lease term. If ownership of the leased asset is automatically transferred at the end of the lease term or the exercise of a purchase option is reflected in the lease payments, the right-of-use asset is amortised on a straight-line basis over the expected useful life of the leased asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as a discount rate. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease payments include fixed payments, i.e. amounts expected to be payable by the Company under residual value guarantee, the exercise price of purchase options and lease payments in relation to lease extension options, if the Company is reasonably certain to exercise purchase or extension options, and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise a termination option.

The Group leases a number of buildings, plant and equipment, IT hardware and software assets, certain of which have a renewal and/or purchase options in the normal course of the business. Extension and termination options are included in a number of leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operation. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension or termination option. The Group reassesses whether it is reasonably certain to exercise options if there is a significant event or significant change in circumstances within its control.

The Group's leases mature between 2025 and 2051.

There are no leases with residual value guarantees.

Right-of-use assets

£ millions	Land and buildings	Plant and equipment	Vehicles	IT equipment	Fixtures and fittings	Other	Total
Cost							
Balance at 1 April 2022	672	101	14	24	17	5	833
Additions	114	11	5	6	-	1	137
Disposals	(25)	(20)	(12)	(13)	-	(2)	(72)
Foreign currency translation	2	-	-	-	-	-	2
Other	18	2	-	-	-	-	20
Balance at 31 March 2023	781	94	7	17	17	4	920
Additions	33	26	3	10	-	1	73
Disposals	(21)	(28)	(1)	(5)	-	(2)	(57)
Foreign currency translation	(1)	-	-	-	(1)	-	(2)
Other	3	-	-	-	-	-	3
Balance at 31 March 2024	795	92	9	22	16	3	937
Additions	20	27	11	8	-	-	66
Disposals	(41)	(8)	(3)	(2)	(10)	-	(64)
Transfers to property, plant and equipment*	-	(6)	-	-	-	-	(6)
Acquisition of subsidiary	24	1	-	-	-	-	25
Disposal of subsidiary	(24)	(1)	-	-	-	-	(25)
Foreign currency translation	(1)	-	-	-	-	-	(1)
Other	16	-	-	-	-	-	16
Balance at 31 March 2025	789	105	17	28	6	3	948
Depreciation							
Balance at 1 April 2022	168	60	11	18	4	4	265
Depreciation charge for the year	62	16	3	4	1	1	87
Disposals	(23)	(19)	(11)	(13)	-	(2)	(68)
Other	1	-	-	-	-	-	1
Balance at 31 March 2023	208	57	3	9	5	3	285
Depreciation charge for the year	73	14	3	5	2	1	98
Disposals	(18)	(28)	(1)	(5)	-	(2)	(54)
Balance at 31 March 2024	263	43	5	9	7	2	329
Depreciation charge for the year	72	17	4	7	1	1	102
Transfers to property, plant and equipment*	-	(4)	-	-	-	-	(4)
Disposals	(35)	(8)	(3)	(2)	(7)	-	(55)
Disposal of subsidiary	(4)	-	-	-	-	-	(4)
Balance at 31 March 2025	296	48	6	14	1	3	368
Net book value							
At 31 March 2023	573	37	4	8	12	1	635
At 31 March 2024	532	49	4	13	9	1	608
At 31 March 2025	493	57	11	14	5	-	580

*During the year ended 31 March 2025, amounts with a net book value of £2 million (2024: £nil, 2023: £nil) were reclassified from right-of-use assets to property, plant and equipment at the cessation of the respective leases. The assets reclassified related to leases with purchase options for which the Group had been depreciating the assets over their expected economic lives.

Lease liabilities

The maturity analysis of the contractual undiscounted cash flows is as follows:

As at 31 March (£ millions)	2025	2024	2023
Less than one year	128	124	118
Between one and five years	347	354	346
More than five years	595	653	732
Total undiscounted lease liabilities	1,070	1,131	1,196

The following amounts are recognised in the consolidated balance sheet:

As at 31 March (£ millions)	2025	2024	2023
Current lease liabilities	79	73	70
Non-current lease liabilities	592	621	640
Total lease liabilities	671	694	710

The following amounts are recognised in the consolidated income statement:

Year ended 31 March (£ millions)	2025	2024	2023
Interest expense on lease liabilities	55	56	54
Expenses related to short-term leases	16	15	10
Expenses related to low-value assets, excluding short-term leases of low-value assets	14	13	12

The following amounts are recognised in the consolidated cash flow statement:

Year ended 31 March (£ millions)	2025	2024	2023
Cash payments for the principal portion of lease liabilities (within 'payments of lease obligations')	86	74	72
Cash payment for interest expense related to lease liabilities (within 'finance expenses and fees paid')	55	56	54
Total cash outflow for leases	141	130	126

Leases as a lessor

Leases where the Group is a lessor are predominantly in relation to vehicles and property. The Group classifies these as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date, are as follows:

As at 31 March (£ millions)	2025	2024	2023
Less than one year	5	8	4
Between one and five years	9	6	7
More than five years	16	8	10
Total undiscounted lease payments to be received	30	22	21

23 OTHER ASSETS

As at 31 March (£ millions)	2025	2024	2023
Non-current			
Prepaid expenses	173	131	66
Research and development expenditure credit	3	1	3
Other	16	11	6
Total non-current other assets	192	143	75
Current			
Recoverable VAT	156	158	252
Prepaid expenses	296	306	219
Research and development expenditure credit	231	178	121
Other	24	15	15
Total current other assets	707	657	607

24 ALLOWANCES FOR TRADE AND OTHER RECEIVABLES

Year ended 31 March (£ millions)	2025	2024	2023
At beginning of year	6	4	4
Charged during the year	1	5	3
Receivables written off as uncollectable	-	(2)	(2)
Unused amounts reversed	(2)	(1)	(1)
At end of year	5	6	4

25 INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Costs of raw materials and consumables are ascertained on a first-in, first-out basis. Costs, including fixed and variable production overheads, are allocated to work-in-progress and finished goods, determined on a full absorption cost basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

Inventories include vehicles sold subject to repurchase arrangements. These vehicles are carried at cost to the Group and are amortised in changes in stocks and work-in-progress to their residual values (i.e. estimated second-hand sale value) over the term of the arrangement.

As at 31 March (£ millions)	2025	2024	2023
Raw materials and consumables	157	109	148
Work-in-progress	492	538	504
Finished goods	2,974	3,103	2,589
Inventory basis adjustment	5	1	(3)
Total inventories	3,628	3,751	3,238

Inventories of finished goods include £458 million (2024: £429 million, 2023: £402 million) relating to vehicles sold to rental car companies, fleet clients and others with guaranteed repurchase arrangements.

Cost of inventories (comprising the cost of purchased products and the costs of conversion) recognised as an expense during the year amounted to £19,476 million (2024: £19,431 million, 2023: £15,421 million), including material and other cost of sales, employee costs, depreciation and production overheads recognised within "Other expenses".

During the year, the Group recorded an inventory write-down expense of £23 million (2024: £115 million, 2023: £75 million). The write-down is included in "Material and other cost of sales".

26 ASSETS CLASSIFIED AS HELD FOR SALE

Assets are classified as held for sale if their carrying amount will be recovered primarily through sale rather than through continuing use, if the assets are available for immediate sale in their present condition and if the sale is highly probable. Immediately before classification as held for sale, the assets are measured in accordance with the Group's applicable accounting policies. Once classified as held for sale, the assets are measured at the lower of their carrying amount and fair value less costs to sell. Any write-downs on initial classification or subsequent remeasurement are recognised in the consolidated income statement. Gains are not recognised in excess of any cumulative impairment losses.

As at 31 March (£ millions)	2025	2024	2023
Land and buildings	1	30	35
Heritage assets	-	-	3
Other assets held for sale	45	24	24
Total assets classified as held for sale	46	54	62

Work to implement a disposal plan for each class of asset has already begun and is expected to be completed within twelve months of the balance sheet date. During the year ended 31 March 2025, write-downs of £nil (2024: £6 million, 2023: £26 million) have been recognised in respect of assets held for sale where the carrying value of assets exceeded fair value less costs to sell.

27 ACCOUNTS PAYABLE

As at 31 March (£ millions)	2025	2024	2023
Trade payables	4,709	4,865	4,305
Liabilities related to revenue reductions	1,379	1,188	831
Liabilities to employees	326	317	143
Liabilities for expenses	313	345	304
Capital creditors	421	398	308
Total accounts payable	7,148	7,113	5,891

28 INTEREST-BEARING LOANS AND BORROWINGS

As at 31 March (£ millions)	2025	2024	2023
Short-term borrowings			
Bank loans	319	-	658
Current portion of long-term EURO MTF listed debt	842	427	571
Current portion of long-term bank loans	125	829	249
Total short-term borrowings	1,286	1,256	1,478
Long-term borrowings			
Bank loans	589	217	1,053
EURO MTF listed debt	1,773	2,683	3,512
Other unsecured	37	36	35
Total long-term borrowings	2,399	2,936	4,600
Lease obligations	671	694	710
Total interest-bearing loans and borrowings	4,356	4,886	6,788

Euro MTF listed debt

The bonds are listed on the Luxembourg Stock Exchange multilateral trading facility ("EURO MTF") market. Details of the tranches of the bonds outstanding at 31 March 2025 are as follows:

\$500 million Senior Notes due 2027 at a coupon of 4.500 per cent per annum - issued October 2017
€500 million Senior Notes due 2026 at a coupon of 4.500 per cent per annum - issued September 2018
€298 million Senior Notes due 2026 at a coupon of 6.875 per cent per annum - issued November 2019
\$700 million Senior Notes due 2025 at a coupon of 7.750 per cent per annum - issued October 2020
\$553 million Senior Notes due 2028 at a coupon of 5.875 per cent per annum - issued December 2020
€500 million Senior Notes due 2028 at a coupon of 4.500 per cent per annum - issued July 2021
\$409 million Senior Notes due 2029 at a coupon of 5.500 per cent per annum - issued July 2021

During the year ended 31 March 2025, the Group repaid its €500 million Senior Notes due 2024 at a coupon of 5.875 per cent per annum - issued November 2019.

During the year ended 31 March 2024, the Group repaid its €650 million Senior Notes due 2024 at a coupon of 2.200 per cent per annum - issued January 2017. In addition, the Group repaid £79 million of its \$650 million Senior Notes due 2028 for a purchase price of £72 million, £74 million of its \$500 million Senior Notes due 2029 for a purchase price of £64 million and £175 million of its €500 million Senior Notes due 2026 for a purchase price of £178 million. The resulting gain of £14 million was recognised in the consolidated income statement in the year ended 31 March 2024.

During the year ended 31 March 2023, the Group repaid its \$500 million Senior Notes due 2023 at a coupon of 5.625 per cent per annum - issued January 2013, and £400 million Senior Notes due 2023 at a coupon of 3.875 per cent per annum - issued February 2015.

Syndicated loan

During the year ended 31 March 2025, the Group repaid the \$798 million syndicated loan that matured in January 2025 and entered a new \$500 million term loan facility, maturing in January 2029. This facility was subsequently increased by \$150 million through an accordion feature in March 2025.

Factored receivables facility

The Group has a factored receivables facility of \$900 million, ending 31 August 2027. Under the terms of the facility, the Group derecognises factored receivables in accordance with IFRS 9 as there are no recourse arrangements. The related cash flows are reported within cash flows from operating activities within the consolidated cash flow statement. Included within bank loans at 31 March 2025 is £nil (2024: £nil, 2023: £70 million) in relation to receivables that were repurchased during the year.

UK Export Finance facility

The Group repaid £73 million (2024: £125 million, 2023: £125 million) of the remaining balance of the £625 million five-year amortising loan facility from UK Export Finance that ended in October 2024.

In March 2022, the Group entered and drew down in full an additional £625 million five-year amortising loan facility from UK Export Finance, ending December 2026. During the year ended 31 March 2025, the Group repaid £125 million (2024: £125 million, 2023: £125 million) of this loan. As at 31 March 2025, the remaining balance on the facility is £219 million (2024: £344 million, 2023: £469 million).

These loans include a covenant requiring the Group to maintain a minimum quarter-end liquidity of £1 billion.

China borrowings

During the year ended 31 March 2025, the Group entered into two 12 month RMB 1.5 billion working capital loans totalling RMB 3 billion. The facilities have a maturity date of December 2025.

During the year ended 31 March 2021, the Group entered into a 3-year RMB 5 billion syndicated revolving loan facility subject to an annual confirmatory review. This facility was cancelled during the year ended 31 March 2023 and replaced with a new 3-year RMB 5 billion syndicated revolving loan facility subject to an annual confirmatory review. During the year ended 31 March 2024, a partial repayment of RMB 2 billion (£225 million) was made in October 2023 and the remaining RMB 3 billion (£328 million) was repaid in March 2024.

Undrawn facilities

As at 31 March 2025, the Group has a fully undrawn revolving credit facility of £1,038 million, with a maturity date of October 2029 and a fully undrawn revolving credit facility of £622 million, with a maturity of October 2027, totalling £1,660 million (2024: £1,520 million, 2023: £1,520 million). This includes a covenant requiring the Group to maintain a minimum quarter-end liquidity of £1 billion.

Collateral pledged against borrowings

Other financial assets with a carrying value of £8 million (2024: £27 million, 2023: £20 million) are pledged as collateral/security against borrowings.

The contractual cash flows of interest-bearing debt (excluding leases) are set out below, including estimated interest payments and assuming the debt will be repaid at the maturity date.

As at 31 March (£ millions)	2025	2024	2023
Due in			
1 year or less	1,588	1,534	1,742
2nd and 3rd years	1,339	1,747	2,891
4th and 5th years	1,289	1,371	1,666
More than 5 years	110	444	938
Total contractual cash flows	4,326	5,096	7,237

29 OTHER FINANCIAL LIABILITIES

As at 31 March (£ millions)	2025	2024	2023
Current			
Lease obligations	79	73	70
Interest accrued*	66	84	95
Derivative financial instruments	152	265	461
Liability for vehicles sold under a repurchase arrangement	499	455	297
Other	-	8	-
Total current other financial liabilities	796	885	923
Non-current			
Lease obligations	592	621	640
Derivative financial instruments	65	136	472
Other	1	1	11
Total non-current other financial liabilities	658	758	1,123

*Relates mainly to interest accrued on Euro MTF listed debt, syndicated loan and UK Export Finance facility.

Included in the Liability for vehicles sold under a repurchase arrangement balance is £341 million (2024: £282 million) related to vehicles for the management car scheme. Participants in the scheme make payments through deductions from salary.

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. When the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

As at 31 March (£ millions)	2025	2024*	2023*
Current			
Product warranty	857	720	696
Emissions compliance	138	41	9
Third party claims and obligations	154	197	303
Other provisions	37	68	81
Total current provisions	1,186	1,026	1,089
Non-current			
Product warranty	1,405	1,145	976
Emissions compliance	147	118	71
Other provisions	44	48	44
Total non-current provisions	1,596	1,311	1,091

*The comparatives as at 31 March 2024 and 31 March 2023 have been re-presented to align with presentation changes made during the year ended 31 March 2025. Amounts previously disclosed as 'Restructuring' have been presented in 'Third party claims and obligations' and 'Other provisions' as applicable. This has not resulted in any change to the reported 'Total current provisions' or 'Total non-current provisions'.

Year ended 31 March 2025 (£ millions)	Product warranty	Emissions compliance	Third party claims and obligations	Other provisions	Total
Opening balance	1,865	159	197	116	2,337
Provisions made during the year	1,396	243	360	53	2,052
Provisions used during the year	(1,070)	(56)	(269)	(25)	(1,420)
Unused amounts reversed in the year	(14)	(61)	(136)	(22)	(233)
Impact of unwind of discounting	85	-	-	-	85
Liabilities directly associated with assets classified as held for sale	-	-	-	(36)	(36)
Acquisition of subsidiary	-	-	-	5	5
Disposal of subsidiary	-	-	-	(7)	(7)
Foreign currency translation	-	-	2	(3)	(1)
Closing balance	2,262	285	154	81	2,782

Product warranty provision

The Group provides product warranties on all new vehicle sales in respect of manufacturing defects, which become apparent in the stipulated policy period dependent on the market in which the vehicle purchase occurred. The estimated liability for product warranty is recognised when products are sold or when new warranty programmes are initiated.

Provisions are recognised for the costs of repairing manufacturing defects, recall campaigns, customer goodwill (representing the Group's constructive obligation to its clients when managing those warranty claims) and the Group's other obligations under the warranty.

