



JAGUAR LAND ROVER  
AUTOMOTIVE PLC

ANNUAL REPORT FY25/26

Registered Number: 06477691

## JLR AND OUR HOUSE OF BRANDS

JLR brings together four distinctive British brands – Range Rover, Defender, Discovery and Jaguar – each created to serve a clear purpose and a defined client need.

As an enterprise, we provide the foundations that enable these brands to thrive. Through shared expertise in design, engineering and technology, we create the conditions for each brand to deliver experiences that are desirable, differentiated and enduring.

Our house of brands approach gives each brand the space to express its own identity, while benefiting from the strength, scale and capability of JLR behind it.

Land Rover continues to play a supporting role within our portfolio, representing the legacy and credibility that underpins our brands.

Together, our house of brands structure allows us to build stronger connections with our clients, create exceptional experiences and deliver long-term, sustainable value for JLR.

RANGE ROVER

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DEFENDER

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DISCOVERY

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JAGUAR

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BY APPOINTMENT TO  
HM THE KING  
MANUFACTURERS OF  
MOTOR VEHICLES  
JAGUAR LAND ROVER LIMITED  
COVENTRY



BY APPOINTMENT TO  
HM THE QUEEN  
MANUFACTURERS OF  
MOTOR VEHICLES  
JAGUAR LAND ROVER LIMITED  
COVENTRY

## DEFINITIONS

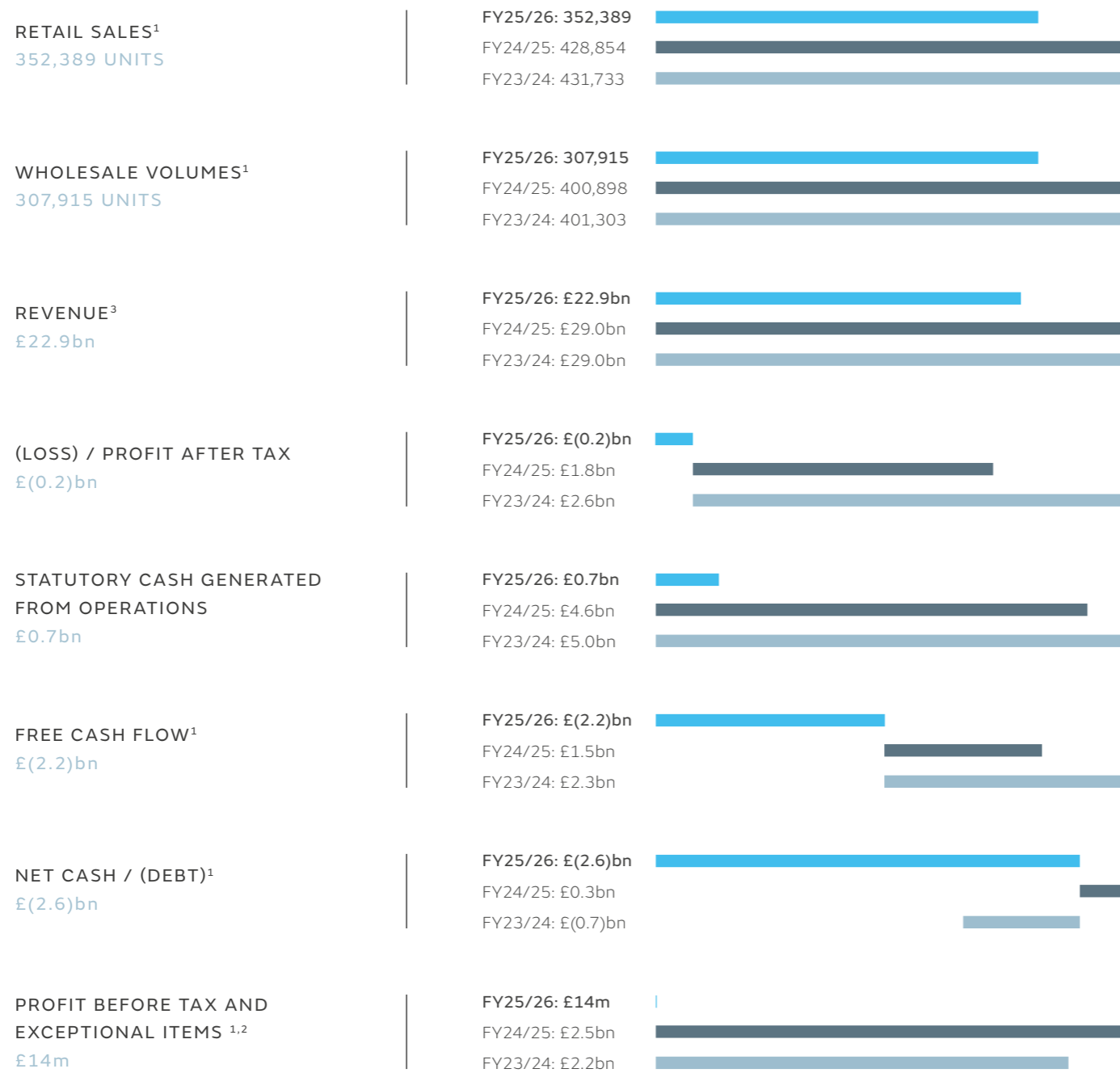
Jaguar Land Rover Automotive plc is referred to as the Company.  
Jaguar Land Rover Automotive plc and its subsidiaries are collectively referred to as the Group and JLR.  
The Jaguar Land Rover Automotive plc Board is referred to as the Company's Board of Directors or the Board.  
Jaguar Land Rover 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 before the end of the decade our brands will each have a pure electric model, while Jaguar will be entirely electric.



1 Please see note 3 of the financial statements on pages 174 - 176 for alternative performance measures.

2 Please see note 4 of the financial statements on page 177 for more information relating to exceptional items.

3 Please see note 5 of the financial statements on pages 178 - 180 for more information relating to revenue.





## CHAIRMAN STATEMENT

FY25/26 was perhaps more challenging than any of us could have expected. JLR was impacted by the introduction of incremental US trade tariffs affecting exports from the UK and the EU to the US. Then a cyber incident occurred which required us to pause production while we responded and subsequently carefully restarted our systems.

These events occurred against a backdrop of ongoing geopolitical instability, changing regulations and a marked shift in the historic patterns of global trade. We saw increased global competition in the automotive sector and changes to climate policies. All of this occurred during the continuing transition from combustion engines to electric vehicles and demand for pure electric vehicles slowing more than anticipated.

This changing picture puts more financial and resource pressure on automotive manufacturers to invest in a variety of powertrain options to suit individual markets. To successfully run our business requires us to be flexible in both our mindset and our powertrain offering.

Our plans and vehicle architectures are increasingly flexible so we can adapt to different market and client demands. Our MLA architecture for Range Rover and Range Rover Sport offers internal combustion engine and plug-in hybrid variants, with a battery electric variant of Range Rover coming later this year, giving clients a full choice of powertrains.

While it is clear the rate of BEV adoption across global markets has not been linear, we are confident pure electric will become one of the world's key powertrains.

As JLR continues to adapt in the face of a rapidly changing world, the development of artificial intelligence (AI) is advancing at an extraordinary pace, transforming industries and societies. JLR is embracing the future potential of new technology across its business by adopting an AI-first mindset. AI is already helping us to improve quality checking in our plants, accelerate our engineering test cycles and anticipate repair and maintenance needs of clients.

Meanwhile, the cyber incident taught us lessons. The Company responded swiftly and decisively to the event, prioritising the integrity of its systems and executing a structured restart. This incident underscored the importance of resilience and the necessary further strengthening of digital capabilities across the enterprise. Because of this we are building back our systems stronger than before.

As expected, JLR's financial performance in FY25/26 was impacted by the cyber incident and the introduction of incremental US tariffs. Revenues for the year were £22.9bn down 20.9 per cent year-on-year. Yet we saw our fortunes rebound in the fourth quarter with £6.9bn revenues and £452m profits, reflecting strong business fundamentals and enduring desire for our world-renowned luxury brands.

This year also marked the retirement of Adrian Mardell, a colleague and friend who dedicated 35 years to the Company. As CEO, Adrian led the Company through a period of significant transformation, and I would like to thank him for his enormous contributions. His legacy is one of cultural renewal grounded in respect and a commitment to people.

With the appointment of PB Balaji as CEO, JLR will build on these foundations. His seven years on the Company's Board of Directors as a Non-Executive Director have given him a deep understanding of the Company's strategy, brands and opportunities for growth. Under his leadership, JLR is well positioned for an exciting phase of product launches, technological advancements, elevation of the Company's house of brands and continued support for the communities in which JLR operates.