Assumptions are made on the type and extent of future warranty claims based on experience of the frequency and extent of vehicle faults and defects historically.

The estimates also include assumptions on the amounts of potential repair costs per vehicle and the effects of possible time or mileage limits and are regularly adjusted to reflect new information. The timing of outflows will vary as and when a warranty claim will arise.

The Group's calculation methodology uses detailed historical data corrected for experience as information becomes available as well as individual campaign assumptions (such as scope, uptake rates and repair costs). This can lead to changes in the carrying value of provisions as assumptions are updated over the life of each warranty to reflect where actual experience differs to past experience, for example due to higher inflation or timing of claims impacting disbursement curve analysis.

The Group notes that changes in the automotive environment regarding the increasing impact of battery electric vehicles presents its own significant challenges, particularly due to the lack of maturity and historical data available at this time to help inform estimates for future warranty claims, as well as any associated recoveries from suppliers due to such claims. The Group offers warranties of up to eight years on batteries in electric vehicles. The related provisions are made with the Group's best estimate at this time to settle such obligations in the future, but will be required to be continually refined as sufficient, real-world data becomes available.

The discount on the warranty provision is calculated using a risk-free discount rate as the risks specific to the liability, such as inflation, are included in the base calculation.

Estimates of the future costs of warranty actions are subject to numerous uncertainties, including the enactment of new laws and regulations, the number of vehicles affected by a service or recall action and the nature or final cost of the corrective action. Due to the uncertainty and potential volatility of the inputs to these assumptions, it is reasonably possible that the actual cost expenditure over an extended period of time could be materially different to the estimate in a range of amounts that cannot be reasonably estimated. The Group continues to monitor developments in global macroeconomic conditions, including the global tariff environment, and adjusts provisions if required.

The Group also has back-to-back contractual arrangements with its suppliers in the event that a vehicle fault is proven to be a supplier's fault. Estimates are made of the expected reimbursement claims based upon historical levels of recoveries by supplier, adjusted for inflation and applied to the population of vehicles under warranty at the balance sheet date. Supplier reimbursement claims are presented as separate assets within "Other financial assets" in note 19. Supplier recoveries are recognised only when the Group considers there to be virtual certainty over the reimbursement, which also requires historical evidence to support.

Emissions compliance

The Group maintains a provision for sales non-compliant with legal emissions requirements for certain jurisdictions. The best estimate of the expenditure required to settle the non-compliance at the balance sheet date is determined by considering the ways in which the Group can mitigate non-compliance with the emissions requirements. These include purchasing emission credits at the estimated market rate based on latest market information, or paying the legislated fine amount where a market indicative credit price cannot be estimated; and, subject to the terms of the relevant legislation, generating credits by producing and selling compliant vehicles in the future. Legislation is regularly monitored for changes to the emissions requirements across the various jurisdictions relevant to the Group and where changes or new legislation is virtually certain to be enacted, these are used as basis in determining the best estimate for the provision measurement. The measurement of the provision at the balance sheet date does not include the impact of credits forecast to be generated in the future via the production and sale of compliant vehicles.

The timing of outflows will vary and is not known with certainty. The actual cash outflow may differ to the estimate.

Third party claims and obligations

A provision is maintained in respect of legal and constructive obligations to third parties. This includes claims and obligations related to supplier claims, motor accident claims, consumer complaints, retailer terminations, employment cases and personal injury claims. The decrease in the year is driven predominantly by a reduction in supplier claims, including continued settlement of existing claims as well as lower levels of new claims.

The provision recognised is based on previous experience, which is considered as a reasonable assumption to estimate the final settlement, if any, at the time of the claim. The timing and amount of outflows will vary with decreasing uncertainty from the point at which each claim is received to when it is subsequently settled.

Other provisions

Other provisions predominantly include environmental provisions and residual risk provisions. The timing of outflows will vary and is not known with certainty.

31 OTHER LIABILITIES

As at 31 March (£ millions)	2025	2024	2023
Current			
Liabilities for advances received	74	102	51
Ongoing service obligations	368	324	301
VAT	93	104	98
Deferred grant income	42	70	62
Other taxes payable	69	100	70
Other	3	11	8
Total current other liabilities	649	711	590
Non-current			
Ongoing service obligations	635	605	478
Deferred grant income	498	348	291
Other	7	4	3
Total non-current other liabilities	1,140	957	772

32 CAPITAL AND RESERVES

As at 31 March (£ millions)	2025	2024	2023
Authorised, called up and fully paid			
1,500,642,163 ordinary shares of £1 each	1,501	1,501	1,501
Total ordinary share capital	1,501	1,501	1,501

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

The capital redemption reserve of £167 million (2024: £167 million, 2023: £167 million) was created in March 2011 on the cancellation of share capital.

33 OTHER RESERVES

The movement of reserves is as follows:

£ millions	Translation reserve	Hedging reserve	Cost of hedging reserve	Retained earnings	Total other reserves
Balance at 1 April 2022	(333)	(454)	19	3,603	2,835
Loss for the year	-	-	-	(60)	(60)
Remeasurement of defined benefit obligation	-	-	-	(14)	(14)
Loss on effective cash flow hedges	-	(687)	(50)	-	(737)
Income tax related to items recognised in other comprehensive income	-	15	5	4	24
Cash flow hedges reclassified to profit and loss	-	618	(16)	-	602
Income tax related to items reclassified to profit or loss	-	(132)	4	-	(128)
Amounts removed from hedge reserve and recognised in inventory	-	40	5	-	45
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	(8)	(1)	-	(9)
Foreign currency translation	13	-	-	-	13
Balance at 31 March 2023	(320)	(608)	(34)	3,533	2,571
Of which:					
Amounts related to continuing hedges	n/a	(605)	(34)	n/a	(639)
Amounts related to discontinued hedges	n/a	(3)	-	n/a	(3)
Balance at 1 April 2023	(320)	(608)	(34)	3,533	2,571
Profit for the year	-	-	-	2,578	2,578
Remeasurement of defined benefit obligation	-	-	-	(405)	(405)
Gain on effective cash flow hedges	-	803	41	-	844
Income tax related to items recognised in other comprehensive income	-	(68)	(3)	101	30
Cash flow hedges reclassified to profit and loss	-	66	(15)	-	51
Income tax related to items reclassified to profit or loss	-	(17)	4	-	(13)
Amounts removed from hedge reserve and recognised in inventory	-	2	1	-	3
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	(1)	-	-	(1)
Foreign currency translation	(47)	-	-	-	(47)
Balance at 31 March 2024	(367)	177	(6)	5,807	5,611
Of which:					
Amounts related to continuing hedges	n/a	175	(6)	n/a	169
Amounts related to discontinued hedges	n/a	2	-	n/a	2
Balance at 1 April 2024	(367)	177	(6)	5,807	5,611
Profit for the year	-	-	-	1,800	1,800
Remeasurement of defined benefit obligation	-	-	-	(7)	(7)
Gain on effective cash flow hedges	-	533	14	-	547
Income tax related to items recognised in other comprehensive income	-	(133)	(4)	2	(135)
Cash flow hedges reclassified to profit and loss	-	(184)	(13)	-	(197)
Income tax related to items reclassified to profit or loss	-	46	3	-	49
Amounts removed from hedge reserve and recognised in inventory	-	28	2	-	30
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	(7)	-	-	(7)
Dividends paid	-	-	-	(387)	(387)
Foreign currency translation	(28)	-	-	-	(28)
Balance at 31 March 2025	(395)	460	(4)	7,215	7,276
Of which:					
Amounts related to continuing hedges	n/a	461	(4)	n/a	457
Amounts related to discontinued hedges	n/a	(1)	-	n/a	(1)

Translation reserve

The translation reserve comprises foreign currency differences arising from the translation of the financial statements of operations with a function currency other than GBP.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss or direct inclusion in the initial cost or other carrying amount of a non-financial asset or non-financial liability.

Cost of hedging reserve

The cost of hedging reserve reflects the cumulative gain or loss on the portion excluded from the designated hedging instrument that relates to the forward element of forward contracts. It is initially recognised in other comprehensive income and accounted for similarly to gains or losses in the hedging reserve.

34 DIVIDENDS

During the year ended 31 March 2025 the Company proposed and paid an ordinary dividend of £387 million to its immediate parent company TML Holdings Pte. Ltd. (Singapore) (2024, 2023: £nil).

In May 2025, the Company proposed and paid an ordinary dividend of £448 million to its immediate parent company TML Holdings Pte. Ltd. (Singapore).

Pension schemes

The Group operates several defined benefit ('DB') pension plans; these include two large and one smaller defined benefit plan in the UK. The UK DB plans are administered by a separate trustee and the assets of the plans are generally held in separate funds selected and overseen by the trustee. These plans were contracted out of the state second pension (S2P) scheme until 5 April 2016. The plans provide benefits for members including a monthly pension after retirement based on salary and service as set out in the rules of each plan.

Contributions to the plans by the Group take into consideration the results of actuarial valuations. The UK defined benefit plans were closed to new joiners in April 2010. The Group also operates a number of small defined benefit arrangements worldwide (the liabilities for these amount to around 0.6% of the Group total).

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial updates being carried out at the end of each reporting period.

Defined benefit costs are split into four categories:

- Current service cost, past service cost and gains and losses on curtailments and settlements;
- Net interest cost;
- Administrative expenses; and
- Remeasurements.

Remeasurements comprising actuarial gains and losses and the return on plan assets (excluding interest) is recognised immediately in the consolidated balance sheet with a charge or credit to the consolidated statement of comprehensive income in the period in which it occurs. Remeasurements recorded in the statement of comprehensive income is not recycled to profit or loss.

Past service cost, including curtailment gains and losses, is generally recognised in profit or loss in the period of plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability, adjusted for expected cash flows during the period. From the year ended 31 March 2020, at the point a past service cost is incurred, re-measurement of the income statement cost is considered and will be re-calculated if there is a material change.

The Group presents these defined benefit costs within "Employee costs" in the consolidated income statement (see note 7).

Separate defined contribution plans are available to all other employees of the Group. Costs in respect of these plans are charged to the consolidated income statement as incurred.

Post-retirement Medicare scheme

Under these unfunded schemes, employees of some subsidiaries receive medical benefits subject to certain limits of amount, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Group as part of an early separation scheme, on medical grounds or due to permanent disablement, may also be covered under the scheme. The applicable subsidiaries (and therefore, the Group) account for the liability for the post-retirement medical scheme based on an annual actuarial valuation where appropriate.

Actuarial gains and losses

Actuarial gains and losses relating to retirement benefit plans are recognised in the consolidated statement of comprehensive income in the year in which they arise.

Measurement date

The measurement date of all retirement plans is 31 March.

The trustee of the pension schemes is required by law to act in the interest of the members and of all relevant stakeholders in the schemes and is responsible for the investment policy with regard to the assets of the schemes and all other governance matters. The board of the trustee must be composed of representatives of the Group and scheme participants in accordance with each scheme's regulations.

Through its defined benefit pension schemes, the Group is exposed to a number of risks, the most significant of which are detailed below and on the next page.

Asset volatility

The schemes' liabilities are calculated using a discount rate set with reference to corporate bond yields; if the schemes' assets underperform against these corporate bonds, this will create or increase a deficit. The defined benefit schemes hold a significant proportion of equity-type assets, which are expected to outperform corporate bonds in the long-term although introduce volatility and risk in the short-term.

The UK schemes hold a substantial level of index-linked gilts and other inflation and interest rate hedging instruments, together with other bond type assets, in order to reduce the volatility of assets compared to the liability value, although these will still lead to asset value volatility.

As the schemes mature, the Group intends to reduce the level of investment risk by investing more in assets for which expected income is a better match for the expected benefit obligations.

However, the Group believes that due to the long-term nature of the schemes' liabilities and the strength of the supporting group, a level of continuing equity-type investments is currently an appropriate element of the Group's long-term strategy to manage the schemes efficiently.

The trustees and the Group are engaged in ongoing discussions to control the impact of climate risk on the schemes' funding. The current diversified asset profile of the UK plans should reduce exposure to climate risks.

Changes in bond yields

A decrease in corporate bond yields will increase the schemes' liabilities, although this is expected to be partially offset by an increase in the value of the schemes' assets, specifically the bond holdings and interest rate hedging instruments.

Inflation risk

Some of the Group's pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the schemes against high inflation). As noted above, the schemes hold a significant proportion of assets in index-linked gilts, together with other inflation hedging instruments and also assets that are more closely correlated with inflation. However, an increase in inflation may still create a deficit or increase an existing deficit to some degree.

Life expectancy

The majority of the schemes' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the schemes' liabilities. This is particularly significant in the UK defined benefit schemes, where inflationary increases result in higher sensitivity to changes in life expectancy. Regular updates to the model underlying the mortality assumption incorporate new mortality data. The long-term impact of COVID-19 on future mortality trends remains uncertain and consequently no further adjustment has been made to the mortality assumptions in this regard.

Current global political and economic conditions have exacerbated the financial risks faced by the schemes leading to higher levels of liquidity being held.

The following tables set out the disclosures pertaining to the retirement benefit amounts recognised in the consolidated financial statements prepared in accordance with IAS 19:

Change in present value of defined benefit obligation

Year ended 31 March (£ millions)	2025	2024	2023
Defined benefit obligation at beginning of year	5,104	5,089	7,522
Current service cost	66	63	82
Past service credit	-	-	(155)
Interest expense	253	237	212
Actuarial (gains)/losses arising from:			
Changes in demographic assumptions	(49)	(22)	-
Changes in financial assumptions	(501)	(147)	(2,357)
Experience adjustments	42	85	156
Exchange differences on foreign schemes	(1)	-	2
Member contributions	1	1	1
Benefits paid	(221)	(202)	(374)
Defined benefit obligation at end of year	4,694	5,104	5,089

Change in present value of scheme assets

Year ended 31 March (£ millions)	2025	2024	2023
Fair value of schemes' assets at beginning of year	5,382	5,726	7,931
Interest income	270	270	245
Remeasurement loss on the return of plan assets, excluding amounts included in interest income	(515)	(489)	(2,215)
Administrative expenses	(9)	(10)	(26)
Employer contributions	77	86	164
Member contributions	1	1	1
Benefits paid	(221)	(202)	(374)
Fair value of schemes' assets at end of year	4,985	5,382	5,726

The actual return on the schemes' assets for the year ended 31 March 2025 was £(245) million (2024: £(219) million, 2023: £(1,970) million).

Amounts recognised in the consolidated income statement consist of:

Year ended 31 March (£ millions)	2025	2024	2023
Current service cost	66	63	82
Past service credit	-	-	(155)
Administrative expenses	9	10	26
Net interest cost (including onerous obligations)	(17)	(33)	(33)
Components of defined benefit cost/(income) recognised in the consolidated income statement	58	40	(80)

Amounts recognised in the consolidated statement of comprehensive income consist of:

Year ended 31 March (£ millions)	2025	2024	2023
Actuarial gains/(losses) arising from:			
Changes in demographic assumptions	49	22	-
Changes in financial assumptions	501	147	2,357
Experience adjustments	(42)	(85)	(156)
Remeasurement loss on the return of schemes' assets, excluding amounts included in interest income	(515)	(489)	(2,215)
Remeasurement loss on net defined benefit obligation	(7)	(405)	(14)

Amounts recognised in the consolidated balance sheet consist of:

As at 31 March (£ millions)	2025	2024	2023
Present value of defined benefit obligations	(4,694)	(5,104)	(5,089)
Fair value of schemes' assets	4,985	5,382	5,726
Net pension asset	291	278	637
Presented as non-current asset	313	300	659
Presented as non-current liability	(22)	(22)	(22)

The most recent valuations of the defined benefit schemes for accounting purposes were carried out at 31 March 2025 by a qualified independent actuary. For the UK schemes this is based on membership data as at 1 April 2024 for each of the UK schemes. The present value of the defined benefit liability, and the related current service cost and past service cost, were measured using the projected unit credit method. The asset valuations are taken from the asset custodian for each scheme together with the balance of the trustee bank accounts.

The principal assumptions used in accounting for the pension schemes are set out below:

As at 31 March	2025	2024	2023
Discount rate	5.8%	5.1%	4.8%
Expected rate of increase in benefit revaluation of covered employees	1.9%	2.0%	1.9%
RPI inflation rate	2.9%	3.0%	3.0%
CPI Inflation rate (capped at 5% p.a.)	2.5%	2.5%	2.5%
CPI Inflation rate (capped at 2.5% p.a.)	1.8%	1.8%	1.7%

From 30 June 2024 JLR has adopted an updated methodology to derive the discount rate for pension accounting purposes. The updated method continues to derive a yield curve from UK AA rated corporate bonds, however the range of eligible bonds used has been broadened. The impact on the discount rate relative to the prior approach varies depending on financial conditions from a few basis points to c.20-30 basis points but may be larger. As at 31 March 2025 the discount rate was c.20 basis points lower than it would be under the previous approach. This results in an increase in the IAS19 liability of £110 million (c.2%) as compared to the prior approach. Similarly, the projected P&L charge for FY26 is higher than it would have been previously by c.£8 million. The ongoing impact will vary.

For the valuation at 31 March 2025, the mortality assumptions used are the Self-Administered Pension Schemes ('SAPS') mortality base table, S3 tables ('Light' tables for members of the Jaguar Executive Pension Plan).

- For the Jaguar Pension Plan, scaling factors of 97 per cent to 115 per cent have been used for male members and scaling factors of 102 per cent to 116 per cent have been used for female members.
- For the Land Rover Pension Scheme, scaling factors of 103 per cent to 112 per cent have been used for male members and scaling factors of 100 per cent to 115 per cent have been used for female members.
- For the Jaguar Executive Pension Plan, scaling factors of 92 per cent to 99 per cent have been used for male members and scaling factors of 92 per cent to 98 per cent have been used for female members.

For the valuation at 31 March 2024, the mortality assumptions used were the SAPS mortality base table, S3 tables ('Light' tables for members of the Jaguar Executive Pension Plan).

- For the Jaguar Pension Plan, scaling factors of 95 per cent to 111 per cent have been used for male members and scaling factors of 99 per cent to 113 per cent have been used for female members.
- For the Land Rover Pension Scheme, scaling factors of 101 per cent to 109 per cent have been used for male members and scaling factors of 97 per cent to 111 per cent have been used for female members.
- For the Jaguar Executive Pension Plan, scaling factors of 87 per cent to 93 per cent have been used for male members and scaling factors of 86 per cent to 92 per cent have been used for female members.

For the valuation at 31 March 2023, the mortality assumptions used were the SAPS mortality base table, S3 tables ('Light' tables for members of the Jaguar Executive Pension Plan).

- For the Jaguar Pension Plan, scaling factors of 101 per cent to 115 per cent have been used for male members and scaling factors of 103 per cent to 118 per cent have been used for female members.
- For the Land Rover Pension Scheme, scaling factors of 105 per cent to 117 per cent have been used for male members and scaling factors of 100 per cent to 116 per cent have been used for female members.
- For the Jaguar Executive Pension Plan, scaling factors of 93 per cent to 97 per cent have been used for male members and scaling factors of 91 per cent to 96 per cent have been used for female members.

For the 2025 year end calculation, there is an allowance for future improvements in line with the CMI (2023) with a long term rate of improvement of 1.25 per cent per annum, a smoothing parameter (s-kappa) of 7.0, core initial improvements parameter (A) of zero and annual weight parameter for both 2020 and 2021 of zero and 15 per cent weighting for 2022 and 2023 (2024: CMI (2022) projections with 1.25 per cent per annum improvements and a smoothing parameter of 7.0, 2023: CMI (2021) projections with 1.25 per cent per annum improvements and a smoothing parameter of 7.5).

The assumed life expectancies on retirement at age 65 are:

As at 31 March (years)	2025	2024	2023
Retiring today:			
Males	21.0	21.0	21.5
Females	23.4	23.5	23.8
Retiring in 20 years:			
Males	22.4	22.5	22.9
Females	25.3	25.4	25.7

A past service credit of £155 million was recognised during the year ended 31 March 2023 in relation to a change in indexation for some benefits. It was agreed with the trustees that the inflationary index for pension increases in payment and deferment would change from RPI to CPI with effect from 1 July 2022 for future increases for those members of the Schemes where this change was deemed appropriate.

All past service costs and credits are recognised in 'exceptional items' in the consolidated income statement. See note 4 for further information.

The sensitivity analysis below is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the consolidated balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous periods.

Assumption	Change in assumption	Impact on scheme liabilities	Impact on service cost
Discount rate	Increase/decrease by 0.25%	Decrease/increase by c.£145 million	Decrease/increase by c.£2 million
Inflation rate	Increase/decrease by 0.25%	Increase/decrease by c.£83 million	Increase/decrease by c.£1 million
Mortality	Increase/decrease in life expectancy by 1 year	Increase/decrease by c.£135 million	Increase/decrease by c.£1 million

The fair value of schemes' assets is represented by the following major categories:

As at 31 March (£ millions)	2025				2024				2023			
	Quoted	Unquoted	Total	%	Quoted	Unquoted	Total	%	Quoted	Unquoted	Total	%
Equity instruments												
Information technology	-	52	52	1%	-	80	80	1%	-	-	-	-
Energy	-	8	8	-	-	11	11	-	-	-	-	-
Manufacturing	-	44	44	1%	-	60	60	1%	-	-	-	-
Financials	-	60	60	1%	-	26	26	-	-	-	-	-
Other	-	139	139	3%	-	109	109	2%	-	-	-	-
	-	303	303	6%	-	286	286	4%	-	-	-	-
Debt instruments												
Government	2,157	(862)	1,295	26%	2,054	(559)	1,495	28%	1,830	(339)	1,491	26%
Corporate bonds (investment grade)	834	146	980	20%	913	147	1,060	20%	768	250	1,018	19%
Corporate bonds (non-investment grade)	-	542	542	11%	-	520	520	10%	-	759	759	13%
	2,991	(174)	2,817	57%	2,967	108	3,075	58%	2,598	670	3,268	58%
Property funds												
UK	-	322	322	6%	-	336	336	6%	-	289	289	5%
Other	-	221	221	4%	-	264	264	5%	-	230	230	4%
	-	543	543	10%	-	600	600	11%	-	519	519	9%
Cash and cash equivalents	346	-	346	7%	403	-	403	7%	52	254	306	5%
Other												
Hedge funds	-	-	-	-	-	-	-	-	-	312	312	5%
Private markets	-	825	825	17%	-	866	866	16%	-	1,078	1,078	19%
Alternatives	-	154	154	3%	-	151	151	3%	-	186	186	3%
	-	979	979	20%	-	1,017	1,017	19%	-	1,576	1,576	27%
Derivatives												
Foreign exchange contracts	-	-	-	-	-	(6)	(6)	-	-	17	17	-
Interest rate and inflation swaps	-	(3)	(3)	-	-	7	7	-	-	40	40	1%
	-	(3)	(3)	-	-	1	1	-	-	57	57	1%
Total	3,337	1,648	4,985	100%	3,370	2,012	5,382	100%	2,650	3,076	5,726	100%

As at 31 March 2025, the schemes held Gilt Repos. The net value of these transactions is included in the value of government bonds in the table above. The gross value of the funding obligation for the Repo transactions is £965 million (2024: £698 million, 2023: £487 million).

JLR assigns an accounting level (1, 2 or 3) to asset holdings in order to reflect the level of judgement involved in the valuation of an asset. In assigning the level JLR balances consistency between asset holdings, consistency from year to year and manager/other assessments. JLR designates level 1 to direct holdings of liquid assets where an active market exists. Level 1 assets are reported as quoted, level 2 and 3 unquoted. Repo obligations are noted separately.

Custodian accounts where underlying assets are regularly traded or where comparable assets have traded values are designated level 2, such as equity instruments, derivatives (including net value of swaps), some debt instruments (such as corporate and Government bonds), and some other investments (such as private markets and alternatives). Assets which are not designated as level 1 or 2 are designated as level 3, such as property funds and the remaining debt instruments and other investments.

Certain assets using unobservable inputs have been measured using the most recent valuations, adjusted for cash and currency movements between the last valuation date and 31 March 2025. Movements in listed equity and other market valuations may be significant over the period therefore the valuation of these assets may also vary significantly. The value of these assets in the UK Plans, included above, is £1.2 billion (2024: £1.7 billion, 2023: £1.6 billion).

Jaguar Land Rover contributes towards the UK defined benefit schemes. Statutory funding valuations are carried out every three years, the latest valuation as at 31 March 2024 was completed on 10 January 2025. The valuations resulted in revised schedules of contributions effective from 10 January 2025. At the effective date of the valuations each scheme was in surplus, therefore, there are no further deficit recovery contributions currently payable. The ongoing Group contribution rate for the defined benefit accrual during the year ended 31 March 2025 was c.10 per cent. The ongoing rate will vary to reflect prevailing financial conditions over time.

JLR has taken legal advice considering the documentation of the UK schemes and the regulatory environment. This confirmed the recoverability of any surplus in the scheme via reduced future contributions or gradual settlement and JLR has based its accounting judgement on this advice.

The average duration of the benefit obligations at 31 March 2025 is 12.8 years (2024: 14.2 years, 2023: 14.5 years). Higher net discount rates have the effect of reducing the duration of the liabilities and vice versa.

The net defined benefit cost for the next financial year is expected to be £43 million. The Group expects to pay £36 million to its defined benefit schemes, in total, for the next financial year (excluding member contributions through salary sacrifice).

In June 2023, the High Court handed down a decision in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. In July 2024, the Court of Appeal dismissed the appeal brought by Virgin Media Ltd against aspects of the June 2023 decision. The conclusions reached by the court in this case may have implications for other UK defined benefit plans including JLR schemes. The Company and pension trustees are currently considering the implications of the case for the JLR UK defined benefit schemes. The defined benefit obligation has been calculated on the basis of the pension benefits currently being administered, and at this stage the directors do not consider it necessary to make any adjustments as a result of the Virgin Media case, however as further information emerges over the coming year JLR will review whether and to what extent there are changes in its liabilities.

Defined contribution schemes

The Group's contribution to defined contribution schemes for the year ended 31 March 2025 was £135 million (2024: £118 million, 2023: £100 million).

The following includes a description of contingencies and commitments. The Group assesses such commitments and claims as well as monitors the legal environment on an ongoing basis, with the assistance of external legal counsel wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in the financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the consolidated financial statements but does not record a liability unless the loss becomes probable. Such potential losses may be of an uncertain timing and/or amounts.

As at 31 March (£ millions)	2025	2024	2023
Contingencies:			
- Third party claims and obligations	199	332	722
- Taxes and duties	64	60	61
Commitments:			
- Plant and equipment	873	655	386
- Intangible assets	18	20	15
Pledged as collateral/security against the borrowings and commitments:			
- Other financial assets	8	27	20

Contingencies

Contingencies disclosed relate to legal and constructive obligations to third parties. There are claims and obligations against the Group which management has not recognised, as settlement is not considered probable. These claims and obligations relate primarily to the following:

- Third party claims and obligations (primarily supplier claims)
- Taxes and duties

The decrease in the period is driven mainly by supplier claims related to ongoing negotiations and lower levels of new claims.

Litigation/Regulatory

Various legal proceedings, claims and governmental investigations are pending against the Group on a range of topics in different jurisdictions. Adverse decisions in one or more of these proceedings could require the Group to pay substantial damages, or undertake service actions, recall campaigns or other costly actions.

Legal and regulatory proceedings are subject to many uncertainties, and the outcome of individual matters, or what remedies, if any, may be imposed, is not predictable with assurance. Moreover, the cases and claims against the Group are often derived from complex legal and technical issues that are subject to differing degrees of uncertainty, for example, many of the proceedings are in evidence gathering stages, or the legal basis or nature of the claims is unclear. Therefore, the level of uncertainties can vary depending on the stage of the proceedings. The Group monitors the status of pending legal proceedings and consults with experts on legal and tax matters on a regular basis. A provision is established in connection with pending or threatened litigation if it is probable there would be an outflow of funds and when the amount can be reasonably estimated. Contingent liabilities are disclosed if there is a possible obligation or a present obligation that cannot be measured reliably. Since these provisions and disclosures represent estimates, provisions for legal proceedings and litigation may vary as the result of future developments in pending matters.

Litigation

The Group faces numerous individual claims relating to a varied range of topics seeking monetary damages, including product liability, contractual, IP, commercial, warranty, health and safety, employment and regulatory matters. In addition to individual claims, the Group is currently facing class actions in several jurisdictions including the US, the UK and Australia.

Some of these class actions relate to issues such as diesel vehicle emissions involving in some cases multiple OEMs. Other class actions relate to alleged deficiencies of the diesel particulate filters (DPF).

Adverse decisions or settlements in any of these proceedings can have negative financial, reputational and/or operational impact. At this stage, it is not practicable to estimate the probability, amount or timing of any liability.

Regulatory

Car manufacturers operate in an increasingly complex and rapidly changing regulatory environment including in relation to electric and alternative propulsion, emissions, automation and safety. The pace of change and complexity of regulation present an ongoing risk for the industry. In the event of non-compliance consequences could include fines and/or withdrawal of market access. JLR is constantly working to minimise this risk by identifying upcoming regulatory changes and implementing compliance at an early stage.

JLR has systems in place to ensure that any compliance issues which might arise are investigated and addressed appropriately.

We have received inquiries and have engaged with governmental institutions, agencies and regulatory authorities in the U.K., Germany and France as they examine the on-road tailpipe emissions and emission control systems of several automakers' diesel vehicles. JLR continues to collaborate with the relevant authorities, including consideration of changes to relevant vehicles. At this stage, it is not practicable to estimate the probability, amount or timing of any liability.

Competition

The Group has received requests for information and/or been the subject of inspections by competition authorities, including the European Commission and UK Competition and Markets Authority ('CMA') concerning possible infringements in relation to the collection, treatment and recovery of end-of-life cars and vans which are considered waste (ELVs). The Group cooperated with the authorities throughout the process and has reached a settlement with both the European Commission and the CMA which includes payment of fines of €1.6 million and £4.6 million respectively.

Commitments

The Group has entered into various contracts with vendors and contractors for the acquisition of plant and equipment and intangible assets.

Joint venture

Stipulated within the joint venture agreement for Chery Jaguar Land Rover Automotive Company Ltd., and subsequently amended by a change to the Articles of Association of Chery Jaguar Land Rover Automotive Company Ltd. is a commitment for the Group to contribute a total of CNY 5,000 million of capital. Of this amount, CNY 3,475 million has been contributed as at 31 March 2025. The outstanding commitment of CNY 1,525 million translates to £162 million at the 31 March 2025 exchange rate.

The Group’s share of capital commitments of its joint venture at 31 March 2025 is £5 million (2024: £2 million, 2023: £12 million) and contingent liabilities of its joint venture 31 March 2025 is £7 million (2024: £6 million, 2023: £nil).

37 CAPITAL MANAGEMENT

The Group’s objectives when managing capital are to ensure the going concern operation of all subsidiary companies within the Group and to maintain an efficient capital structure to support ongoing and future operations of the Group and to meet shareholder expectations.

The Group issues debt, primarily in the form of bonds, to meet anticipated funding requirements and maintain sufficient liquidity. The Group also maintains certain undrawn committed credit facilities to provide additional liquidity. These borrowings, together with cash generated from operations, are loaned internally or contributed as equity to certain subsidiaries as required. Surplus cash in subsidiaries is pooled (where practicable) and invested to satisfy security, liquidity and yield requirements.

The capital structure and funding requirements are regularly monitored by the Company’s Board of Directors to ensure sufficient liquidity is maintained by the Group. All debt issuance and capital distributions are approved by the Company’s Board of Directors.

As at 31 March (£ millions)	2025	2024	2023
Short-term debt	1,365	1,329	1,548
Long-term debt	2,991	3,557	5,240
Total debt*	4,356	4,886	6,788
Equity attributable to shareholders	8,944	7,279	4,239
Total capital	13,300	12,165	11,027

*Total debt includes lease obligations of £671 million (2024: £694 million, 2023: £710 million).

Recognition and derecognition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised on the balance sheet when the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial instrument is derecognised, the cumulative gain or loss in equity (if any) is transferred to the consolidated income statement.

Financial assets are written off when there is no reasonable expectation of recovery. The Group reviews the facts and circumstances around each asset before making a determination. Financial assets that are written off could still be subject to enforcement activities.

Financial liabilities are derecognised when they are extinguished, that is when the obligation is discharged, cancelled or has expired.

Initial measurement

Initially, a financial instrument is recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Transaction costs of financial instruments carried at fair value through profit or loss are expensed in profit or loss.