Looking ahead, the Company remains focused on mitigating global economic headwinds through its Enterprise Missions and market plans, while executing flawlessly on upcoming product launches. The automotive industry and technology continue to evolve, but it is ultimately people – their ingenuity, resilience and commitment – who will shape JLR's success.

Despite the challenges of the past year, the dedication of JLR's colleagues and partners has been exceptional. I would like to thank everyone connected to JLR for their continued work innovating and delivering for the Company's clients and communities.

**NATARAJAN CHANDRASEKARAN**

CHAIRMAN

*Jaguar Land Rover Automotive plc*

21 May 2026



## CEO STATEMENT

While JLR made strong operational progress in FY25/26, including the development of our next-generation models and the continued growth of our unique modern luxury brands, it was a year marked by challenges.

In the first quarter, we faced a hike in costs from incremental trade tariffs of 27.5 per cent on our UK and EU exports to the US. These were later reduced to 10 per cent and 15 per cent respectively, where they now remain. In the second quarter, we proactively shut down our systems as a precautionary measure in response to the cyber incident. Production was paused before restarting on 8 October and returning to normal levels by mid-November.

I am extremely proud of our teams' professional and focused responses to these hurdles.

These challenges arrived with the global automotive industry already under continued pressure from cost inflation, slower-than-expected uptake of electric vehicles, and the deterioration of market conditions in China, including the lowering of the threshold for the luxury car tax which affected pricing.

Financially, we delivered a profitable first quarter, the US trade tariffs and the cyber incident impacted Q2 and Q3, and our performance stabilised in Q4 with quarterly revenues of £6.9bn, a profit before tax of £452m, and EBIT of 9.2 per cent. Over the full financial year, JLR recorded revenues of £22.9bn and adjusted EBIT of 0.7 per cent, demonstrating the company's robust underpinnings and the continued desirability of our luxury brands.

This year, we made significant progress across our operations. Range Rover featured in the Top 100 Global Brands for the second consecutive year, and Range Rover Electric won critical acclaim from global media, who took part in prototype drives.

Excitement continued to build around new Jaguar, with the Type 00 design concept progressing its global tour. The car featured in Monaco, Tokyo and London, and the world's motoring journalists responded positively to passenger drives in the new Jaguar prototype vehicles.

Defender won the 2026 Dakar Rally in the Stock class, with its Defender OCTA derived Dakar D7X-R vehicles placing first and second. This represented an outstanding accomplishment for the team in Defender's debut year at Dakar, the world's toughest off-road challenge, and demonstrated Defender's unrivalled off-road capabilities.

Meanwhile, the transformation of our global manufacturing facilities to enable electric vehicle production alongside internal combustion engine (ICE) and hybrid variants neared completion, and we announced nearly £100 million in value from reuse and refurbishment initiatives at our UK and European plants.

I joined the business as CEO in November 2025, with Adrian Mardell stepping down after 35 years with JLR and three years as CEO. I want to thank Adrian for his contributions over these years and for leading the company's financial turnaround.

During my first few weeks at JLR, I met senior leaders and colleagues to understand our business's magic sauce. Our world-renowned brands, peerless products, the depth of talent and the culture of trust and psychological safety are at the heart of our success. It is clear that the passion our people have for our outstanding brands, and the lengths they go to every day to ensure our vehicles live up to their customer and brand values, sets JLR apart.

We are also well positioned due to our flexible vehicle architectures, which offer ICE and hybrid powertrains as we roll out BEV options, allowing us to meet the needs of clients in different markets as they electrify at different rates.

Following the cyber incident, we continue to invest in further strengthening our IT systems, and we continue to drive our Enterprise Missions, to increase efficiency and control our costs.

In China, we are taking actions to mitigate against deteriorating market conditions by developing incremental growth opportunities through our new Freelander collaboration with Chery Automotive under our joint venture.

In April 2026, we evolved our operating model to further centre JLR around our house of brands. By growing our brands' distinct identities and values, we will increase the desirability and emotional connection for our customers.

2026 is set to be an exciting year for JLR as we develop our next-generation vehicles, including the launch of the Range Rover Electric and the unveiling of the first new Jaguar, and take further steps to unlock our potential by putting our world-renowned brands and peerless products at the very centre of our business.

In a challenging market environment, we will drive growth by delighting our customers with exhilarating brand experiences and by continually enhancing the quality of our offerings to build long-lasting loyalty. We will stay flexible and agile in responding to market volatility while strengthening the competitiveness and resilience of our business model. We will harness the power of data and AI to create delightful customer experiences and accelerate the overall clockspeed of our organisation.

**PB BALAJI**  
CHIEF EXECUTIVE OFFICER  
*Jaguar Land Rover Automotive plc*  
21 May 2026

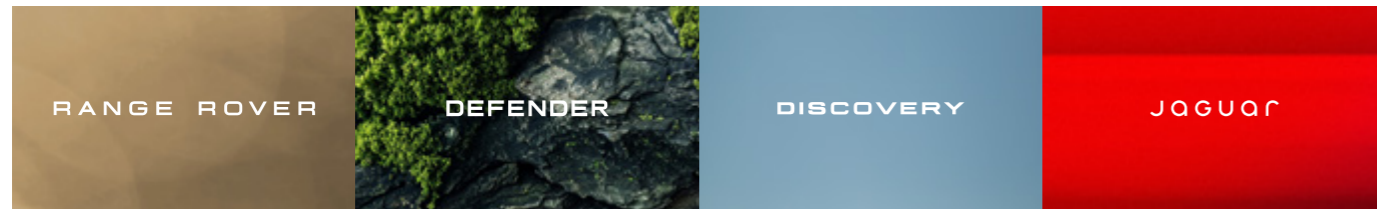


OUR BUSINESS  
STRATEGIC REPORT

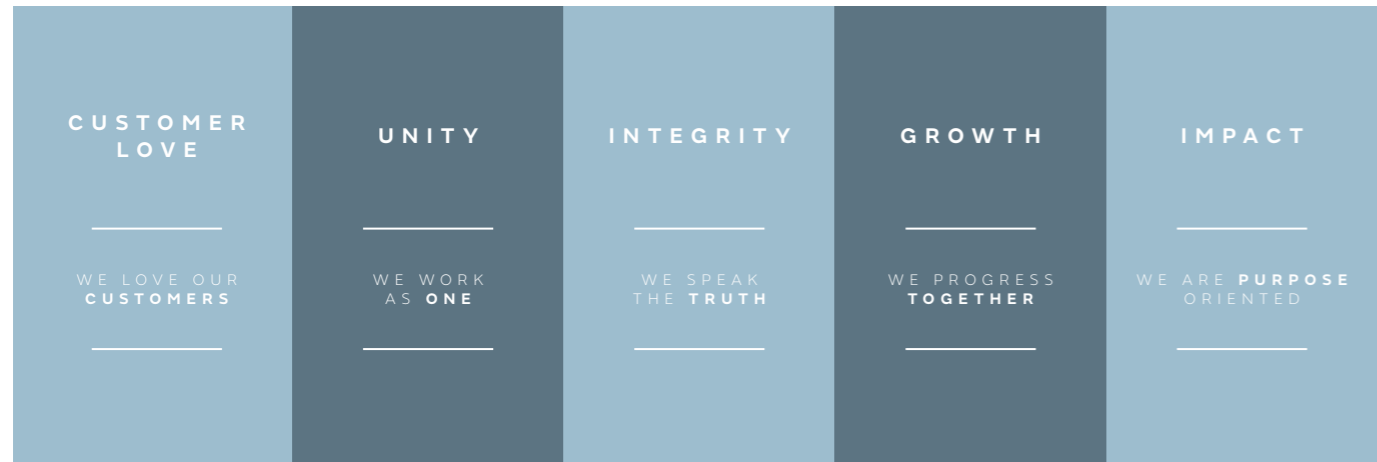
## PURPOSE & CULTURE

Guided by our Purpose, Live the Exceptional with Soul, and underpinned by the values of our Creators' Code, our cultural transformation is a journey that began five years ago and continues today.

In 2021, we launched our Reimagine Strategy to transform JLR into a modern luxury house of brands, with clients and sustainability at its heart. At the same time, we made a conscious decision to shape a new culture to empower our people and help achieve our strategic aspirations.



Our Purpose, launched alongside our Creators' Code, provides sequenced behaviours to guide our colleagues, starting with Customer Love and followed by Unity, Integrity, Impact and Growth. Only when Customer Love and People Love behaviours are combined can we deliver impact. For JLR, that means a high performing organisation delivering long-term success that balances people, planet and profit. It is how we bring the exceptional into everything we do, with deep care, love and respect for one another.