Subsequently, financial instruments are measured according to the category in which they are classified.

Classification and measurement - financial assets

Classification of financial assets is based on the business model in which the instruments are held as well as the characteristics of their contractual cash flows. The business model is based on management's intentions and past pattern of transactions. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Group reclassifies financial assets when and only when its business model for managing those assets changes.

Financial assets are classified into three categories:

Financial assets at amortised cost are non-derivative financial assets with contractual cash flows that consist solely of payments of principal and interest and which are held with the intention of collecting those contractual cash flows. Subsequently, these are measured at amortised cost using the effective interest method less impairment losses, if any. These include cash and cash equivalents, contract assets and other financial assets.

Financial assets at fair value through other comprehensive income are non-derivative financial assets with contractual cash flows that consist solely of payments of principal and interest and which are held with the intention of collecting those contractual cash flows as well as to sell the financial asset. Subsequently, these are measured at fair value, with unrealised gains or losses being recognised in other comprehensive income apart from any expected credit losses or foreign exchange gains or losses, which are recognised in profit or loss. This category can also include financial assets that are equity instruments which have been irrevocably designated at initial recognition as fair value through other comprehensive income. For these assets, there is no expected credit loss recognised in profit or loss.

Financial assets at fair value through profit or loss are financial assets with contractual cash flows that do not consist solely of payments of principal and interest. This category includes derivatives, embedded derivatives separated from the host contract and investments in certain convertible loan notes. Subsequently, these are measured at fair value, with unrealised gains or losses being recognised in profit or loss, with the exception of derivative instruments designated in a hedging relationship, for which hedge accounting is applied.

Classification and measurement - financial liabilities

Financial liabilities are classified as subsequently measured at amortised cost unless they meet the specific criteria to be recognised at fair value through profit or loss.

Other financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities at fair value through profit or loss include derivatives and embedded derivatives separated from the host contract as well as financial liabilities held for trading. Subsequent to initial recognition, these are measured at fair value with gains or losses being recognised in profit or loss. Embedded derivatives relating to prepayment options on senior notes are not considered as closely related and are separately accounted unless the exercise price of these options is approximately equal on each exercise date to either the amortised cost of the senior notes or the present value of the lost interest for the remaining term of the senior notes.

Impairment

The Group recognises a loss allowance in profit or loss for expected credit losses on financial assets held at amortised cost or at fair value through other comprehensive income. Expected credit losses are forward looking and are measured in a way that is unbiased and represents a probability-weighted amount, takes into account the time value of money (values are discounted using the applicable effective interest rate) and uses reasonable and supportable information.

Lifetime expected credit losses are calculated for assets that were deemed credit impaired at initial recognition or have subsequently become credit impaired as well as those where credit risk has increased significantly since initial recognition.

The Group adopts the simplified approach to apply lifetime expected credit losses to trade receivables and contract assets. Where credit risk is deemed low at the reporting date or to have not increased significantly, credit losses for the next 12 months are calculated.

Credit risk is determined to have increased significantly when the probability of default increases. Such increases are relative and assessment may include external ratings (where available) or other information such as past due payments. Historic data and forward-looking information are both considered. Objective evidence for a significant increase in credit risk may include where payment is overdue by 90 or more days as well as other information about significant financial difficulties of the borrower.

Equity instruments

An equity instrument is any contract that evidences residual interests in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Investments in equity instruments are measured at fair value; however, where a quoted market price in an active market is not available, equity instruments are measured at cost (investments in equity instruments that are not held for trading). The Group has not elected to account for these investments at fair value through other comprehensive income.

Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The fair value of a financial instrument on initial recognition is normally the transaction price.

In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Subsequent to initial recognition, the Group determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include the discounted cash flow method and other valuation models.

Hedge accounting

The Group uses foreign currency forward contracts, foreign currency options and borrowings denominated in foreign currency to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Group designates these foreign currency forward contracts, foreign currency options and borrowings denominated in foreign currency in cash flow hedging relationships.

The Group uses cross-currency interest rate swaps to convert some of its foreign currency denominated fixed-rate borrowings to GBP floating-rate borrowings. Hedge accounting is applied using both fair value and cash flow hedging relationships. The designated risks are foreign currency and interest rate risks.

The Group uses non-deliverable commodity forward contracts to hedge risks associated with commodity price fluctuations for highly probable forecast transactions. The Group designates these contracts in cash flow hedging relationships.

Derivative contracts are stated at fair value on the consolidated balance sheet at each reporting date.

At inception of the hedge relationship, the Group documents the economic relationship between the hedging instrument and the hedged item, including whether changes in the cash flows of the hedging instrument are expected to offset changes in the cash flows of the hedged item.

The Group documents its risk management objective and strategy for undertaking its hedging transactions. The Group designates only the intrinsic value of foreign exchange options in the hedging relationship. The Group designates amounts excluding foreign currency basis spread in the hedging relationship for both foreign exchange forward contracts and cross-currency interest rate swaps. The Group designates only the pure price component of commodities in commodity forward contracts. Changes in the fair value of the derivative contracts that are designated and effective as hedges of future cash flows are recognised in the cash flow hedge reserve within other comprehensive income (net of tax), and any ineffective portion is recognised immediately in the consolidated income statement.

Changes in both the time value of foreign exchange options and foreign currency basis spread of foreign exchange forwards and cross-currency interest rate swaps are recognised in other comprehensive income (net of tax) in the cost of hedging reserve to the extent that they relate to the hedged item (the “aligned” value).

Changes in the fair value of contracts that are designated in a fair value hedge are taken to the consolidated income statement. They offset the change in fair value, attributable to the hedged risks, of the borrowings designated as the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised or no longer qualifies for hedge accounting. Amounts accumulated in equity are reclassified to the consolidated income statement in the periods in which the forecast transactions affect profit or loss or as an adjustment to a non-financial item (e.g. inventory) when that item is recognised on the balance sheet. These deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example through cost of goods sold).

If the forecast transaction is no longer expected to occur, the net cumulative gain or loss in equity, including deferred costs of hedging, is immediately transferred and recognised in the consolidated income statement.

(A) Financial assets and liabilities

The following table shows the carrying amount and fair value of each category of financial assets and liabilities as at 31 March 2025:

As at 31 March 2025 (£ millions)	Fair value through profit and loss				Total carrying value	Total fair value
	Amortised cost	Financial assets	Derivatives other than in hedging relationship	Derivatives in hedging relationship		
Cash and cash equivalents	4,611	-	-	-	4,611	4,611
Short-term deposits and other investments	23	-	-	-	23	23
Trade receivables	922	-	-	-	922	922
Investments	-	55	-	-	55	55
Other financial assets - current	398	-	7	347	752	752
Other financial assets - non-current	184	-	2	334	520	520
Total financial assets	6,138	55	9	681	6,883	6,883
Accounts payable	7,148	-	-	-	7,148	7,148
Short-term borrowings*	1,286	-	-	-	1,286	1,403
Long-term borrowings**	2,399	-	-	-	2,399	2,415
Other financial liabilities - current	644	-	47	105	796	796
Other financial liabilities - non-current	593	-	21	44	658	718
Total financial liabilities	12,070	-	68	149	12,287	12,480

*Included in short-term borrowings is £418 million that is designated as the hedged item in a fair value hedge relationship. Included within short-term borrowings is £(114) million of fair value adjustments which relate to the ongoing hedge relationship. Included in the short-term borrowings is £540 million that is designated as a hedging instrument in a cash flow hedge relationship.

**Included in the long-term borrowings is £(15) million of fair value adjustments which relate to hedge relationships that have been discontinued. Included in the long-term borrowings is £1,128 million that is designated as a hedging instrument in a cash flow hedge relationship.

The following table shows the carrying amount and fair value of each category of financial assets and liabilities as at 31 March 2024:

As at 31 March 2024 (£ millions)	Fair value through profit and loss				Total carrying value	Total fair value
	Amortised cost	Financial assets	Derivatives other than in hedging relationship	Derivatives in hedging relationship		
Cash and cash equivalents	4,051	-	-	-	4,051	4,051
Short-term deposits and other investments	103	-	-	-	103	103
Trade receivables	1,236	-	-	-	1,236	1,236
Investments	-	52	-	-	52	52
Other financial assets - current	304	-	52	187	543	543
Other financial assets - non-current	132	-	4	219	355	355
Total financial assets	5,826	52	56	406	6,340	6,340
Accounts payable	7,113	-	-	-	7,113	7,113
Short-term borrowings	1,256	-	-	-	1,256	1,261
Long-term borrowings*	2,936	-	-	-	2,936	3,068
Other financial liabilities - current	620	-	74	191	885	885
Other financial liabilities - non-current	622	-	49	87	758	830
Total financial liabilities	12,547	-	123	278	12,948	13,157

*Included in the long-term borrowings is £428 million that is designated as the hedged item in a fair value hedge relationship. Included within long-term borrowings is £(133) million of fair value adjustments of which £(112) million relates to the ongoing hedge relationship and £(21) million relates to hedge relationships that were discontinued. Included in long-term borrowings is £952 million that is designated as a hedging instrument in a cash flow hedge relationship.

The following table shows the carrying amount and fair value of each category of financial assets and liabilities as at 31 March 2023:

As at 31 March 2023 (£ millions)	Fair value through profit and loss				Total carrying value	Total fair value
	Amortised cost	Financial assets	Derivatives other than in hedging relationship	Derivatives in hedging relationship		
Cash and cash equivalents	3,687	-	-	-	3,687	3,687
Short-term deposits and other investments	105	-	-	-	105	105
Trade receivables	1,013	-	-	-	1,013	1,013
Investments	-	43	-	-	43	43
Other financial assets - current	274	-	55	46	375	375
Other financial assets - non-current	78	-	51	20	149	149
Total financial assets	5,157	43	106	66	5,372	5,372
Accounts payable	5,891	-	-	-	5,891	5,891
Short-term borrowings	1,478	-	-	-	1,478	1,476
Long-term borrowings*	4,600	-	-	-	4,600	4,376
Other financial liabilities - current	462	-	89	372	923	923
Other financial liabilities - non-current	651	-	20	452	1,123	1,080
Total financial liabilities	13,082	-	109	824	14,015	13,746

*Included in the long-term borrowings is £438 million that is designated as the hedged item in a fair value hedge relationship. Included within long-term borrowings is £(132) million of fair value adjustments of which £(106) million relates to the ongoing hedge relationship and £(26) million relates to hedge relationships that were discontinued during the year. Included in long-term borrowings is £968 million that is designated as a hedging instrument in a cash flow hedge relationship.

Offsetting

Certain financial assets and financial liabilities are subject to offsetting where there is currently a legally enforceable right to set off recognised amounts and the Group intends to either settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial assets and financial liabilities are subject to master netting arrangements whereby in the case of insolvency, derivative financial assets and financial liabilities can be settled on a net basis.

The following table discloses the amounts that have been offset in arriving at the consolidated balance sheet presentation and the amounts that are available for offset only under certain conditions as at 31 March 2025:

As at 31 March 2025 (£ millions)	Gross amount recognised	Gross amount of recognised set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to a master netting arrangement		
				Financial instruments	Cash collateral (received)/pledged	Net amount after offsetting
Financial assets						
Derivative financial assets	690	-	690	(213)	-	477
Cash and cash equivalents	4,746	(135)	4,611	-	-	4,611
	5,436	(135)	5,301	(213)	-	5,088
Financial liabilities						
Derivative financial liabilities	217	-	217	(213)	-	4
Short-term borrowings	1,421	(135)	1,286	-	-	1,286
	1,638	(135)	1,503	(213)	-	1,290

The following table discloses the amounts that have been offset in arriving at the consolidated balance sheet presentation and the amounts that are available for offset only under certain conditions as at 31 March 2024:

As at 31 March 2024 (£ millions)	Gross amount recognised	Gross amount of recognised set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to a master netting arrangement		
				Financial instruments	Cash collateral (received)/pledged	Net amount after offsetting
Financial assets						
Derivative financial assets	462	-	462	(315)	-	147
Cash and cash equivalents	4,346	(295)	4,051	-	-	4,051
	4,808	(295)	4,513	(315)	-	4,198
Financial liabilities						
Derivative financial liabilities	401	-	401	(315)	-	86
Short-term borrowings	1,551	(295)	1,256	-	-	1,256
	1,952	(295)	1,657	(315)	-	1,342

The following table discloses the amounts that have been offset in arriving at the consolidated balance sheet presentation and the amounts that are available for offset only under certain conditions as at 31 March 2023:

As at 31 March 2023 (£ millions)	Gross amount recognised	Gross amount of recognised set off in the balance sheet	Net amount presented in the balance sheet	Amounts subject to a master netting arrangement		
				Financial instruments	Cash collateral (received)/pledged	Net amount after offsetting
Financial assets						
Derivative financial assets	172	-	172	(162)	-	10
Cash and cash equivalents	3,923	(236)	3,687	-	-	3,687
	4,095	(236)	3,859	(162)	-	3,697
Financial liabilities						
Derivative financial liabilities	933	-	933	(162)	-	771
Short-term borrowings	1,714	(236)	1,478	-	-	1,478
	2,647	(236)	2,411	(162)	-	2,249

Fair value hierarchy

The following tables show the levels in the fair value hierarchy for financial assets and liabilities where the carrying value is not a reasonable approximation of fair value:

As at 31 March 2025 (£ millions)	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments	-	-	55	55
Derivative assets	-	690	-	690
Total	-	690	55	745
Financial liabilities measured at fair value				
Derivative liabilities	-	217	-	217
Total	-	217	-	217
Financial liabilities not measured at fair value				
Borrowings	2,742	1,076	-	3,818
Total	2,742	1,076	-	3,818

As at 31 March 2024 (£ millions)	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments	-	-	52	52
Derivative assets	-	462	-	462
Total	-	462	52	514
Financial liabilities measured at fair value				
Derivative liabilities	-	401	-	401
Total	-	401	-	401
Financial liabilities not measured at fair value				
Borrowings	3,243	1,086	-	4,329
Total	3,243	1,086	-	4,329

As at 31 March 2023 (£ millions)	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments	-	-	43	43
Derivative assets	-	172	-	172
Total	-	172	43	215
Financial liabilities measured at fair value				
Derivative liabilities	-	933	-	933
Total	-	933	-	933
Financial liabilities not measured at fair value				
Borrowings	3,840	2,012	-	5,852
Total	3,840	2,012	-	5,852

Reconciliation of level 3 fair values

The following table gives a reconciliation of the movements in level 3 financial assets held at fair value:

Year ended 31 March (£ millions)	2025	2024	2023
Balance at beginning of the year	52	43	30
Originated/purchased during the year	7	7	7
Fair value changes recognised in consolidated income statement	(3)	1	9
Foreign currency translation	(1)	1	(3)
Balance at end of the year	55	52	43

Recent transaction values

The pricing of recent investment transactions is the main input of valuations performed by the Group. The Group's policy is to use observable market data where possible for its valuations and, in the absence of portfolio company earnings or revenue to compare, or of relevant comparable businesses' data, recent transaction prices represent the most reliable observable inputs.

Alternative valuation methodologies

Alternative valuation methodologies are used by the Group for reasons specific to individual assets. At 31 March 2025, the alternative technique used was net asset value, representing 100 per cent of alternatively valued assets.

There has been no change in the valuation techniques adopted in either current or prior financial years as presented. There were no transfers between fair value levels in the years ended 31 March 2025, 2024 and 2023.

The derivative financial instruments that are measured subsequent to initial recognition at fair value are classified as Level 2 fair value measurements, as defined by IFRS 13, being those derived from inputs other than quoted prices that are observable. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. Fair values of forward derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves from Reuters. Commodity swap contracts are similarly fair valued by discounting expected future contractual cash flows. Option contracts on foreign currency are entered into on a zero cost collar basis and fair value estimates are calculated from standard Black-Scholes options pricing methodology, using prevailing market interest rates and volatilities. The estimate of fair values for cross-currency swaps is calculated using discounted estimated future cash flows. Estimates of the future floating-rate cash flows are based on quoted swap rates, future prices and risk free rates ("SONIA").

Additionally, a credit valuation adjustment/debit value adjustment is taken on derivative financial assets and liabilities and is calculated by discounting the fair value gain or loss on the financial derivative using credit default swap (“CDS”) prices quoted for the counterparty or Jaguar Land Rover respectively. CDS prices are obtained from Reuters.

The long-term borrowings are held at amortised cost. The fair value of the listed debt for disclosure purposes is determined using Level 1 valuation techniques, based on the closing price as at 31 March 2025 on the Luxembourg Stock Exchange multilateral trading facility (“EURO MTF”) market, for unsecured listed bonds. For bank loans, Level 2 valuation techniques are used.

Fair values of cash and cash equivalents, short-term deposits, trade receivables and payables, and other financial assets and liabilities (current and non-current excluding derivatives and lease obligations) are assumed to approximate cost due to the short-term maturing of the instruments and as the impact of discounting is not significant.

Other investments that are not equity accounted for are recognised at fair value. Where there is an active quoted market, the fair value is determined using Level 1 valuation techniques, based on the closing price at year end. Where there is no active quoted market, the fair values have been determined using Level 3 valuation techniques and the closing valuation as at 31 March 2025 is £55 million (2024: £52 million, 2023: £43 million).

Of the financial assets held at 31 March 2025 and classified as Level 3, 100 per cent (2024: 99 per cent, 2023: 98 per cent) were valued using recent transaction values and nil per cent (2024: 1 per cent, 2023: 2 per cent) were valued using an alternative technique.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Group could have realised in a sales transaction as of the respective dates. The estimated fair value amounts as at 31 March 2025, 2024 and 2023 have been measured as at the respective dates. As such, the fair values of these financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

(B) Financial risk management

The Group is exposed to foreign currency exchange rate, commodity price, interest rate, liquidity and credit risks. The Group has a risk management framework in place, which monitors all of these risks as discussed below and on the next pages. This framework is approved by the Company’s Board of Directors.

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have a potential impact on the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity and the consolidated cash flow statement, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities.

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Chinese Yuan and Euro against the functional currency of the Company and its subsidiaries.

Foreign exchange risk on future transactions is mitigated through the use of derivative contracts. The Group is also exposed to fluctuations in exchange rates that impact the valuation of foreign currency denominated assets and liabilities of its National Sales Companies and also foreign currency denominated balances on the Group’s consolidated balance sheet at each reporting period end. In addition to the derivatives designated in hedging relationships as detailed in section (C), the Group enters into foreign currency contracts as economic hedges of recognised foreign currency debt.

The following table provides information relating to foreign currency exposure as at 31 March 2025:

As at 31 March 2025 (£ millions)	US Dollar	Chinese Yuan	Euro	Others
Financial assets	1,857	594	1,381	363
Financial liabilities	(3,569)	(731)	(3,775)	(417)
Net exposure (liability)	(1,712)	(137)	(2,394)	(54)
10% appreciation/depreciation of the currency would result in additional gain/(loss):				
Impact on net income before tax for financial assets	186/(186)	59/(59)	138/(138)	n/a
Impact on net income before tax for financial liabilities	(357)/357	(73)/73	(378)/378	n/a
Impact on other comprehensive income for financial assets and liabilities	-	-	-	n/a

The following table provides information relating to foreign currency exposure as at 31 March 2024:

As at 31 March 2024 (£ millions)	US Dollar	Chinese Yuan	Euro	Others
Financial assets	2,197	352	1,810	394
Financial liabilities	(3,327)	(662)	(4,294)	(368)
Net exposure (liability)/asset	(1,130)	(310)	(2,484)	26
10% appreciation/depreciation of the currency would result in additional gain/(loss):				
Impact on net income before tax for financial assets	220/(220)	35/(35)	181/(181)	n/a
Impact on net income before tax for financial liabilities	(333)/333	(66)/66	(429)/429	n/a
Impact on other comprehensive income for financial assets and liabilities	-	-	-	n/a

The following table provides information relating to foreign currency exposure as at 31 March 2023:

As at 31 March 2023 (£ millions)	US Dollar	Chinese Yuan	Euro	Others
Financial assets	1,465	525	1,243	493
Financial liabilities	(3,318)	(1,178)	(4,737)	(301)
Net exposure (liability)/asset	(1,853)	(653)	(3,494)	192
10% appreciation/depreciation of the currency would result in additional gain/(loss):				
Impact on net income before tax for financial assets	147/(147)	53/(53)	124/(124)	n/a
Impact on net income before tax for financial liabilities	(332)/332	(118)/118	(474)/474	n/a
Impact on other comprehensive income for financial assets and liabilities	-	-	-	n/a

Commodity price risk

The Group is exposed to commodity price risk arising from the purchase of certain raw materials such as aluminium, copper, platinum and palladium. This risk is mitigated through the use of derivative contracts and fixed-price contracts with suppliers. On 1 January 2025, the Group applied hedge accounting to the existing trade book of Aluminium and Copper derivative contracts as detailed in section (C). Hedge accounting is also applied to new Aluminium and Copper contracts from the same date. The remaining derivative contracts are not hedge accounted and are measured at fair value through profit or loss.

The total fair value gain on non-hedge accounted commodities of £8 million (2024: loss of £133 million, 2023: loss of £132 million) has been recognised in "Foreign exchange (loss)/gain and fair value adjustments" in the consolidated income statement.

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to changes in interest income and expense for the Group.

In addition to issuing long-term fixed-rate bonds, the Group has other facilities in place that are primarily used to finance working capital and are subject to variable interest rates. When undertaking a new debt issuance, the Company's Board of Directors will consider the fixed/floating interest rate mix of the Group, the outlook for future interest rates and the appetite for certainty of funding costs.

The Group uses cross-currency interest rate swaps to convert some of its issued debt from foreign currency denominated fixed-rate debt to GBP floating-rate debt. The derivative instruments and the foreign currency fixed-rate debt may be designated in a hedging relationship.

As at 31 March 2025, short-term borrowings of £125 million (2024: £831 million, 2023: £250 million) and long-term borrowings of £595 million (2024: £219 million, 2023: £1,061 million) were subject to a variable interest rate. An increase/decrease of 100 basis points in interest rates at the balance sheet date would result in an impact of £7 million (2024: £11 million, 2023: £13 million) in the consolidated income statement.

The risk estimates provided assume a parallel shift of 100 basis points in interest rates across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year-end balances are not necessarily representative of the average debt outstanding during the year.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and undrawn borrowing facilities to meet the Group's operating requirements with an appropriate level of headroom.

The following are the undiscounted contractual maturities of financial liabilities, including estimated interest payments:

As at 31 March 2025 (£ millions)	Carrying amount	Contractual cash flows	1 year or less	1 to <2 years	2 to <5 years	5 years and over
Accounts payable	7,148	7,148	7,148	-	-	-
Long-term borrowings and accrued interest	2,420	2,852	114	451	2,177	110
Short-term borrowings and accrued interest	1,310	1,475	1,475	-	-	-
Lease obligations	671	1,069	128	109	237	595
Other financial liabilities	522	521	521	-	-	-
Derivative financial instruments	217	139	157	40	(58)	-
Total contractual maturities	12,288	13,204	9,543	600	2,356	705

As at 31 March 2024 (£ millions)	Carrying amount	Contractual cash flows	1 year or less	1 to <2 years	2 to <5 years	5 years and over
Accounts payable	7,113	7,113	7,113	-	-	-
Long-term borrowings and accrued interest	2,990	3,725	180	1,279	1,822	444
Short-term borrowings and accrued interest	1,274	1,340	1,340	-	-	-
Lease obligations	694	1,131	124	109	245	653
Other financial liabilities	476	528	511	17	-	-
Derivative financial instruments	401	410	234	137	39	-
Total contractual maturities	12,948	14,247	9,502	1,542	2,106	1,097

As at 31 March 2023 (£ millions)	Carrying amount	Contractual cash flows	1 year or less	1 to <2 years	2 to <5 years	5 years and over
Accounts payable	5,891	5,891	5,891	-	-	-
Long-term borrowings and accrued interest	4,651	5,707	251	1,529	2,989	938
Short-term borrowings and accrued interest	1,504	1,551	1,551	-	-	-
Lease obligations	710	1,196	118	103	243	732
Other financial liabilities	326	383	333	28	22	-
Derivative financial instruments	933	915	457	277	181	-
Total contractual maturities	14,015	15,643	8,601	1,937	3,435	1,670

Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligation. The majority of the Group's credit risk pertains to the risk of financial loss arising from counterparty default on cash investments.

The carrying amount of financial assets represents the maximum credit exposure. None of the financial instruments of the Group result in material concentrations of credit risks.

All Group cash is invested according to strict credit criteria and actively monitored by Group Treasury in conjunction with the current market valuation of derivative contracts. To support this, the Company's Board of Directors has implemented an investment policy that places limits on the maximum cash investment that can be made with any single counterparty depending on their published external credit rating.

To a lesser extent the Group has an exposure to counterparties on trade receivables and other financial assets. The Group seeks to mitigate credit risk on sales to third parties through the use of payment at the point of delivery, credit limits, credit insurance and letters of credit from banks that meet internal rating criteria.

Financial assets

None of the Group's cash equivalents, including term deposits with banks, are past due or impaired. Regarding other financial assets that are neither past due nor impaired, there were no indications as at 31 March 2025 (2024 and 2023: no indications) that defaults in payment obligations will occur.

The Group has reviewed trade and other receivables not yet due and not impaired and no material issues have been identified.

Trade receivables past due and impaired are set out below:

As at 31 March (£ millions)	2025			2024			2023		
	Gross	Impairment	Net carrying value	Gross	Impairment	Net carrying value	Gross	Impairment	Net carrying value
Not yet due	874	(5)	869	1,160	(4)	1,156	981	(2)	979
Overdue <3 months	50	-	50	74	-	74	34	-	34
Overdue 3-6 months	-	-	-	1	-	1	1	(1)	-
Overdue >6 months	3	-	3	7	(2)	5	1	(1)	-
Total	927	(5)	922	1,242	(6)	1,236	1,017	(4)	1,013

Off-balance sheet financial arrangements

At 31 March 2025, Jaguar Land Rover Limited (a subsidiary of the company) had sold £562 million (2024: £588 million, 2023: £373 million) equivalent of trade receivables under its debt factoring facility. The facility was renewed at its existing value of \$900 million during the year ended 31 March 2025.

(C) Derivatives and hedge accounting

The Group's operations give rise to revenue, raw material purchases and borrowings in currencies other than the Group's presentation currency of GBP. The Group forecasts these transactions over the medium term and enters into derivative contracts to mitigate the resulting foreign currency exchange risk, interest rate risk and commodity price risk. The Group's risk management strategy allows for hedge accounting when the derivatives meet the hedge accounting criteria as set out in IFRS 9 as well as the Group's risk management objectives.

Non-deliverable forward contracts relating to commodity trades may be designated as hedging instruments in cash flow hedge relationships against forecast commodity purchases to mitigate commodity price risk associated with those transactions. Foreign currency forward contracts, foreign currency options and foreign currency denominated borrowings may be designated as hedging instruments in a cash flow hedge relationship against forecast foreign currency transactions to mitigate foreign currency exchange risk associated with those transactions.

In addition, the Group uses cross-currency interest rate swaps to hedge its foreign currency exchange risk associated with recognised borrowings. These instruments may be designated in both cash flow and fair value hedging relationships, or may be economic hedges of debt. The Group also manages foreign exchange risk on recognised borrowings using FX swaps. The Group utilises FX spot & FX swap contracts to manage operational requirements.

During the year ended 31 March 2025; the Group designated additional US Dollar bonds with a principal amount of \$1.0 billion in a cash flow hedge relationship against forecast US Dollar revenue between the periods 2028 to 2029.

During the year ended 31 March 2023, the Group designated US Dollar bonds with a principal amount of \$1.2 billion in a cash flow hedge relationship against forecast US Dollar revenue between the periods 2025 to 2027.

During the year ended 31 March 2023, the cross-currency interest rate swaps designated in a fair value and cash flow hedge against USD debt were settled on their break date. The gain on the swaps was recognised during the year, with the settlement amount of the swaps deemed to be the best indicator of fair value on break date. The fair value adjustment associated with the hedge is being amortised over the remaining life of the bond.

The (loss)/gain on the derivatives that are not designated in hedging relationships, whose fair value movements are recognised in 'Foreign exchange (loss)/gain and fair value adjustments' in the consolidated income statement, is as follows:

Year ended 31 March (£ millions)	2025	2024	2023
Commodity derivative contracts	(8)	(133)	(133)
Foreign currency derivative contracts	(47)	(138)	109
Interest rate derivative contracts	-	-	100
Total (loss)/gain	(55)	(271)	76

During the year ended 31 March 2023, cross-currency interest rate swaps used in an economical hedge against USD debt were settled on their break date. The gain on the swaps was recognised during the year, with the settlement amount of the swaps deemed to be the best indicator of fair value on break date.

In all cases the Group uses a hedge ratio of 1:1. The critical terms of the derivative contracts are aligned with those of the hedged item. The Group allows a maximum hedging term of five years for forecast transactions. The Group's risk management policy allows for decreasing levels of hedging as the forecasting horizon increases.

A 10 per cent depreciation/appreciation in Sterling against the foreign currency underlying contracts within the Group's derivative portfolio that are sensitive to changes in foreign exchange rates (including the impact to the fair value adjustment of foreign currency borrowing designated as the hedged item in a fair value hedge relationship, excluding US Dollar bonds designated in a cash flow hedging relationship) would have resulted in the approximate additional (loss)/gain shown in the table below:

As at 31 March (£ millions)	2025	2024	2023
10% depreciation in Sterling against the foreign currency:			
In other comprehensive income	(1,729)	(1,618)	(1,413)
In the consolidated income statement	322	395	540
10% appreciation in Sterling against the foreign currency:			
In other comprehensive income	1,371	1,248	1,214
In the consolidated income statement	(262)	(324)	(438)

The following table sets out the change in the Group's exposure to interest rate risk as a result of hedge accounted cross-currency interest rate swaps:

Outstanding contracts	Foreign currency receivable average interest rate			Reporting currency payable average interest rate		
	%	%	%	%	%	%
	2025	2024	2023	2025	2024	2023
Cross currency interest rate swaps						
< 1 year	4.500%	-	-	SONIA +5.971	-	-
Between 1-5 years	-	4.500%	4.500%	-	SONIA +5.587	SONIA + 5.247

The following table shows the impact that would result from interest rate derivatives and any related hedging relationships given an increase/decrease of 100 basis points in interest rates at the balance sheet date:

As at 31 March (£ millions)	2025	2024	2023
100 basis points depreciation in interest rates			
In the consolidated income statement	-	-	(2)
100 basis points appreciation in interest rates			
In the consolidated income statement	-	-	2

A 10 per cent appreciation/depreciation in all commodity prices underlying such commodity contracts within the Group's derivative portfolio that are sensitive to changes in commodity prices would have resulted in the approximate additional (loss)/gain shown the in the table below:

As at 31 March (£ millions)	2025	2024	2023
10% appreciation/depreciation in all commodity prices			
In other comprehensive income	70	-	-
In the consolidated income statement	22	91	59

Cash flow hedges

The Group uses foreign currency options, foreign currency forward contracts and recognised foreign currency borrowings as the hedging instruments in cash flow hedge relationships of hedged sales and purchases. The time value of options and the foreign currency basis spread of foreign exchange forward contracts are excluded from the hedge relationship and are recognised in other comprehensive income as a cost of hedging to the extent they relate to the hedged item (the aligned value). The Group also uses non-deliverable forward commodity contracts as hedging instruments in cash flow hedge relationships of some hedged commodity purchases. Additionally, the Group uses cross-currency interest rate swaps as the hedging instrument of the foreign exchange risk of recognised foreign currency borrowings.

Changes in the fair value of foreign currency contracts and non-deliverable forward commodity contracts, to the extent determined to be an effective cash flow hedge, are recognised in the consolidated statement of comprehensive income, and the ineffective portion of the fair value change is recognised in the consolidated income statement. The main sources of ineffectiveness are timing differences in the payment of the hedging instrument and hedged item and application differences in relation to discounting of the hedged item in comparison to the hedging instrument. It is anticipated that the hedged sales will take place over the next one to five years, at which time the amount deferred in equity will be reclassified to revenue in the consolidated income statement.

It is anticipated that the hedged purchases will take place over the next one to five years, at which time the amount deferred in equity will be included in the carrying amount of the raw materials. On sale of the finished product, the amount previously deferred in equity and subsequently recognised in inventory will be reclassified to material and other cost of sales in the consolidated income statement.

The foreign currency borrowings designated as the hedged item mature in January 2026, at which time the amount deferred in equity will be reclassified to the consolidated income statement.