### OUR PURPOSE

Live the Exceptional with Soul, always striving to put people and impact at the heart of what we do.

### OUR VISION

Proud Creators of Modern Luxury, a bold declaration of who we aspire to be.

### OUR CREATORS' CODE

The set of behaviours that shape our actions and how we bring this journey to life.

We know that when people feel loved, they feel more connected, more confident, more resilient, more creative, more trusted and trusting, and more collaborative. People Love creates the conditions for customer love to flourish.

When multiplied, these deliver Impact for individuals, teams and, ultimately, JLR's performance. They have the potential to unlock long-term resilience and growth for our organisation.

Five years into our decade-long mission, we continue to create a culture that drives performance.

### Reimagine Modern Leadership

Our Reimagine Modern Leadership journey (RML) uses workshops that blend teaching with experiences to enable colleagues to discover, evolve and deploy their distinct style of leadership to meet the needs of our business.

RML has been twice recognised at the British Training Awards in the category of 'Large Organisation of the Year' and has been commended by external partners for its innovative and successful approach.

### Wellbeing

Our commitment to the safety and wellbeing of our people has been the foundation of our cultural transformation journey, moving towards comprehensive and holistic care for the health and wellbeing of our colleagues. JLR invests £15 million each year into employee wellbeing and works closely with the NHS to improve workplace wellbeing initiatives for UK PLC.

Our biopsychosocial approach ensures we are considering every aspect of a person, and how we can support them. By taking an inclusive and robust approach to wellbeing, we are well on our journey to JLR becoming an anchor organisation in health and wellbeing, aspiring to be a global leader in employee health.

To ensure colleagues get access to mental and physical health where they work, we continued to expand our Centres for Wellbeing during the year, adding four new wellbeing centres in Budapest, Hungary, Bangalore, India, Shanghai, China and Portland, USA bringing the total to 11 globally.

Our commitment to colleagues also extends to their families, who can also access three virtual GP appointments, six mental health appointments, and six nutritionist appointments each year. This is alongside JLR's Employee Assistant Programme, which provides 24/7 support for colleagues on everything from financial, relationship and legal issues through to health and wellbeing.

### Manufacturing People Transformation

Our Manufacturing People Transformation programme has been focused on eight key workstreams: Recognition, Belonging, Digital, Wellbeing, Facilities, Workwear, Radio JLR and Catering, driving cultural transformation across our global manufacturing plants.

The launch of our inclusive workwear in 2023 became a beacon of change across our global production facilities, with colleagues at JLR Nitra the final cohort to receive their new workwear co-designed by colleagues across the company.

Meanwhile, in 2024 our JLR App was rolled out to better connect over 12,000 colleagues at these sites while JLR Radio debuted at seven of our plants, a first for the automotive industry.

## Team Improvement Circle

In its tenth year of delivering value for the business, Team Improvement Circle (TIC) has evolved from our manufacturing spaces to include multiple departments across continents, bringing thousands of examples of innovation, personal growth and quality improvements to be considered for implementation. This voluntary programme sees small teams of colleagues and our supply partners from the UK, Brazil, China, India, North America and Slovakia use problem-solving techniques to lead and deliver initiatives to improve the workplace.

In FY25/26, we crowned 14 winners of this global initiative, including a UV lamp-based curing method that cuts the primer paint drying duration to reduce energy consumption, and a process that cuts one of Gaydon's hydraulic rig's energy use during idle time, both of which promote sustainable practices.

Embodying Unity, a guiding principle of our Creators' Code, TIC initiatives deliver real value to JLR, both through people development and improving processes to reduce downtime.

## Employee Open Days

In 2025, we introduced People Love Days at our major manufacturing locations, beginning with our Solihull plant in the UK. Designed as a celebration of the talent, resilience and pride of our manufacturing colleagues, these events brought together employees, their families and members of the local community. Alongside wellbeing activities, attendees took part in sessions exploring our purpose and our commitment to diversity, equity and inclusion.

The programme also extended to our Nitra plant in Slovakia, where colleagues and their families were invited behind the scenes to experience the scale and impact of our operations. Together, these initiatives strengthen the connection between our people, our culture and the communities in which we operate. More detail on employee initiatives can be found on page 89.



## Recognition

We continue to put a greater emphasis on colleague recognition to ensure our people feel valued when they do exceptional work. In FY25/26, more than 1,673 of our people were nominated for Exceptional Creator Awards across the globe. These awards are the pinnacle of colleague accolades at JLR and are presented twice a year to standout individuals who embody the Creators' Code.

Rec-Ignition, is our peer-to-peer appreciation messaging service where anyone can recognise exceptional work. In 2025, an average of 12,180 global Rec-Ignitions messages were sent each month.

To recognise day-to-day excellence, JLR distributed a total of 11,925 Creator Kudos awards – a gift intended to support colleagues with life events – in 2025.

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# 12,180

Monthly average for global Rec-Ignitions  
(excluding Sept - Nov due to the cyber incident)

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# 1,673

Exceptional Creator Awards

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# 11,925

Creator Kudos

## Customer Love and Culture

Customer Love is the leading behaviour in our Creators' Code and was a key focus to deliver exceptional client experiences in FY25/26. The strategic pillars that form our Customer Love behaviour will help us further embed a client-focused mindset for everyone at JLR, from engineering through to our contact centre colleagues.

In FY25/26, our Customer Relationship Centre (CRC) – a 300-strong team dedicated to supporting our clients around the world – handled more than one million inbound and outbound enquiries across multiple channels. In the year, these teams supported more than 150,000 cases.

Alongside day-to-day client support, our CRC teams devote their day to proactively contacting clients at one, six, 12, and 24 months in service of ownership, ensuring each one is heard and supported with their vehicle ownership experience.

Throughout the year, we also hosted eight customer love live events, bringing the customer closer to our 44,000 employees around the world. To embed the voices of our clients into our business, we also host advisory boards made up of 3,500 clients in four countries around the world, providing us with regular feedback on our current and future products. All of this is intended to enable us to become a truly customer-centric, brand-led JLR.

JLR is committed to fostering an inclusive culture and that includes making our products more inclusive for a diverse range of clients. This year our engineers continued researching remote controls to enable clients with disabilities to drive our vehicles. Inspired by gaming technology, JLR engineers developed adapted gaming controllers and vehicle ECUs to enable the control of JLR vehicles wirelessly. This prototype solution won the prestigious 'Dare to Try' category in the 2024 Tata Innovista innovation awards as a demonstration of what's possible in a world where technology helps level the playing field.

### Impact of Cultural Transformation

We continue to see the impact of our cultural transformation recognised externally by organisations like The Financial Times, which ranked JLR as one of Europe's Best Employers 2025.

Alongside this, JLR's commitment to Diversity, Equity & Inclusion in the workplace resulted in a Gold award in Britain's most Admired Companies study.

In recognition of our commitment to future talent, JLR was ranked 8th in HigherIn Ranking's Top Graduate Employers, and 29th in their Top Undergraduate Employers.



## REIMAGINE

Launched in 2021, our *Reimagine* strategy has set us on a transformative journey to make our business more successful and sustainable in the fast-changing global automotive landscape.

While we continue to work towards electrifying all our models in line with our net zero ambitions, we will continue to offer hybrid and internal combustion engine (ICE) options alongside upcoming pure battery electric vehicles, to match the variations in pace of the global transition to electric in our key markets.

At the heart of *Reimagine* is our house of four truly distinctive brands. Range Rover, Defender, Discovery and Jaguar share a foundation of exceptional British design and craftsmanship, but each has its own unmistakable personality and path to becoming even more desirable and profitable. We're bringing these plans to life by celebrating each brand's character and building stronger emotional connections with our clients.

### Next-generation Vehicles

FY25/26 brought its share of challenges, including a cyber incident, incremental US import tariffs and tougher economic conditions in some markets, including China. In response, we focused on delivering our enterprise missions and have clear plans in place to navigate global market pressures and keep moving forward.

Our passionate teams made strong progress in engineering and developing our next-generation vehicles as part of our £18bn investment over five years from FY23/24. The second half of FY26/27 will be especially exciting as we launch Range Rover Electric, unveil our new Jaguar production car, and reveal the first vehicle on our EMA platform, a new model from the Range Rover family built in Halewood, UK.

Range Rover Electric prototypes were driven by media for the first time in FY25/26 and received outstanding reviews. The waiting list now stands at 76,976 and we are making final plans for launch. Range Rover Electric will join ICE and hybrid options on our Modular Longitudinal Architecture (MLA), giving our clients even more choice as different markets electrify at different speeds.