The tables below sets out the timing profile of the hedge accounted derivatives:

Outstanding contracts As at 31 March	Average strike rate			Nominal amounts			Carrying value liabilities		
	2025	2024	2023	2025 £ millions	2024 £ millions	2023 £ millions	2025 £ millions	2024 £ millions	2023 £ millions
Cash flow hedges of foreign exchange risk on forecast transactions									
Derivative instruments									
Sell - USD									
<1 year	0.7807	0.7699	0.7528	3,018	3,862	2,761	26	(95)	(188)
Between 1-5 years	0.7814	0.7777	0.7581	6,326	4,731	4,199	33	(45)	(234)
Sell - Chinese Yuan									
<1 year	0.1161	0.1150	0.1139	2,420	2,815	2,674	167	116	(114)
Between 1-5 years	0.1155	0.1164	0.1159	5,461	4,583	4,894	133	122	(184)
Buy - Euro									
<1 year	1.0955	0.9274	0.8915	2,705	2,907	1,984	(19)	(14)	20
Between 1-5 years	1.0822	0.9453	0.9129	895	1,149	41	(1)	(6)	-
Other currencies									
<1 year	-	-	-	970	956	730	103	45	(6)
Between 1-5 years	-	-	-	2,034	1,660	848	126	60	(2)
Debt instruments denominated in foreign currency									
Sell - USD									
< 1 year	0.8920	-	-	624	-	-	(540)	-	-
Between 1-5 years	0.8845	0.8889	0.6287	1,188	1,067	1,068	(1,128)	(952)	(968)
Total cash flow hedges of foreign exchange risk on forecast transactions				25,641	23,730	19,199	(1,100)	(769)	(1,676)
Outstanding contracts As at 31 March (£ millions)	Nominal amounts			FV asset/liabilities					
	2025	2024	2023	2025	2024	2023	2025	2024	2023
Cash flow hedges of commodity price risk on forecast transactions									
Derivative instruments									
Commodities									
<1 year			536	-	-		9	-	-
Between 1-5 years			469	-	-		-	-	-
Total cash flow hedges of commodity price risk on forecast transactions			1,005	-	-		9	-	-

The line items in the consolidated balance sheet that include the above derivative instruments are “Other financial assets” and “Other financial liabilities”.

The following table sets out the effect of the Group's cash flow hedges on the financial performance of the Group:

Year ended 31 March (£ millions)	2025	2024	2023
Fair value gain/(loss) of foreign currency derivative contracts recognised in hedging reserves	545	844	(744)
Fair value gain/(loss) of foreign currency borrowings recognised in hedging reserves	(19)	-	-
Fair value gain of derivatives hedging foreign currency borrowings recognised in hedging reserves	4	-	7
Fair value gain of commodity swap derivative contracts recognised in hedging reserves	17	-	-
Gain/(loss) recognised in other comprehensive income in the year	547	844	(737)
Gain/(loss) reclassified from cash flow hedging reserve and recognised in 'Revenue' in the income statement	192	(54)	(590)
Gain reclassified from of cash flow hedging reserve and recognised in 'Material and other cost of sales' in the income statement	5	-	-
Gain/(loss) reclassified from cash flow hedging reserve and recognised in 'Foreign exchange (loss)/gain and fair value adjustments' in the income statement on account of forecast transactions no longer expected to occur	-	3	(12)
Gain/(loss) reclassified to profit and loss in the year	197	(51)	(602)
Net change in the hedged item used for assessing hedge effectiveness	383	801	(148)
Ineffectiveness recognised in the income statement in 'Exchange (loss)/gain and fair value adjustments'	(5)	-	-
(Loss)/gain on derivatives not hedge accounted, recognised in 'Foreign exchange (loss)/gain and fair value adjustments' in the income statement	(55)	(138)	108

The following amounts have been recognised in the consolidated income statement in relation to USD bonds designated as hedging instruments in cash flow hedges:

Year ended 31 March (£ millions)	2025	2024	2023
Net loss in the hedged item used for assessing hedge effectiveness	(31)	(50)	(55)
Fair value gain in the hedging instruments used in assessing hedge effectiveness, taken to the consolidated income statement in 'Foreign exchange (loss)/gain and fair value adjustments'	143	117	95
Ineffectiveness recognised in the consolidated income statement in 'Foreign exchange (loss)/gain and fair value adjustments'	112	67	40

Fair value hedges

During the years ended 31 March 2025, 2024, and 2023 the Group used cross-currency interest rate swaps as the hedging instrument in a fair value hedge of foreign exchange and interest rate risks of foreign currency denominated debt. The derivatives converted foreign currency USD and EUR fixed-rate borrowings to GBP floating-rate debt.

The USD swaps were settled during the year ended 31 March 2023.

The fair value of the cross-currency interest rate swaps, included in "Derivatives in hedging relationship" in section (A), are as follows:

As at 31 March (£ millions)	2025	2024	2023
Other financial assets - non-current	-	-	-
Total financial assets	-	-	-
Other financial liabilities - current	43	55	37
Other financial liabilities - non-current	-	-	12
Total financial liabilities	43	55	49

The following amounts have been recognised in relation to fair value hedges in the consolidated income statement:

Year ended 31 March (£ millions)	2025	2024	2023
Net gain in the hedged item used for assessing hedge effectiveness, taken to the consolidated income statement in 'Foreign exchange gain/(loss) and fair value adjustments'	12	19	26
Fair value changes in the derivative instruments used in assessing hedge effectiveness, taken to the consolidated income statement in 'Foreign exchange gain/(loss) and fair value adjustments'	7	(3)	1
Ineffectiveness recognised in the consolidated income statement in 'Foreign exchange gain/(loss) and fair value adjustments'	19	16	27

The table below sets out timing profile of the hedge accounted derivatives:

Outstanding contracts As at 31 March	Average strike rate			Nominal amounts			Carrying value liabilities		
	2025	2024	2023	2025 £ millions	2024 £ millions	2023 £ millions	2025 £ millions	2024 £ millions	2023 £ millions
Hedges of foreign exchange risk on recognised debt									
Cross currency interest rate swaps									
EUR									
< 1 year	0.8912	-	-	446	-	-	(43)	-	-
Between 1-5 years	-	0.8912	0.8912	-	446	446	-	(55)	(50)
Total fair value hedges of foreign exchange risk on recognised debt				446	446	446	(43)	(55)	(50)

The line items in the consolidated balance sheet that include the above derivative instruments are “Other financial assets” and “Other financial liabilities”.

39 SEGMENTAL REPORTING

Operating segments are defined as components of the Group about which separate financial information is available that is evaluated regularly by the chief operating decision-maker, or decision-making group, in deciding how to allocate resources and in assessing performance.

The Group operates in the automotive segment. The automotive segment includes all activities relating to design, development, manufacture and marketing of vehicles including financing thereof, as well as sale of related parts and accessories and services from which the Group derives its revenues. The Group has only one operating segment, so no separate segment report is given.

The geographic spread of sales by customer location and non-current assets (comprising Property, plant and equipment, Intangible assets and Right-of-use assets) is as disclosed below:

£ millions	UK	US	China	Rest of Europe	Rest of World	Total
31 March 2025						
Revenue	4,811	8,549	5,112	4,802	5,687	28,961
Non-current assets	12,138	47	99	740	172	13,196
31 March 2024						
Revenue	5,066	6,530	5,477	5,396	6,526	28,995
Non-current assets	10,582	49	105	826	176	11,738
31 March 2023						
Revenue	3,932	5,196	4,581	4,327	4,773	22,809
Non-current assets	10,015	55	136	944	191	11,341

40 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(A) Reconciliation of profit/(loss) for the year to cash generated from operating activities

Year ended 31 March (£ millions)	2025	2024	2023
Profit/(loss) for the year	1,800	2,578	(60)
Adjustments for:			
Depreciation and amortisation	1,677	2,175	2,107
Write-down of tangible assets	-	3	-
Fair value adjustments in relation to assets held for sale	(3)	6	26
Loss on disposal of fixed assets and assets held for sale	17	20	10
Income tax expense/(credit)	674	(413)	157
Finance expense (net)	287	469	507
Finance income	(136)	(164)	(67)
Foreign exchange on debt, derivatives and balance sheet revaluation	(126)	(60)	14
Unrealised (gain)/loss on commodities	(46)	59	163
Share of loss/(profit) of equity accounted investments	3	(23)	(15)
Fair value loss/(gain) on equity investments	3	(1)	(9)
Exceptional items	15	-	(161)
Other non-cash adjustments	(1)	(1)	-
Cash flows from operating activities before changes in assets and liabilities	4,164	4,648	2,672
Trade receivables and other assets	231	(305)	(450)
Other financial assets	(93)	(96)	166
Inventories	118	(510)	(489)
Accounts payable, other liabilities and retirement benefit obligation	100	1,396	633
Other financial liabilities	(45)	47	17
Provisions	434	116	41
Cash generated from operations	4,909	5,296	2,590

(B) Reconciliation of movements of liabilities to cash flows arising from financing activities

£ millions	Borrowings	Lease obligations	Interest accrued	Total
Balance at 1 April 2022	7,027	570	95	7,692
Cash flows				
Proceeds from issue of financing	1,261	-	-	1,261
Repayment of financing	(2,426)	(72)	-	(2,498)
Interest paid	-	(54)	(384)	(438)
Non-cash movements				
Issue of new leases	-	209	-	209
Interest accrued	-	54	377	431
Foreign currency translation	325	3	7	335
Fee amortisation	12	-	-	12
Long-term borrowings revaluation in hedge reserve	(55)	-	-	(55)
Fair value adjustment on borrowings	(66)	-	-	(66)
Balance at 31 March 2023	6,078	710	95	6,883
Cash flows				
Proceeds from issue of financing	-	-	-	-
Repayment of financing	(1,752)	(74)	-	(1,826)
Interest paid	-	(56)	(356)	(412)
Non-cash movements				
Issue of new leases	-	68	-	68
Interest accrued	-	56	345	401
Foreign currency translation	(133)	(10)	-	(143)
Fee amortisation	9	-	-	9
Long-term borrowings revaluation in hedge reserve	5	-	-	5
Fair value adjustment on borrowings	(1)	-	-	(1)
Gain on early repayment of borrowings	(14)	-	-	(14)
Balance at 31 March 2024	4,192	694	84	4,970
Cash flows				
Proceeds from issue of financing	844	-	-	844
Repayment of financing	(1,252)	(86)	-	(1,338)
Interest paid	-	(55)	(284)	(339)
Non-cash movements				
Issue of new leases	-	69	-	69
Interest accrued	-	55	266	321
Foreign currency translation	(127)	(7)	-	(134)
Lease terminations	-	(17)	-	(17)
Lease modifications	-	14	-	14
Acquisition of subsidiary (net of cash acquired)	2	25	-	27
Disposal of subsidiary	-	(21)	-	(21)
Fee amortisation	7	-	-	7
Long-term borrowings revaluation in hedge reserve	19	-	-	19
Balance at 31 March 2025	3,685	671	66	4,422

Included within 'Finance expenses and fees paid' in the consolidated cash flow statement is £12 million (2024: £82 million, 2023: £57 million) of cash interest paid relating to other assets and liabilities not included in the reconciliation above.

41 ACQUISITION AND DISPOSAL OF SUBSIDIARIES

On 20 June 2024, JLR completed the acquisition of a non-core subsidiary for cash payment of £72 million, resulting in goodwill of £40 million.

On 28 March 2025, JLR completed the disposal of a controlling stake in the same subsidiary for cash receipt of £77 million to an affiliate of Tata Motors Limited, the ultimate parent company. The gain on disposal net of transaction costs has been presented as exceptional in note 4.

42 RELATED PARTY TRANSACTIONS

Tata Sons Private Limited is a company with significant influence over the Group's ultimate Parent Company Tata Motors Limited. The Group's related parties therefore include Tata Sons Private Limited, subsidiaries and joint ventures of Tata Sons Private Limited and subsidiaries, joint ventures and associates of Tata Motors Limited. The Group routinely enters into transactions with its related parties in the ordinary course of business, including transactions for the sale and purchase of products with its joint ventures, and IT and consultancy services received from subsidiaries of Tata Sons Private Limited.

All transactions with related parties are conducted under normal terms of business and all amounts outstanding are unsecured and will be settled in cash.

Transactions and balances with the Group's own subsidiaries are eliminated on consolidation.

The table below summarises related party transactions and balances not eliminated in the consolidated financial statements:

£ millions	Joint ventures	Associates and their subsidiaries	Tata Sons Private Limited, its subsidiaries and joint ventures	Immediate or ultimate parent and its subsidiaries, joint ventures and associates
31 March 2025				
Sale of products	186	-	-	161
Purchase of goods	73	170	-	307
Services received	-	1	410	176
Services rendered	70	-	-	3
Dividends paid	-	-	-	387
Dividends received	2	-	-	-
Sale of property, plant and equipment	28	-	-	-
Proceed on disposal of subsidiaries	-	-	-	77
Deferred contingent consideration receivable	-	-	-	7
Trade and other receivables	50	-	-	96
Accounts payable	6	78	94	65
31 March 2024				
Sale of products	219	-	1	81
Purchase of goods	54	154	-	144
Services received	-	-	315	150
Services rendered	90	-	34	3
Dividends received	2	-	-	-
Trade and other receivables	32	-	-	100
Accounts payable	7	5	49	80
31 March 2023				
Sale of products	253	-	2	33
Purchase of goods	59	91	-	95
Services received	-	-	195	100
Services rendered	110	-	-	3
Trade and other receivables	33	-	-	43
Accounts payable	-	3	26	33

Compensation of key management personnel

Year ended 31 March (£ millions)	2025	2024	2023
Short-term benefits	19	24	19
Other long-term employee benefits	1	-	-
Compensation for loss of office	-	-	2
Total compensation of key management personnel	20	24	21

43 ULTIMATE PARENT COMPANY AND PARENT COMPANY OF LARGER GROUP

The immediate parent undertaking is TML Holdings Pte. Ltd. (Singapore), which is the parent for the smallest group to consolidate these financial statements. The ultimate parent undertaking and controlling party is Tata Motors Limited, India, which is the parent of the largest group to consolidate these financial statements.

Copies of the TML Holdings Pte. Ltd. (Singapore) consolidated financial statements can be obtained from the Company Secretary, TML Holdings Pte. Ltd., 9 Battery Road #15-01 MYP Centre, Singapore 049910.

Copies of the Tata Motors Limited, India consolidated financial statements can be obtained from the Company Secretary, Tata Motors Limited, Bombay House, 24, Homi Mody Street, Mumbai-400001, India.

44 SUBSEQUENT EVENTS

In May 2025, the Company proposed and paid an ordinary dividend of £448 million to its immediate parent company TML Holdings Pte. Ltd. (Singapore).

PARENT COMPANY FINANCIAL STATEMENTS

PARENT COMPANY BALANCE SHEET

As at 31 March (£ millions)	Note	2025	2024	2023
Non-current assets				
Investments	45	1,655	1,655	1,655
Other financial assets	46	2,389	3,042	4,686
Other non-current assets	47	9	7	9
Total non-current assets		4,053	4,704	6,350
Current assets				
Other financial assets	46	2,285	1,830	1,358
Total current assets		2,285	1,830	1,358
Total assets		6,338	6,534	7,708
Current liabilities				
Accounts payable		20	16	-
Other financial liabilities	48	54	75	87
Deferred finance income		1	3	2
Short-term borrowings	49	1,081	1,256	820
Current tax liabilities		-	-	1
Total current liabilities		1,156	1,350	910
Non-current liabilities				
Long-term borrowings	49	2,382	3,034	4,697
Deferred finance income		13	20	35
Total non-current liabilities		2,395	3,054	4,732
Total liabilities		3,551	4,404	5,642
Equity attributable to shareholder of the parent				
Ordinary share capital	50	1,501	1,501	1,501
Capital redemption reserve	50	167	167	167
Retained earnings		1,119	462	398
Equity attributable to shareholder of the parent		2,787	2,130	2,066
Total liabilities and equity		6,338	6,534	7,708

The Company has elected to take the exemption under section 408 of the Companies Act 2006 from presenting the Parent Company income statement. The profit for the Company for the year was £1,044 million (2024: £64 million, 2023: loss of £20 million).

The notes on pages 167 to 174 are an integral part of these financial statements.

These Parent Company financial statements were approved by the Company's Board of Directors and authorised for issue on 20 May 2025.

They were signed on its behalf by:



ADRIAN MARDELL

CHIEF EXECUTIVE OFFICER

COMPANY REGISTERED NUMBER: 06477691

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

£ millions	Ordinary share capital	Capital redemption reserve	Retained earnings	Total equity
Balance at 1 April 2022	1,501	167	418	2,086
Loss for the year	-	-	(20)	(20)
Total comprehensive expense	-	-	(20)	(20)
Balance at 31 March 2023	1,501	167	398	2,066
Profit for the year	-	-	64	64
Total comprehensive income	-	-	64	64
Balance at 31 March 2024	1,501	167	462	2,130
Profit for the year	-	-	1,044	1,044
Total comprehensive income	-	-	1,044	1,044
Dividend paid	-	-	(387)	(387)
Balance at 31 March 2025	1,501	167	1,119	2,787

The notes on pages 167 to 174 are an integral part of these financial statements.

PARENT COMPANY CASH FLOW STATEMENT

Year ended 31 March (£ millions)	2025	2024	2023
Cash flows from operating activities			
Profit/(loss) for the year	1,044	64	(20)
Adjustments for:			
Income tax expense	13	5	-
Allowances for other financial assets	(4)	(37)	8
Foreign exchange loss	-	-	8
Finance income	(1,314)	(353)	(370)
Finance expense	266	311	376
Cash flows generated from/(used in) operating activities before changes in assets and liabilities	5	(10)	2
Financial assets	(3)	(3)	2
Financial liabilities	(2)	10	(2)
Net cash (used in)/generated from operating activities	-	(3)	2
Cash flows from investing activities			
Finance income received	287	325	384
Loans issued to subsidiaries	(1,518)	-	-
Repayments of loans by subsidiaries	1,639	1,143	1,235
Dividends received	1,000	-	-
Net cash generated from investing activities	1,408	1,468	1,619
Cash flows from financing activities			
Finance expenses and fees paid	(287)	(336)	(386)
Proceeds from issuance of borrowings	518	-	-
Repayment of borrowings	(1,252)	(1,129)	(1,235)
Dividends paid	(387)	-	-
Net cash used in financing activities	(1,408)	(1,465)	(1,621)
Net change in cash and cash equivalents	-	-	-
Cash and cash equivalents at the beginning of year	-	-	-
Cash and cash equivalents at end of year	-	-	-

The notes on pages 167 to 174 are an integral part of these financial statements.

45 INVESTMENTS

Investments consist of the following:

As at 31 March (£ millions)	2025	2024	2023
Cost of unquoted equity investments at beginning and end of year	1,655	1,655	1,655

The Company has not made any investments or disposals of investments in the year.

The Company has the following 100 per cent direct interest in the ordinary shares of a subsidiary undertaking:

Subsidiary undertaking	Principle place of business and country of incorporation	Registered office address
Jaguar Land Rover Holdings Limited	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England

The shareholding above is recorded at cost.

Details of the indirect subsidiary undertakings are as follows:

Name of company	Shareholding	Principle place of business and country of incorporation	Registered office address
Jaguar Land Rover Limited	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
Daimler Transport Vehicles Limited (dormant)	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
S.S. Cars Limited (dormant)	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
The Lanchester Motor Company Limited (dormant)	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
The Daimler Motor Company Limited (dormant)	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
Jaguar Land Rover Pension Trustees Limited (dormant)	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
JLR Nominee Company Limited (dormant)	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
Jaguar Cars Limited (dormant)	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
Land Rover Exports Limited (dormant)	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
Jaguar Land Rover (South Africa) Holdings Limited	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
Jaguar Racing Limited	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
InMotion Ventures Limited	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
In-Car Ventures Limited	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
InMotion Ventures 2 Limited	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
InMotion Ventures 3 Limited	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
Bowler Motors Limited	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
Jaguar Land Rover Austria GmbH	100%	Austria	Fasaneriestraße 35, A-5020 Salzburg, Austria
Jaguar Land Rover Australia Pty Limited	100%	Australia	Level 1, 189 O'Riordan Street, Mascot, New South Wales, 2020, Australia
Jaguar Land Rover Belux NV	100%	Belgium	Generaal Lemanstraat 47, 2018 Antwerpen, Belgium
Jaguar e Land Rover Brasil Indústria e Comércio de Veículos LTDA	100%	Brazil	Avenida Ibirapuera 2.332, Torre I - 10º andar- Moema, 04028-002, São Paulo, SP, Brazil
Jaguar Land Rover Canada ULC	100%	Canada	75 Courtneypark Drive West, Unit 3 Mississauga, ON L5W 0E3,Canada
Jaguar Land Rover (Ningbo) Trading Co., Ltd.	100%	China	Room 3680, Office Building 12, No.1 Meishan Salt Field, Beilun District, Ningbo, Zhejiang Province, China
Jaguar Land Rover (China) Investment Co., Ltd	100%	China	R713, F7, No. 6 (Field 001, Zone C1), Jilong Road, Free Trade Zone, Shanghai, China
Shanghai Jaguar Land Rover Automotive Service Co. Ltd	100%	China	Room E16, Floor 2, 477, FuTe West 1 Road, Free Trade Zone, Shanghai, China
Jaguar Land Rover France S.A.S.	100%	France	Tower Defense Plaza, 23 rue Delarivière Lefoullon, 92800 Puteaux, France
Jaguar Land Rover Deutschland GmbH	100%	Germany	Campus Kronberg 7, 61476, Kronberg im Taunus, Germany

Name of company	Shareholding	Principle place of business and country of incorporation	Registered office address
Jaguar Land Rover Classic Deutschland GmbH	100%	Germany	Geschäftsanschrift: Ringstraße 38, 45219 Essen, Germany
JLR Insurance Company Limited	100%	Guernsey	AON Guernsey Insurance Managers (Guernsey) Limited, Dorey Court, Guernsey, GY1 4AT, Guernsey
Jaguar Land Rover Nederland BV	100%	Holland	Van Deventerlaan 31, 3528AG Utrecht, The Netherlands
Jaguar Land Rover Hungary KFT	100%	Hungary	1134 Budapest, Vaci ut 47/e, Hungary
Jaguar Land Rover India Limited	100%	India	Unit No. 104B, 1st Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lo, wer Parel, Mumbai City, Mumbai, Maharashtra, India, 400013
Land Rover Ireland Limited (non-trading)	100%	Ireland	c/o LK Shields Solicitors, 39/40 Upper Mount Street, Dublin 2, Ireland
Jaguar Land Rover Ireland (Services) Limited	100%	Ireland	C/o LK Shields Solicitors 38 Upper Mount Street Dublin 2 Ireland
Jaguar Land Rover Italia SpA	100%	Italy	Viale Alessandro Marchetti, n. 105 - 00148, Roma, Italy
Jaguar Land Rover Japan Limited	100%	Japan	9F Garden city Shinagawagotenyama 6-7-29,Kitashinagawa, Shinagawa-ku,Tokyo Japan
Jaguar Land Rover Korea Co., Limited	100%	Korea	25F West Mirae Asset Center 1 Building 67 Suha-dong, Jung-gu Seoul 100-210, Korea
Jaguar Land Rover Portugal -Veiculos e Pecas, Lda.	100%	Portugal	Edifício Escritórios do Tejo, Rua. Do Pólo Sul Nº2 - 3ºB-3, Parque das Nações, 1990-273 Lisboa, Portugal
Jaguar Land Rover México, S.A.P.I. de C.V.	100%	Mexico	Av. Javier Barros Sierra No.540 Piso 7 Oficina 703, Col. Santa Fe la Fe Del., Alvaro Obregón, México, D.F. C.P. 01210
Jaguar Land Rover Servicios México, S.A. de C.V.	100%	Mexico	Av. Javier Barros Sierra No.540 Piso 7 Oficina 703, Col. Santa Fe la Fe Del., Alvaro Obregón, México, D.F. C.P. 01210
Jaguar Land Rover Singapore Pte. Ltd	100%	Singapore	138 Market Street, CapitaGreen, Singapore, 048946
Jaguar Land Rover Slovakia s.r.o.	100%	Slovakia	Horné lúky, 4540/1, 949 01 Nitra, Slovakia
Jaguar Land Rover (South Africa) (Pty) Ltd	100%	South Africa	28 Victoria Link, Route 21 Corporate Park, Nellmapius Drive, Irene, Gauteng, South Africa, 0157
Jaguar Cars South Africa (Pty) Ltd (dormant)	100%	South Africa	28 Victoria Link Route 21 Corporate Park Nellmapius Drive Irene X30, South Africa
Jaguar Land Rover Espana SL	100%	Spain	Calle del Puerto de Somport 21-23, 4ª planta, edificio A, 28050 Madrid, Spain
Jaguar Land Rover Taiwan Company LTD	100%	Taiwan	7F., No 1 Songgao Road., Xinyi Dist, Taipei City 110., Taiwan (R.O.C.)
Jaguar Land Rover Classic USA LLC (dormant)	100%	USA	251 Little Falls Drive, Wilmington, Delaware, USA
Jaguar Land Rover North America, LLC.	100%	USA	100 Jaguar Land Rover Way, Mahwah, NJ 07495, USA

Details of the indirect holdings in equity accounted investees are given in note 17 to the consolidated financial statements.

46 OTHER FINANCIAL ASSETS

As at 31 March (£ millions)	2025	2024	2023
Non-current			
Receivables from subsidiaries	2,389	3,042	4,686
Current			
Receivables from subsidiaries	2,285	1,830	1,358

£2,389 million (2024: £3,042 million, 2023: £4,686 million) of non-current receivables from subsidiaries and £1,083 million (2024: £1,258 million, 2023: £815 million) of current receivables from subsidiaries comprise of loans to indirect subsidiaries under terms matching the external interest-bearing loans and borrowings given in note 49.

The remaining £1,204 million (2024: £574 million, 2023: £538 million) receivable from subsidiaries relates to other intragroup balances that accrue interest based on the Bank of England base rate plus a variable margin and are expected to settle within 12 months.

47 OTHER ASSETS

As at 31 March (£ millions)	2025	2024	2023
Non-current			
Prepaid expenses	9	7	9

48 OTHER FINANCIAL LIABILITIES

As at 31 March (£ millions)	2025	2024	2023
Current			
Interest accrued*	54	75	86
Other	-	-	1
Total current other financial liabilities	54	75	87

*Relates mainly to interest accrued on Euro MTF listed debt, syndicated loan and UK Export Finance facility.

49 INTEREST-BEARING LOANS AND BORROWINGS

As at 31 March (£ millions)	2025	2024	2023
Current portion of EURO MTF listed debt	956	427	571
Current portion of bank loans	125	829	249
Short-term borrowings	1,081	1,256	820
EURO MTF listed debt	1,788	2,817	3,644
Bank loans	594	217	1,053
Long-term borrowings	2,382	3,034	4,697
Total interest-bearing loans and borrowings	3,463	4,290	5,517

Euro MTF listed debt

The bonds are listed on the Luxembourg Stock Exchange multilateral trading facility ("EURO MTF") market. Details of the tranches of the bonds outstanding at 31 March 2025 are as follows:

\$500 million Senior Notes due 2027 at a coupon of 4.500 per cent per annum - issued October 2017
€500 million Senior Notes due 2026 at a coupon of 4.500 per cent per annum - issued September 2018
€298 million Senior Notes due 2026 at a coupon of 6.875 per cent per annum - issued November 2019
\$700 million Senior Notes due 2025 at a coupon of 7.750 per cent per annum - issued October 2020
\$553 million Senior Notes due 2028 at a coupon of 5.875 per cent per annum - issued December 2020
€500 million Senior Notes due 2028 at a coupon of 4.500 per cent per annum - issued July 2021
\$409 million Senior Notes due 2029 at a coupon of 5.500 per cent per annum - issued July 2021

During the year ended 31 March 2025, the Company repaid its €500 million Senior Notes due 2024 at a coupon of 5.875 per cent per annum - issued November 2019.

During the year ended 31 March 2024, the Company repaid its €650 million Senior Notes due 2024 at a coupon of 2.200 per cent per annum - issued January 2017. In addition, the Company repaid £79 million of its \$650 million Senior Notes due 2028 for a purchase price of £72 million, £74 million of its \$500 million Senior Notes due 2029 for a purchase price of £64 million and £175 million of its €500 million Senior Notes due 2026 for a purchase price of £178 million. The resulting gain of £14 million was recognised in the income statement in the year ended 31 March 2024.

During the year ended 31 March 2023, the Company repaid its \$500 million Senior Notes due 2023 at a coupon of 5.625 per cent per annum - issued January 2013, and £400 million Senior Notes due 2023 at a coupon of 3.875 per cent per annum - issued February 2015.

Syndicated loan

During the year ended 31 March 2025, the Company repaid the \$798 million syndicated loan that matured in January 2025 and entered a new \$500 million term loan facility, maturing in January 2029. This facility was subsequently increased by \$150 million through an accordion feature in March 2025.

UK Export Finance facility

The Company repaid £73 million (2024: £125 million, 2023: £125 million) of the remaining balance of the £625 million five-year amortising loan facility from UK Export Finance that ended in October 2024.

In March 2022, the Company entered and drew down in full an additional £625 million five-year amortising loan facility from UK Export Finance, ending December 2026. During the year ended 31 March 2025, the Company repaid £125 million (2024: £125 million, 2023: £125 million) of this loan. As at 31 March 2025, the remaining balance on the facility is £219 million (2024: £344 million, 2023: £469 million).

These loans include a covenant requiring the Group to maintain a minimum quarter-end liquidity of £1 billion.

The contractual cash flows of interest-bearing debt are set out below, including estimated interest payments and assuming the debt will be repaid at the maturity date:

As at 31 March (£ millions)	2025	2024	2023
Due in			
1 year or less	1,261	1,532	1,123
2nd and 3rd years	1,335	1,743	2,890
4th and 5th years	1,285	1,367	1,661
More than 5 years	-	332	883
Total contractual cash flows	3,881	4,974	6,557

50 CAPITAL AND RESERVES

As at 31 March (£ millions)	2025	2024	2023
Authorised, called up and fully paid			
1,500,642,163 ordinary shares of £1 each	1,501	1,501	1,501
Total ordinary share capital	1,501	1,501	1,501

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

The capital redemption reserve of £167 million (2024: £167 million, 2023: £167 million) was created in March 2011 on the cancellation of share capital.

51 DIVIDENDS

During the year ended 31 March 2025 the Company proposed and paid an ordinary dividend of £387 million to its immediate parent company TML Holdings Pte. Ltd. (Singapore) (2024, 2023: £nil).

In May 2025, the Company proposed and paid an ordinary dividend of £448 million to its immediate parent company TML Holdings Pte. Ltd. (Singapore).

52 COMMITMENTS AND CONTINGENCIES

The Company had no commitments or contingencies at 31 March 2025, 2024 or 2023.

53 CAPITAL MANAGEMENT

As at 31 March (£ millions)	2025	2024	2023
Short-term debt	1,081	1,256	820
Long-term debt	2,382	3,034	4,697
Total debt	3,463	4,290	5,517
Equity attributable to shareholder	2,787	2,130	2,066
Total capital	6,250	6,420	7,583

54 FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability, are disclosed in note 38 to the consolidated financial statements.

(A) Financial assets and liabilities

The following table shows the carrying amounts and fair value of each category of financial assets and liabilities as at 31 March 2025:

£ millions	Amortised cost	Total carrying value	Total fair value
Other financial assets - current	2,285	2,285	2,257
Other financial assets - non-current	2,389	2,389	2,385
Total financial assets	4,674	4,674	4,642
Accounts payable	20	20	20
Other financial liabilities - current	54	54	54
Short-term borrowings	1,081	1,081	1,053
Long-term borrowings	2,382	2,382	2,378
Total financial liabilities	3,537	3,537	3,505

The following table shows the carrying amounts and fair value of each category of financial assets and liabilities as at 31 March 2024:

£ millions	Amortised cost	Total carrying value	Total fair value
Other financial assets - current	1,830	1,830	1,835
Other financial assets - non-current	3,042	3,042	3,040
Total financial assets	4,872	4,872	4,875
Accounts payable	16	16	16
Other financial liabilities - current	75	75	75
Short-term borrowings	1,256	1,256	1,261
Long-term borrowings	3,034	3,034	3,032
Total financial liabilities	4,381	4,381	4,384

The following table shows the carrying amounts and fair value of each category of financial assets and liabilities as at 31 March 2023:

£ millions	Amortised cost	Total carrying value	Total fair value
Other financial assets - current	1,358	1,358	1,348
Other financial assets - non-current	4,686	4,686	4,330
Total financial assets	6,044	6,044	5,678
Other financial liabilities - current	87	87	87
Short-term borrowings	820	820	810
Long-term borrowings	4,697	4,697	4,341
Total financial liabilities	5,604	5,604	5,238

Fair value hierarchy

Financial instruments held at fair value are required to be measured by reference to the following levels:

- Quoted prices in an active market (Level 1): This level of hierarchy includes financial instruments that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor based on available market data.