Meanwhile, Jaguar Type 00, our design vision car, continued to make headlines after its showings in Tokyo, Monaco and London, building on earlier reveals in Paris and Miami. The first new Jaguar production car also made a huge impression when global media experienced it for the first time on our track in Gaydon, UK, and on frozen lakes near Arjeplog, Sweden.

### Investment in our Facilities

The transformation of our facilities continued throughout FY25/26. Production line installation for Range Rover Electric at Solihull is now substantially complete, and work on the new Jaguar lines is well advanced.

At Halewood, the lines for building medium sized pure electric SUVs on our EMA architecture are now substantially complete, enabling the site to produce ICE, hybrid and BEV vehicles in parallel.

The first production-ready EDUs and batteries are now being made at the Electric Propulsion Manufacturing Centre (EPMC) in Wolverhampton, UK. To support the strength and integrity of our supply chains amid ongoing geopolitical uncertainty, we appointed an additional 50 specialists.

### Partnerships

Another way we deliver on our strategy is through complementary partnerships. Through CJLR, our joint venture with Chery – one of China's leading OEMs – Freelander is being revived through a portfolio of electric vehicles based on Chery's electrified architecture.

The models, for which the brand and a concept vision car was unveiled in China in March 2026, will embody the original spirit of Freelander, while embracing the innovation in electrification that defines the Chinese market. Building on work over the last year, the first car will be launched in China later in 2026.

Meanwhile, JLR delivered on its new motorsport venture at the first time of asking. Defender proved its unrivalled capability by taking first and second place in the Dakar Rally Stock Class with its D7X-R vehicles – based on the high-performance OCTA – during the brand's debut in one of the world's toughest off-road competitions.

## Innovation

We continued to deliver new partnerships and see existing collaborations flourish via our corporate venture capital (CVC) arm, InMotion Ventures, which focuses on climate, advanced manufacturing, and enterprise software innovations that can help to advance *Reimagine*. Our CVC's focus replicates the internal importance JLR places on data and artificial intelligence to enhance its operations and the end-to-end client experience.

Three companies joined the InMotion Ventures portfolio: AI manufacturing systems specialists Matta and SirenOps, as well as Parable, which uses AI to analyse and improve enterprise efficiency. InMotion Ventures also made follow-on investments in seven existing portfolio companies and advanced key partnerships, including JLR becoming the first OEM to create a vehicle interior proof of concept using Uncaged Innovations' grain-based sustainable leather alternative.

InMotion Venture Studios, which supports entrepreneurs and incubates early-stage businesses, continued to grow vehicle rental and subscription services The Out and Pivotal as we explore complementary models of car use.

### Looking Ahead

In FY26/27, we will strengthen delivery of our strategy by focusing on our house of brands as a differentiator. In doing so, we will generate greater brand-led growth and further galvanise our enterprise quality and customer teams with an emphasis on customer trust.

Through *Reimagine*, we are transforming and adapting JLR so we can thrive in a world shaped by new automotive technologies, shifting geopolitics and evolving client expectations.



## OUR YEAR IN REVIEW

FY25/26 was characterised by both anticipated and unexpected challenges, as well as operational progress and delivery of our *Reimagine* strategy, and the continued development of our distinct modern luxury brands.

At the beginning of the financial year, we faced the introduction of incremental US tariffs on our UK and EU exports to the US, which had an immediate and ongoing financial impact on the business.

Initially tariffs on cars imported from the UK and the EU to the USA rose to 27.5%. Following negotiations, they now remain at 10% and 15% for the UK and EU respectively, representing an ongoing headwind for our business.

In the second quarter of the fiscal year, we experienced a cyber incident that disrupted our operations. As part of our immediate response to the incident, we proactively shut down our systems as a precautionary measure. We worked at pace to restart our global operations safely and securely and by early October production resumed, returning to normal levels in mid-November. The weeks of lost production, and the time it then took to normalise global distribution, had a financial impact on quarters two and three. JLR's performance improved in quarter four, demonstrating the underlying robustness of our business and its ability to recover from setbacks.

Despite these challenges, JLR made strong strategic and operational progress during the financial year as we continued to transform our manufacturing facilities for the production of our new electric models and delivered numerous achievements across our world class brands.



## RANGE ROVER



In its 55th anniversary year, Range Rover continued to grow as a luxury brand, featuring in the Top 100 Global Brands for the second consecutive year. Range Rover's efforts in the global leadership space flourished, with continued sponsorship of The Championships, Wimbledon, as well as presence at key cultural events such as Milan Design Week.

The year saw numerous new vehicle launches, including a new Range Rover and Range Rover Sport SV line-up, and a suite of London-themed editions across the range. Development of Range Rover Electric, which is set to be revealed later in 2026, continued at pace.

During the year, Range Rover Bespoke continued to deliver masterfully crafted one-of-ones and exclusive editions tailored for different regions. The Range Rover SV Masāra and Range Rover SV Saturio were launched in India and Mexico respectively – each featuring unique design elements and finishes only available through Range Rover Bespoke. These were followed by the one-of-a-kind Range Rover SV Asilomar, featuring a distinctive bespoke duo tone exterior inspired by Monterey Bay.

Following the successful launch of the Range Rover Bespoke personalisation service for Range Rover SV clients, this year the offer was extended to include Range Rover Sport clients. The service provides a dedicated expert to guide clients through the immersive, step-by-step process of personalising their vehicle.

The Range Rover SV Black made its global debut at Goodwood Festival of Speed, followed by a North American debut at Design Miami. A celebration of the timeless luxury appeal of an all-black specification, it is the darkest, stealthiest Range Rover ever created and features pioneering sensory audio which is now also available across the new Range Rover SV line-up: SV Serenity and SV Intrepid.

Range Rover Sport SV, now available as a core model, was augmented by the Range Rover Sport SV Carbon and Range Rover Sport SV Black – each with its own distinctive design specification.

Range Rover also unveiled a new motif to adorn its vehicles as part of an immersive exhibition to celebrate 55 years of Range Rover at Milan Design Week. The distinctive body side motif is a symbol inspired by the detailing of the original wordmark created in 1970, giving Range Rover a sophisticated emblem for its discerning modern luxury audience.

The motif first appeared this year on the new Range Rover London Collection, Range Rover's first luxury lifestyle range consisting of eight limited-edition fashion and lifestyle pieces inspired by its signature modernist design ethos.

## DEFENDER

Defender went from strength to strength in FY25/26, as it continued to be JLR's bestselling model and launched a number of high-profile partnerships and editions that underscore the brand's unique tough luxury principles.

The International Defender Awards were launched to champion and support local conservation and humanitarian causes, with six award winners each receiving a £100,000 bursary and a Defender 110 to support their humanitarian and conservation missions. Winners included the Thousand Year Trust (UK), Next Commons Lab (Japan), Salviamo l'Orso (Italy), Skin Check Champions (Australia), Pollusub from The Blue Odyssey Initiative (France) and the Litterboom Project (South Africa).

Defender showed its unrivalled capability and durability at the World Rally Raid Championship (W2RC), winning the 2026 Dakar Rally in the Stock class. Defender Dakar D7X-R vehicles placed first and second, representing an outstanding accomplishment for the team in its debut year in the world's toughest off-road endurance race. Defender also achieved an overall Stock class win at the Rally-Raid of Portugal. The team will compete in the W2RC through to 2028.

Another highlight of the year was Defender's sponsorship of the Women's Rugby World Cup in September. To celebrate the affiliation, Defender's Trailblazers Campaign staged a filmed reenactment of the moment 10-year-old Emily Valentine became the first recorded women's rugby player to score a try. Young female players from Enniskillen Rugby Club, where the first try was scored, took part in the reenactment.

Defender was also the official automotive partner of Oasis Live '25, supporting the British rock band as they performed on 41 stages across the world. The tie up reinforced Defender's affinity with the world of music, alongside the brand's return to Worthy Farm as it continued its role as the official vehicle partner of Glastonbury Festival. Model updates focused on customer-led enhancements across the 90, 110 and 130, refining design, technology and capability. Highlights include new front and rear lighting, fresh colours and wheels, a larger 13.1-inch touchscreen, updated interior finishes, and Adaptive Off-Road Cruise Control for improved all-terrain performance.

The return of the Defender Trophy also saw the adventure-ready Trophy Edition launched in two bold heritage colours: Deep Sandglow Yellow and Keswick Green. With demand continuing to rise, Defender OCTA introduced new colours and materials, while OCTA Black presented a striking all-black flagship, featuring over 30 Gloss or Satin Black exterior elements, exclusive interiors and enhanced personalisation options.