There has been no change in the valuation techniques adopted or any transfers between fair value levels in either current or prior years as presented.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realised in a sales transaction as of respective dates. The estimated fair value amounts as of 31 March 2025, 2024 and 2023 have been measured as of the respective dates. As such, the fair values of these financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

(B) Financial risk management

The Company is exposed to foreign currency exchange rate, interest rate, liquidity and credit risks. The Company has a risk management framework in place that monitors all of these risks as discussed below and on the next page. This framework is approved by the Company's Board of Directors.

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have a potential impact on the balance sheet, statement of changes in equity and cash flow statement where any transaction references more than one currency or where assets or liabilities are denominated in a currency other than the functional currency of the Company.

As at 31 March 2025, 2024 and 2023, there are no designated cash flow hedges.

The Company's operations are subject to risks arising from fluctuations in exchange rates. The risks primarily relate to fluctuations in US Dollar and Euro against Sterling as the Company has US Dollar and Euro assets and liabilities and a GBP functional currency.

The following table provides information relating to foreign currency exposure:

As at 31 March (£ millions)	2025		2024		2023	
	US Dollar	Euro	US Dollar	Euro	US Dollar	Euro
Financial assets	2,207	1,098	2,394	1,564	2,581	2,364
Financial liabilities	(2,212)	(1,096)	(2,394)	(1,564)	(2,587)	(2,364)
Net exposure (liability)/asset	(5)	2	-	-	(6)	-

As at 31 March 2025, a 10 per cent appreciation/depreciation of the US Dollar or Euro would result in a decrease/increase in the Company's net profit before tax and net assets by approximately £nil and £1 million respectively (2024: £nil and £nil respectively, 2023: £1 million and £nil respectively).

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to changes in interest income and expense for the Company.

The Company is presently funded with long-term fixed interest rate borrowings and long-term variable-rate borrowings. The Company is also subject to variable interest rates on certain other debt obligations.

As at 31 March 2025, net financial assets of £1,180 million (2024: £494 million, 2023: £467 million) were subject to a variable interest rate. An increase/decrease of 100 basis points in interest rates at the balance sheet date would result in an impact on the Company's net profit before tax and net assets of £12 million (2024: £5 million, 2023: £5 million).

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Liquidity rate risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company's policy on liquidity risk is to ensure that sufficient borrowing facilities are available to fund ongoing operations without the need to carry significant net debt over the medium term.

The following are the undiscounted contractual maturities of financial liabilities, including estimated interest payments:

As at 31 March 2025 (£ millions)	Carrying amount	Contractual cash flows	1 year or less	1 to <2 years	2 to <5 years	5 years and over
Accounts payable	20	20	20	-	-	-
Short-term borrowings and accrued interest	1,105	1,149	1,149	-	-	-
Long-term borrowings and accrued interest	2,415	2,733	112	449	2,172	-
Total contractual maturities	3,540	3,902	1,281	449	2,172	-

As at 31 March 2024 (£ millions)	Carrying amount	Contractual cash flows	1 year or less	1 to <2 years	2 to <5 years	5 years and over
Accounts payable	16	16	16	-	-	-
Short-term borrowings and accrued interest	1,274	1,340	1,340	-	-	-
Long-term borrowings and accrued interest	3,088	3,603	178	1,277	1,816	332
Other financial liabilities	3	31	14	17	-	-
Total contractual maturities	4,381	4,990	1,548	1,294	1,816	332

As at 31 March 2023 (£ millions)	Carrying amount	Contractual cash flows	1 year or less	1 to <2 years	2 to <5 years	5 years and over
Short-term borrowings and accrued interest	823	845	845	-	-	-
Long-term borrowings and accrued interest	4,770	5,644	249	1,527	2,983	885
Other financial liabilities	11	68	28	18	22	-
Total contractual maturities	5,604	6,557	1,122	1,545	3,005	885

Credit risk

Financial instruments that are subject to concentrations of credit risk consist of loans to subsidiaries.

The carrying amount of financial assets represents the maximum credit exposure.

Financial assets

None of the other financial assets are past due or impaired. Regarding other financial assets that are neither past due nor impaired, there were no indications as at 31 March 2025 (2024, 2023: no indications) that defaults in payment obligations will occur. However, as required under IFRS 9, the Company has assessed other financial assets for expected credit losses.

These financial assets are loan receivables from subsidiaries and the Company notes that there is no history of default on such arrangements. As there has been no significant increase in credit risk, the Company has assessed these based on a 12-month expected credit loss. The impairment of the loan receivables due to the requirements under IFRS 9 are set out below:

As at 31 March (£ millions)	2025			2024			2023		
	Gross	Impairment	Net carrying value	Gross	Impairment	Net carrying value	Gross	Impairment	Net carrying value
Other financial assets - current	2,285	-	2,285	1,831	(1)	1,830	1,365	(7)	1,358
Other financial assets - non-current	2,389	-	2,389	3,045	(3)	3,042	4,720	(34)	4,686
Total	4,674	-	4,674	4,876	(4)	4,872	6,085	(41)	6,044

Movement in allowances for expected credit losses of financial assets

Year ended 31 March (£ millions)	2025	2024	2023
At beginning of the year	4	41	33
Charged during the year	-	-	8
Unused amounts reversed	(4)	(37)	-
At end of year	-	4	41

55 RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

£ millions	Borrowings	Interest accrued	Total
Balance at 1 April 2022	6,460	84	6,544
Cash flows			
Repayment of financing	(1,235)	-	(1,235)
Interest paid	-	(355)	(355)
Non-cash movements			
Interest accrued	-	348	348
Foreign currency translation	281	9	290
Fee amortisation	11	-	11
Balance at 31 March 2023	5,517	86	5,603
Cash flows			
Repayment of financing	(1,129)	-	(1,129)
Interest paid	-	(312)	(312)
Non-cash movements			
Interest accrued	-	301	301
Foreign currency translation	(93)	-	(93)
Fee amortisation	9	-	9
Gain on early repayment of borrowings	(14)	-	(14)
Balance at 31 March 2024	4,290	75	4,365
Cash flows			
Proceeds from issue of financing	518	-	518
Repayment of financing	(1,252)	-	(1,252)
Interest paid	-	(287)	(287)
Non-cash movements			
Interest accrued	-	266	266
Foreign currency translation	(100)	-	(100)
Fee amortisation	7	-	7
Balance at 31 March 2025	3,463	54	3,517

56 RELATED PARTY TRANSACTIONS

Tata Sons Private Limited is a company with significant influence over the Company's ultimate Parent Company Tata Motors Limited. The Company's related parties therefore include Tata Sons Private Limited, subsidiaries and joint ventures of Tata Sons Private Limited and subsidiaries, associates and joint ventures of Tata Motors Limited. The Company routinely enters into transactions with these related parties in the ordinary course of business.

The following table summarises related party balances:

As at (£ millions)	With direct and indirect subsidiaries	With immediate parent
31 March 2025		
Loans to subsidiaries of the Company	4,674	-
Loans from subsidiaries of the Company	14	-
Accounts payable to subsidiaries of the Company	20	-
31 March 2024		
Loans to subsidiaries of the Company	4,872	-
Loans from subsidiaries of the Company	23	-
Accounts payable to subsidiaries of the Company	16	-
31 March 2023		
Loans to subsidiaries of the Company	6,044	-
Loans from subsidiaries of the Company	37	-

Compensation of key management personnel

Year ended 31 March (£ millions)	2025	2024	2023
Short-term benefits	4	5	4
Compensation for loss of office	-	-	2
Total compensation of key management personnel	4	5	6

Apart from the directors, the Company did not have any employees and had no employee costs in the years ended 31 March 2025, 2024 and 2023. All directors' costs are fully recharged to Jaguar Land Rover Limited, an indirect subsidiary company.

57 AUDITOR'S REMUNERATION

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements.

58 ULTIMATE PARENT COMPANY AND PARENT COMPANY OF THE LARGER GROUP

The immediate parent undertaking is TML Holdings Pte. Ltd. (Singapore), which is the parent for the smallest group to consolidate these financial statements. The ultimate parent undertaking and controlling party is Tata Motors Limited, India, which is the parent of the largest group to consolidate these financial statements.

Copies of the TML Holdings Pte. Ltd. (Singapore) consolidated financial statements can be obtained from the Company Secretary, TML Holdings Pte. Ltd. 9 Battery Road #15-01 MYP Centre, Singapore 049910.

Copies of the Tata Motors Limited, India consolidated financial statements can be obtained from the Company Secretary, Tata Motors Limited, Bombay House, 24, Homi Mody Street, Mumbai-400001, India.

59 SUBSEQUENT EVENTS

In May 2025, the Company proposed and paid an ordinary dividend of £448 million to its immediate parent company TML Holdings Pte. Ltd. (Singapore).

APPENDIX

1

APPENDIX 1: GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

Statement of use	Jaguar Land Rover Automotive plc has reported the information cited in this GRI content index for the period 1 April 2024 to 31 March 2025 with reference to the GRI Standards
GRI 1 used	GRI 1: Foundation 2021

GRI 2: GENERAL DISCLOSURES 2021

The organisation and its reporting practices		
Disclosure	Detail	Location
2-1 Organisational details	- Legal name - Nature of ownership and legal form - Location of headquarters - Countries of operation	https://www.jlr.com/global-footprint
2-2 Entities included in the organisation's sustainability reporting	Entities included in the organisation's sustainability reporting	KPMG limited assurance opinion > corporate website SBTi, Waste and Water Reporting Methodology Statement > corporate website
2-3 Reporting period, frequency and contact point	- Reporting period for, and the frequency of, sustainability reporting - Reporting period for financial reporting - Publication date of the report - Contact point for questions about this report	Sustainability reporting: 1 April 2024 - 31 March 2025, annually Financial reporting: 1 April 2024 - 31 March 2025, annually Publication date: 20 May 2025 For questions about this report: https://www.jlr.com/investor-relations
2-4 Restatements of information	Restatements of information made from previous reporting periods	Performance Data Tables FY24/25 > page 67
2-5 External assurance	- Policy and practice for seeking external assurance - Link / reference to external assurance	KPMG limited assurance opinion > corporate website SBTi, Waste and Water Reporting Methodology Statement > corporate website

Activities and workers		
Disclosure	Detail	Location
2-6 Activities, value chain and other business relationships	- Sectors - Value chain - Other relevant business relationships - Significant changes compared to the previous reporting period	<i>Reimagine</i> > pages 15-16 Our year in review > pages 17-25 Operating environment > pages 26-27 https://www.jlr.com/brands https://www.jlr.com/reimagine
2-7 Employees	- Total number of employees, breakdown by gender and region - Total number of permanent, temporary, non-guaranteed hours employees, full-time employees, and part-time employees, breakdown by gender and region - Methodologies and assumptions used to compile the data - Contextual information required to understand the data - Significant fluctuations in number of employees	Financial statements - Employee numbers and costs > page 121
2-8 Workers who are not employees	- Total number of workers who are not employees - Methodologies and assumptions used to compile the data - Significant fluctuations in number of workers who are not employees	Financial statements - Employee numbers and costs > pages121

Governance		
Disclosure	Detail	Location
2-9 Governance structure and composition	• Governance structure including committees of the highest governance body • Committees responsible for decision-making on and overseeing the management of the organisation's impact on the economy, environment and people • Composition of the highest governance body	Governance - Leadership > pages 79-83 Climate Related Financial Disclosures > pages 62-66 https://www.jlr.com/leadership
2-10 Nomination and selection of the highest governance body	• Nomination and selection process for the highest governance body and its committees • Criteria used for nominating and selecting highest governance body members	Governance - Accountability > pages 86-87
2-11 Chair of the highest governance body	• Chair of the highest governance body	Governance - Leadership > pages 79-83 https://www.jlr.com/leadership
2-12 Role of the highest governance body in overseeing the management of impacts	• Role of the highest governance body in overseeing the management of impacts	Governance - Leadership > pages 79-83 Climate Related Financial Disclosures > pages 62-66
2-13 Delegation of responsibility for managing impacts	• Delegation of responsibility for managing impacts • Process and frequency for reporting	Governance - Leadership > pages 79-83 Governance - Effectiveness > pages 84-85 Climate Related Financial Disclosures > pages 62-66
2-14 Role of the highest governance body in sustainability reporting	• Role of the highest governance body in sustainability reporting	Climate Related Financial Disclosures > pages 62-66
2-15 Conflicts of interest	• Process for prevention and mitigation • Disclosure to stakeholders	Corporate Policy: CP1-023 Conflicts of Interest. Available to all employees, however it is not available publicly
2-16 Communication of critical concerns	• Communication of critical concerns to the highest governance body • Total number and nature of critical concerns communicated	Governance - Leadership > pages 79-83
2-17 Collective knowledge of the highest governance body	• Measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development	Chief Executive Officer's Statement > pages 6-7 <i>Reimagine</i> > pages 15-16 Sustainability > page 36
2-18 Evaluation of the performance of the highest governance body	• Process for evaluating performance • Independence and frequency of evaluations • Actions taken in response to evaluations	Governance - Effectiveness > pages 84-85 Governance - Accountability > pages 86-87
2-19 Remuneration policies	• Remuneration policies for members of the highest governance body and senior executives • How the policies relate to objectives and performance in relation to management of impacts on the economy, environment and people	Governance - Accountability > pages 86-87
2-20 Process to determine remuneration	• Process for designing its remuneration policies and for determining remuneration • Results of votes of stakeholders	Governance - Accountability > pages 86-87
2-21 Annual total compensation ratio	• Ratio of the annual total compensation for the organisation's highest-paid individual to the median annual total compensation for all employees • Ratio of the per centage increase in annual total compensation for the organisation's highest-paid individual to the median per centage increase in annual total compensation for all employees • Contextual information necessary to understand the data	This information is deemed to be confidential

Strategy, policies and practices		
Disclosure	Detail	Location
2-22 Statement on sustainable development strategy	Statement from the highest governance body or most senior executive of the organisation about the relevance of sustainable development to the organisation and its strategy for contributing to sustainable development	Chief Executive Officer's Statement > pages 6-7 <i>Reimagine</i> > pages 15-16 Sustainability > page 36
2-23 Policy commitments	- Policy commitments for responsible business conduct - Specific policy commitment to respect human rights - Links to the policy commitments - Policy approval level - Extent to which the policy commitments apply to the organisation's activities and business relationships - Communication of policies	Code of Conduct and supporting policies: https://www.jlr.com/code-conduct
2-24 Embedding policy commitments	How each policy commitment for responsible business conduct is embedded throughout activities and business relationships	Code of Conduct and supporting policies: https://www.jlr.com/code-conduct Risk and Compliance Committee > page 85
2-25 Processes to remediate negative impacts	- Commitments to provide for or cooperate in the remediation of negative impacts - Approach to identify and address grievances - Other processes by which the organisation provides for or cooperates in the remediation of negative impacts - Stakeholder involvement - Tracking and reporting	Our Approach to Risk > page 70 Principal Risks > page 71-73 Climate Related Financial Disclosures > pages 62-66
2-26 Mechanisms for seeking advice and raising concerns	Mechanisms for individuals to seek advice and raise concerns about the organisation's business conduct	Code of Conduct (p.22 'Raising Concerns') https://www.jlr.com/code-conduct
2-27 Compliance with laws and regulations	- Total number of significant instances of non-compliance with laws and regulations - Total number and the monetary value of fines for instances of non-compliance with laws and regulations - Significant instances of non-compliance - How significant instances of non-compliance are determined	This information is deemed to be confidential
2-28 Membership associations	Industry associations, other membership associations, and national or international advocacy organisations	Directors' Report > pages 91-92 Engage for Good > pages 46-50

Stakeholder engagement		
Disclosure	Detail	Location
2-29 Approach to stakeholder engagement	Approach to engaging with stakeholders	Introduction to Governance > pages 74-78 Responsible Business > page 51
2-30 Collective bargaining agreements	- Per centage of total employees covered by collective bargaining agreements - Determination of working conditions and terms of employment for employees not covered by collective bargaining agreements	This information is not publicly available