Bringing Defender full circle, the brand unveiled new Classic Defender editions in a celebration of its rich heritage, including the Classic Defender V8 Soft Top, the Churchill Edition, a Muromachi Edition, and Defender OCTA colour options for Works Bespoke Classic Defender models.



# DISCOVERY

In FY25/26, Discovery continued to champion its spirit of exploration with the introduction of two new special editions, Tempest and Gemini. Tempest represents the most luxurious Discovery ever created, distinguished by its matte finished bodywork, elevated material choices and a flagship specification designed for effortless long-distance touring.

Discovery Gemini, meanwhile, offers a modern tribute to the original 1989 Discovery, with exclusive design cues, curated colour choices such as Sedona Red, and thoughtful detailing that celebrates more than three decades of Discovery ingenuity. Together, these editions strengthen Discovery's position as the ultimate companion for families who value comfort, capability and connection on every journey.

Discovery Sport also evolved with the introduction of new Metropolitan and Landmark Editions to enhance personalisation and celebrate Discovery Sport's rich heritage. The Landmark name pays homage to the brand's more than 35-year legacy of family adventure. Discovery Sport is a versatile vehicle for families featuring a sliding and reclining second row of seats, a load area of up to 1,794 litres, and up to 24 seat configurations to choose from.

The in-cabin comfort offered by Discovery Sport was increased this year with the availability of Cabin Air Purification Plus to ensure optimal air quality in the car, alongside a suite of new accessory packs tailored to the rhythms of family life.

For beach days, a dedicated pack introduced in Discovery Sport features a centre armrest cooler for food and drink on the move, tailored sunshades to help keep the cabin cool when parked, and a collapsible load area organiser to tidy away sandy essentials.

And for winter adventures, the Snow Trip Pack showcases Discovery Sport's capability in colder climates, enabling up to four pairs of skis or two snowboards to be transported with ease using a special carrier and cross bars. Meanwhile, rubber floor mats protect the cabin from wet boots and the Snow Traction System provides added reassurance in slippery conditions, helping families reach the slopes with confidence.



2025 marked the final chapter for outgoing Jaguar models, with production concluding for the Jaguar F-PACE at Solihull, UK, and for the E-PACE, XEL and XFL in China for China, manufactured under our CJLR joint venture. These were heartfelt moments for the many JLR employees and suppliers instrumental in the success of Jaguar to date.

And while the curtain fell for outgoing Jaguar, new Jaguar continued its global brand repositioning with the design vision concept, Type 00.

Set against the backdrop of the sparkling Mediterranean sea, Type 00 arrived in Monaco on a floating ocean terrace, after its viral sighting on the streets of Paris. The design vision concept appeared in French Ultramarine ahead of the Monte Carlo Formula E race weekend, before making its Asian debut in Japan as the centrepiece in a curated Tokyo art immersive space alongside the modernist artist YOSHIROTTEN.

Type 00 also appeared at Goodwood Festival of Speed in the UK before concluding its global tour at Pebble Beach Concours in the USA.

Highlighting the brand's rich heritage, Jaguar brought together the first Jaguar-name-bearing vehicle, the 1935 SS Jaguar and Type 00 for their first joint appearance in London to mark 90 years of originality. To celebrate the occasion, Type 00 was unveiled in a new colour, London Red.

Cementing its place in the UK's capital, Type 00 was also placed on display in Jaguar's first Knightsbridge Brand Store in London's luxury fashion district throughout December. The store windows displayed the chronology of Jaguar's icons; SS 1, E-type, XJS and the Type 00 design vision concept, honouring the brand's heritage while previewing its future.

Prototypes of the all-electric luxury four-door GT were put through the latest round of winter testing, taking on extreme temperatures as low as minus 40°C in the Arctic Circle. Undergoing the most rigorous global validation programme in Jaguar history, 150 prototypes have covered hundreds of thousands of miles across hot desert highways, frozen lakes and advanced virtual environments.

Global media had the opportunity to experience the new Jaguar in person during passenger rides in a prototype car at our design and engineering headquarters in Gaydon, UK, before getting behind the wheel on the frozen lakes of Arjeplog, Sweden. The media response to the vehicle was overwhelmingly positive.



## OPERATIONAL DEVELOPMENTS

At the beginning of the financial year in April, the world was faced with the sudden introduction of US trade tariffs. The new tariffs had an immediate and significant impact on our exports to the US and we took immediate action, including, with stock in the market, temporarily pausing shipments to the US as we assessed the implications of this change. We were grateful to the UK and US governments for agreeing the UK-US trade deal at speed last summer and pleased the EU-US trade deal was ratified on 25 September.

The US automotive import tariffs remain at 10 per cent and 15 per cent for the UK and EU respectively, representing a continued headwind for our business. However, the negotiated trade deals gave us certainty, as well as the confidence to continue investing £18bn over five years (from FY23/24) to deliver our strategy.

In May, we were proud to receive the grant of a warrant from Her Majesty Queen Camilla as part of her latest announcement of grantees. This appointment followed the grant of a warrant from His Majesty King Charles III in 2024 and reaffirmed the Group's long-standing relationship with the Royal Household.

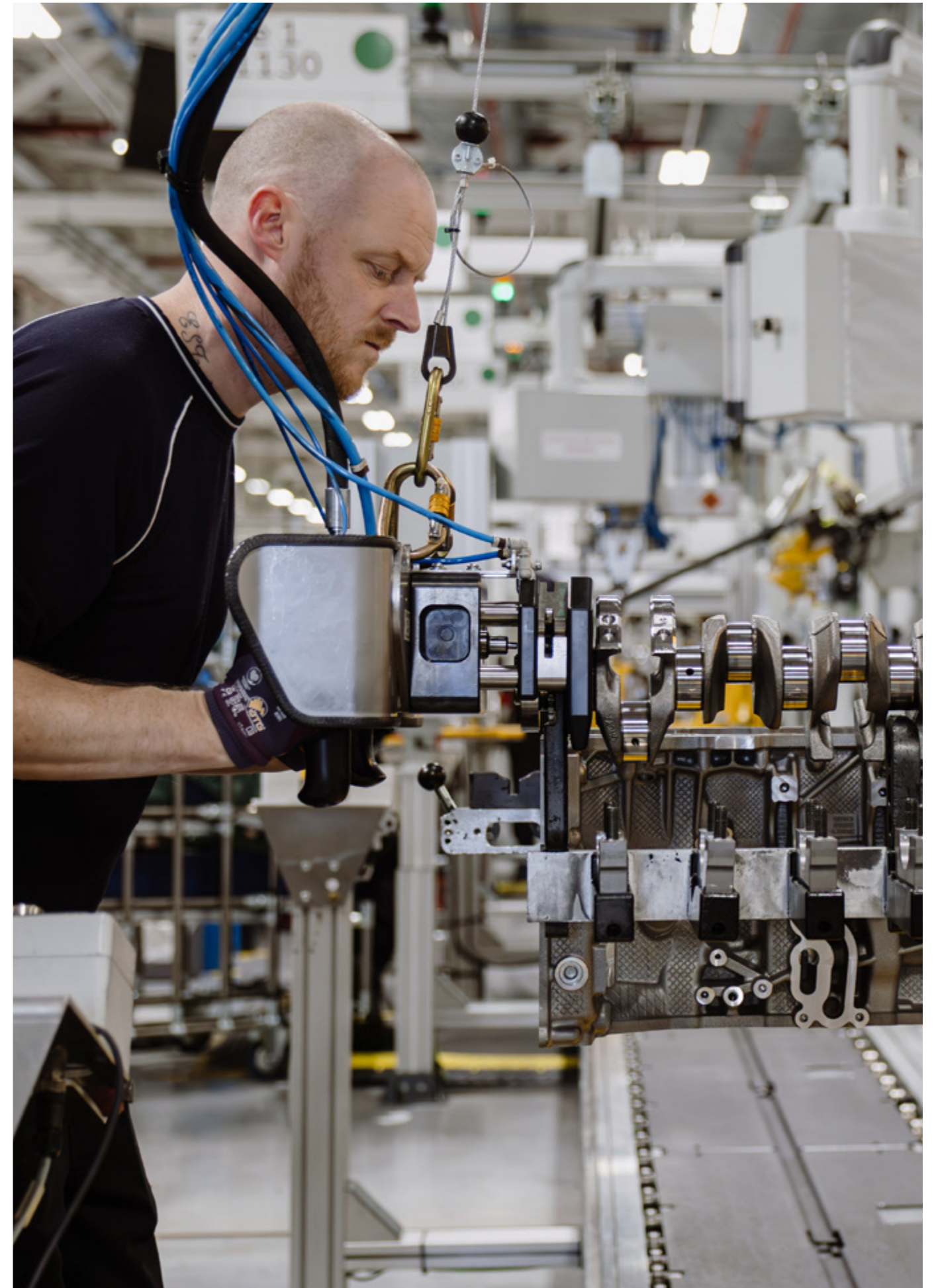
Last year was a moment of great significance when JLR's CEO of three years, Adrian Mardell, confirmed in August that he would be retiring at the end of 2025. Adrian led the company to a significant financial turnaround, including delivering 11 consecutive profitable quarters between Q3 FY23 and Q1 FY25/26, the best full year profits in the company's history in FY23/24 and FY24/25, and eliminating £5.0bn of net debt by the end of FY24/25.

The Board announced the appointment of PB Balaji as the new CEO of JLR from November. Prior to this role, Mr Balaji was the Chief Financial Officer (CFO) of Tata Motors Group and served as a Non-Executive Director of the Company. PB Balaji is a global finance professional with almost three decades of experience in the corporate sector spanning the FMCG and automotive industries, and brings with him a wealth of experience and a deep understanding of JLR.

In the second quarter of the financial year, JLR experienced a cyber incident. As part of our immediate response to the incident we proactively shut down our systems as a precautionary measure. Production was paused for five weeks before restarting on 8 October and returning to normal levels in mid-November.

As part of our response to the incident, JLR followed a controlled, phased restart of operations, with support from dedicated teams working around the clock alongside cyber security specialists. This process focused on restoring customer-facing systems to minimise client car delivery delays and maintain repairs and servicing. We then restarted the systems used to wholesale vehicles and JLR's Global Parts Logistics Centre to help keep customers' cars on the road and fast-tracked the introduction of a supplier financing scheme to provide qualifying JLR suppliers with cash upfront during the production restart phase.

The incident had a significant financial impact on JLR, but the business has recovered safely and we are committed to learning from the experience.



## NEXT-GENERATION MODELS AND INDUSTRIALISATION

The development of our next generation vehicles, including Range Rover Electric and Jaguar, continued at pace this year, as the models were put through their paces in virtual laboratory and physical testing settings. Using the latest test equipment and laboratories to carry out millions of kilometres of simulated testing, JLR can conduct far more rigorous and repeatable evaluations to support the delivery of the highest-quality finished products to clients.

The Range Rover Electric programme reached another milestone when the global media were invited to drive prototype vehicles at JLR's Eastnor Castle offroad experience centre in Herefordshire, UK, as well as experience passenger rides on the frozen lakes of Arjeplog, Sweden.

Journalists were impressed by the car's off-road ability, aided by its advanced Intelligent Driveline Dynamics (IDD) technology, which can distribute rear torque from 100 per cent to zero by controlling motor speed within 50 milliseconds, responding up to 100 times faster than internal combustion engine (ICE) vehicles to handle slippage. The car's advanced on-board thermal management system, which reduces heating energy consumption by up to 40 per cent, also excelled in these challenging conditions.

Work to ready the production lines for Range Rover Electric at Solihull in the UK is now substantially complete, while work on the new Jaguar production lines at the same facility are at an advanced stage. Teams at Halewood also finalised the production lines to manufacture medium sized pure electric SUVs on the EMA architecture, with more than 200 test builds of those models now complete. These vehicles will be built alongside internal combustion and plug-in hybrid models at the Merseyside plant, highlighting our flexible powertrain strategy.

Meanwhile production lines at the Electric Propulsion Manufacturing Centre in Wolverhampton in the UK, where the electric drive units and battery packs will be constructed, are now complete. While preparations for manufacturing EVs near completion, JLR took steps to protect its vehicle supply chains with the appointment of 50 specialists focused on the resilience of supply chains amid ongoing geopolitical uncertainty.

We also forged a partnership with charging software company EV.Energy to trial a new smart charging solution on JLR's electrified cars. During the pilot, EV.Energy's software platform will integrate with JLR's connected vehicle platform to intelligently schedule charging at grid-friendly times that prioritise renewable energy for participating clients.



## INNOVATION

JLR continued to innovate, developing partnerships with forward-thinking start-up companies to support the delivery of the Reimagine strategy. This year, InMotion Ventures, JLR's corporate venture capital arm, which invests in promising start-ups to support the delivery of *Reimagine*, made 10 investments. This included three in new portfolio companies: Matta, which develops AI systems to improve manufacturing processes; Parable, which employs an AI system to observe and improve enterprise-wide productivity; and SirenOpt, a manufacturing intelligence platform enabling real-time inspection, quality control, and process control capabilities for manufacturing.

Through in-house incubator company InMotion Venture Studios, JLR continued to grow its start-up luxury car subscription services The OUT and PIVOTAL by expanding the companies' fleets and client bases as JLR trials new models of ownership.

As part of its Open Innovation strategy, JLR also began a trial of drone technology at its Electric Propulsion Manufacturing Centre (EPMC) in Wolverhampton, dramatically reducing machinery and site inspection time by up to 95 per cent. The pilot is an important step forward in operational efficiency and employee safety, aligning with JLR's vision for its factories of the future.

## FREELANDER

In 2024, we announced a new collaboration with our joint venture partner, Chery, reviving the Freelander brand under which a new family of electrified vehicles would be developed on a flexible Chery architecture. Chery is bringing advanced Chinese technical expertise in electrification to the partnership, while JLR is bringing its expertise in world-class design, with a dedicated Design Hub opened in Shanghai to provide design direction to Freelander. The design Concept 97 was revealed on 31 March 2026 and will be part of a portfolio of products that captures the original spirit of Freelander, while embracing the innovation in electrification that defines the Chinese market.



## SUSTAINABILITY AND COMMUNITY

JLR's circularity plans as part of the sustainability strategy bore fruit in our manufacturing facilities this year as we delivered over £100 million value from reuse and refurbishment initiatives. We redeployed equipment across UK and European plants, installing second-life robots and recycling 18,600 tonnes of metal, cutting waste as facilities are transformed for parallel EV production.

We also became the first global OEM to adopt new Pirelli P Zero tyres containing more than 70 per cent renewable and recycled materials, and FSC™ (Forest Stewardship Council™) certified natural rubber. Combining materials with reduced environmental impact without compromising on quality and performance standards, the new tyres are available as standard on select new Range Rover models where a 22-inch wheel is specified, ahead of a wider roll-out across other brands.

The Group continued to forge its renewable energy strategy to help reduce its emissions and reliance on grid energy, improving resilience to cost fluctuations, grid instability, and disruptions. As part of this focus, JLR rolled out large-scale solar installations to help power its global operations, including its Gaydon headquarters, Electric Propulsion Manufacturing Centre and JLR's joint venture production facility in China. For more information, see the Planet Regenerate section, from page 60.

The JLR Foundation, launched in 2025, awarded its first grants to seven carefully selected charities in the communities in which JLR operates. Each one aligns with its mission to empower young people to reach their full potential through the development of essential skills and career prospects. For more information, see Youth Futures, page 78.

## PEOPLE

JLR announced new enhanced family-friendly policies, offering up to 64 weeks of paid leave for new working parents (maternity, adoption, surrogacy plus neonatal care), alongside inclusive policies for menopause and wellbeing.

Following the successful launch of JLR's School Partnership Programme in 2023, the company launched Create Possible, a free online education programme for students aged 11-14 and their teachers to help tackle classroom challenges and support efforts to close the UK's STEM skills gap. The initiative follows a survey of 1,000 pupils aged 11-14, which revealed misconceptions and barriers around STEM subjects. Over a quarter (26 per cent) of students believe STEM is "just for boys", while only 1 per cent think it's "just for girls". Encouragingly, 75 per cent of girls say they would consider a career in STEM, compared to 88 per cent of boys. For more information on Create Possible and STEM initiatives, see Youth Futures on page 74.



## OPERATING ENVIRONMENT

The external environment remains both challenging and volatile. We have encountered disruption from global economic, geopolitical and policy challenges. We have also had to manage the impacts of a cyber incident, which occurred in the second quarter of the fiscal year and continued to disrupt the third quarter. We have responded to these challenges with resilience and continue to see steady demand for our products despite the disruption. We continue to update our plans to manage global challenges as they evolve and remain focused on our business transformation.

## CHALLENGES

### Geopolitics

Evolving regulatory frameworks including use of further tariff and non-tariff protectionism mechanisms, as well as conflicts, such as that in the Middle East, would have a material adverse effect on our business prospects, results and financial condition. The secondary consequences of such geopolitical events may include further financial instability and slower economic growth in the UK, continental Europe and globally. They could also impact our supply chains or otherwise constrain our ability to operate efficiently.

Despite having manufacturing sites around the world, our primary activities are in the UK and Europe and are vulnerable to changes in trade tariffs. Although smaller in terms of overall volume, our other manufacturing facilities located around the rest of the world, including China, India and Brazil, could also be vulnerable to shifts in global trade, economic policies and the fallout from the conflict in the Middle East. Any adverse changes to tariff policies on a global basis could have a material adverse effect on our business prospects, results of operations and financial condition.

During 2025, we experienced the effect of this through incremental US tariffs applied to our exports from the UK and EU. Subsequent trade deals between the UK and US and the EU and US as well as the relaxation of the US emission regulations have reduced the impact on the business however they continue to add to the cost and uncertainty of doing business in the US.

## Demand and Competition

Consumer demand continues to be affected by uncertainty surrounding electric vehicles, particularly concerns related to range, the availability of charging infrastructure and lower residual values. High upfront costs for vehicle purchases and home charging installation, combined with fluctuating government incentives, further contribute to hesitation and delays among potential buyers.

In addition, market conditions are becoming more challenging because of increased competition, especially from Chinese manufacturers in UK and European markets. The introduction of the China Luxury Tax has added further pressure in the local China market, making higher-value vehicles even more expensive for consumers or adding pressure on margins for OEMs through additional discounting in China and other regions where they try to reallocate production.

### Supply Chain Risks

The automotive requirement for rare earth elements and other specialised materials in electric vehicle production presents a significant critical-mineral supply risk. Additionally, natural disasters and human-driven events, such as labour disputes and international conflicts, have the potential to disrupt the just-in-time manufacturing process, creating further supply chain vulnerabilities.

### Cyber

Cybersecurity risks remain elevated, as malicious actors continue to target all types of organisations and cause disruption, as we experienced in 2025. As products and services across all industries become more technologically advanced and connected, cybersecurity considerations remain an evolving area of focus for businesses. These global cybersecurity risks continue and can range from isolated, uncoordinated attempts to highly sophisticated and targeted attacks, referred to as advanced persistent threats.



## OPPORTUNITIES

### Optimising the Transition to Electrification

Jaguar has been reimagined as an all-electric, modern luxury brand, embodied in its 'copy nothing' vision concept, which has been showcased at several prestigious events with highly positive feedback. The first production model based on the redefined Type 00 design concept will be revealed in 2026 and will be positioned as the most powerful Jaguar ever produced, offering true Jaguar dynamics, performance and comfort in all conditions and an estimated range of approximately 700 kilometres.

The highly anticipated Range Rover Electric is nearing the end of its testing phase and will be launched in 2026. This vehicle is designed to deliver capabilities exceeding those of any other luxury electric SUV.

During the year, we signed an agreement to license the Freelander brand to CJLR, our joint venture with Chery. Under the proposed licensing agreement, CJLR will produce an advanced portfolio of vehicles based on Chery's architecture, exclusively under the Freelander name.

### Enterprise Missions Transformation

We continue to evolve our transformation approach, aligning it to our *Reimagine* Strategy. In 2025 we developed our 'Enterprise Missions', creating a flexible, always on approach to focus on key areas to drive performance, value delivery and fundamental transformation. The missions are categorised across four areas; urgent impact, high value, unlock potential and game changing. Examples of missions include ex-works costs, warranty costs, customer love and launch excellence.



### Growth Opportunities

By leveraging the strength of our brand portfolio, we are able to capitalise on brand equity through a comprehensive range of branded parts and accessories creating additional and diversified revenue streams.

Our Range Rover Houses provide exclusive environments in which to showcase new vehicles to our most discerning clients, supporting the sale of our most profitable models.

Strategic partnerships enhance the desirability and visibility of our vehicles across international markets. These include Range Rover at Wimbledon and Defender at the Rugby World Cup, along with global product placements in popular TV programmes and films.

### Strong Leadership and use of the Tata Ecosystem

This year, we strengthened our leadership team to support the next phase of our *Reimagine* transformation. We also deepened our partnerships within the Tata Group, leveraging broader ecosystem synergies. Our newly appointed CEO, PB Balaji, joined us from Tata Motors Passenger Vehicles Limited (TMPVL), bringing a clear strategic vision aligned with our *Reimagine* agenda.

## GLOBAL RETAIL SALES BY REGION

Our retail sales<sup>1</sup> were 352,389 vehicles in FY25/26, down by 17.8 per cent year-on-year. Retail sales were impacted by the pause in sales to the US during uncertainty around US tariffs and the planned wind-down of outgoing Jaguar models ahead of the new Jaguar launch as well as the production stoppages following the cyber incident. Full year retail sales were 15.8 per cent lower year-on-year in the UK, 16.9 per cent lower in North America, 25.4 per cent lower in China, 17.2 per cent lower in Europe, 21.7 per cent lower in MENA<sup>2</sup> and 8.6 per cent lower Overseas.

In addition to the impact of the cyber incident, retail sales were affected by challenging market conditions and weakening global demand. China's luxury tax now captures a larger proportion of our model range, which has impacted retail sales in that market. Total retail sales from our China Joint Venture were 24,987 vehicles for FY25/26. Sales were down 26.8 per cent compared to the prior year due to the aforementioned demand challenges in China.



<sup>1</sup> Wholesale volumes exclude sales from unconsolidated China joint venture. Retail volume data include sales from unconsolidated Chinese joint venture. Please see note 3 of the financial statements on pages 174 - 176 for definition of alternative performance measures.

<sup>2</sup> MENA now reported as separate market from FY25/26 (previously included within Overseas)



**RANGE ROVER**

The Range Rover brand retailed<sup>1</sup> 196,397 cars, down 12.7 per cent year-on-year. The brand accounted for 55.7 per cent of total retail sales<sup>1</sup> demonstrating strong ongoing demand for higher margin product in JLR's portfolio.

FY25/26: 196,397  
FY24/25: 225,047

12.7% DECREASE

<sup>1</sup> Wholesale volumes exclude sales from unconsolidated China joint venture. Retail volume data include sales from unconsolidated Chinese joint venture. Please see note 3 of the financial statements on pages 174 - 176 for definition of alternative performance measures.



**DEFENDER**

The Defender brand retailed<sup>1</sup> 106,558 vehicles, down 5.4 per cent compared to FY24/25, representing 30.2 per cent of total retails. Sales were down due to the cyber incident however the margin impact was less severe due to strong sales from models such as the Defender OCTA and increased visibility following the Dakar Rally victory.

FY25/26: 106,558  
FY24/25: 112,635

5.4% DECREASE

<sup>1</sup> Wholesale volumes exclude sales from unconsolidated China joint venture. Retail volume data include sales from unconsolidated Chinese joint venture. Please see note 3 of the financial statements on pages 174 - 176 for definition of alternative performance measures.



## DISCOVERY

The Discovery brand retailed<sup>1</sup> 27,837 vehicles, down 34.8 per cent year-on-year due to prioritisation of higher margin vehicles during the recovery from the cyber incident. Discovery made up 7.9 per cent of total retails during the year.

FY25/26: 27,837  
FY24/25: 42,727

34.8% DECREASE

<sup>1</sup> Wholesale volumes exclude sales from unconsolidated China joint venture. Retail volume data include sales from unconsolidated Chinese joint venture. Please see note 3 of the financial statements on pages 174 - 176 for definition of alternative performance measures.



## JAGUAR

The outgoing Jaguar brand retailed<sup>1</sup> 21,597 vehicles, down 55.4 per cent year-on-year due to the planned wind-down of Jaguar as we transition into the era of new Jaguar. Jaguar accounted for 6.1 per cent of total retails in FY25/26.

FY25/26: 21,597  
FY24/25: 48,445

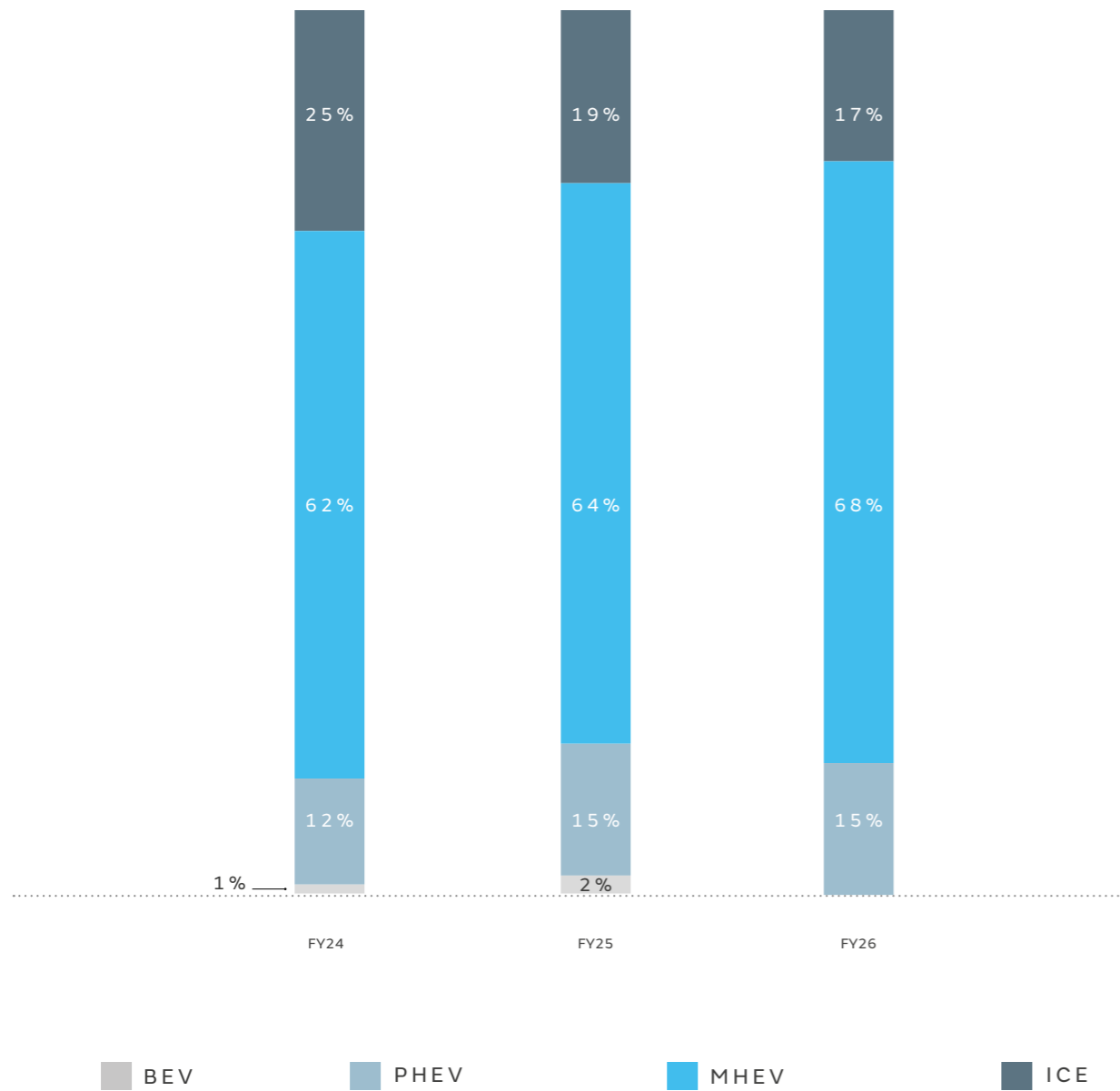
55.4% DECREASE

<sup>1</sup> Wholesale volumes exclude sales from unconsolidated China joint venture. Retail volume data include sales from unconsolidated Chinese joint venture. Please see note 3 of the financial statements on pages 174 - 176 for definition of alternative performance measures.

## GLOBAL RETAIL SALES BY POWERTRAIN

During FY25/26, our sales of BEV vehicles reduced to 431 units (0.1%) reflecting the end of I Pace production in December 2024 and the final run out of retail sales during the year. Our flexible powertrain strategy continues to offer a combination of Internal Combustion Engine (ICE), Mild Hybrid Electric Vehicle (MHEV) and plug-in Hybrid Electric Vehicle (PHEV) options ahead of the launch of our first all-electric vehicles from the Range Rover and Jaguar brands in the coming months.

We currently offer plug-in hybrid and mild-hybrid options across Range Rover, Range Rover Sport, Range Rover Velar, Range Rover Evoque, Defender, and Discovery Sport.





## CHIEF FINANCIAL OFFICER'S STATEMENT

The last financial year presented a series of significant challenges for the business, including a move to a much more protectionist global trade environment, evolving demand for electric vehicles (EVs), and a cyber incident which led to temporary production shutdowns. Each of these factors created operational and financial pressures that required swift and decisive action.

When the US introduced incremental tariffs at the start of April, shipments to the US were initially paused (and redistributed elsewhere). A UK/US trade deal was implemented on 30 June 2025 and was followed by an EU/US deal on 27 July 2025 that reduced this challenge, but we continue to suffer incremental tariff costs.

Global consumer demand for electric vehicles continues to grow but differs market-by-market depending on local incentives and supporting infrastructure. There continues to be expansion in Europe and sustained dominance from China. At the same time, many markets – particularly the US – saw demand soften due to reduced incentives and affordability concerns. This will require us to invest in offering multiple powertrain solutions on our MLA architecture.

Our performance in Q2 and Q3 reflected the production stoppages in September and October following the cyber incident and the time taken to send cars to our deep-sea markets once manufacturing resumed. The effects of the

production stoppages were offset to some degree by a reduction in retailer inventory and an increase in our order book during this period, allowing us to recover some of the impact in future periods.

Retail sales during the year were also impacted by the planned wind-down of outgoing Jaguar models. While this temporarily constrains volumes, the reveal of the first production version of the new Jaguar this year aims to position the business for EV growth and increased profitability.

Profitability was particularly hit by tariffs and the cyber incident, though we started our recovery strongly in Q4. Our planned approach to powertrain mix, focusing on our most profitable models, is delivering stronger financial outcomes and enhancing resilience amid market volatility.

Looking ahead, the focus remains on building back stronger. We continue to benefit from a strong demand for our brands and will expand our portfolio to meet evolving customer expectations. These efforts will ensure the business remains well-positioned to become proud creator of the most desirable modern luxury brands.

**RICHARD MOLYNEUX**  
CHIEF FINANCIAL OFFICER  
*Jaguar Land Rover Automotive plc*  
21 May 2026

## OUR FINANCIAL PERFORMANCE

### Consolidated Income Statement

Revenue and profitability were impacted during FY25/26 due to the challenging market conditions and impacts from the cyber incident leading to a temporary pause in production. Despite these challenges, which significantly impacted Q2 and Q3, sales bounced back in Q4 to help achieve a positive adjusted EBIT and profit before tax excluding exceptional items for the full year.

#### Revenue

Revenue was £22.9 billion in FY25/26, down year-on-year. Wholesales (excluding the China joint venture) were 307,915 units, and the mix was strong with Range Rover, Range Rover Sport and Defender models accounting for 76.5 per cent of all wholesales in the year (up from 67.8 per cent in FY24/25).

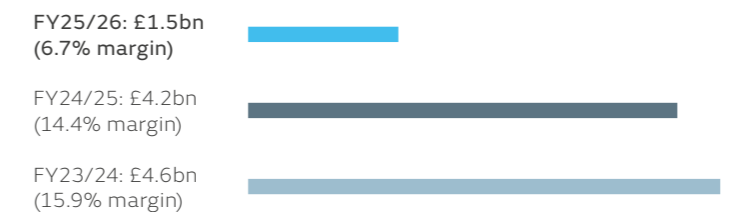
£22.9bn



#### Adjusted EBITDA<sup>1</sup>

Adjusted EBITDA was £1.5 billion (6.7 per cent margin) in FY25/26, £2.7 billion lower than the Adjusted EBITDA of £4.2 billion (14.4 per cent margin) in the previous fiscal year. A stronger sales mix of higher margin Range Rover, Range Rover Sport and Defender models offset some of the impact of lower wholesales.

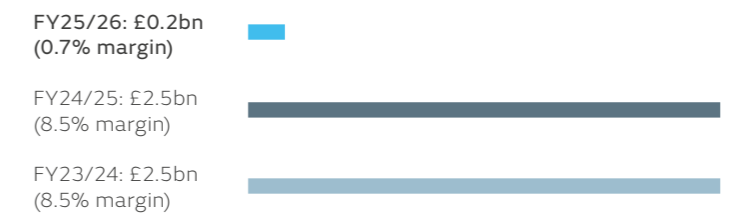
£1.5bn



#### Adjusted EBIT<sup>1</sup>

Adjusted EBIT was £0.2 billion with a margin of 0.7 per cent in FY25/26, down compared to the Adjusted EBIT of £2.5 billion<sup>1</sup> (8.5 per cent margin) in the prior year. This reflects the lower Adjusted EBITDA as mentioned above.

£0.2bn



#### (Loss) / Profit Before Tax

Loss before tax was £(0.3) billion in FY25/26, down from profit of £2.5 billion in the prior year.

£(0.3)bn

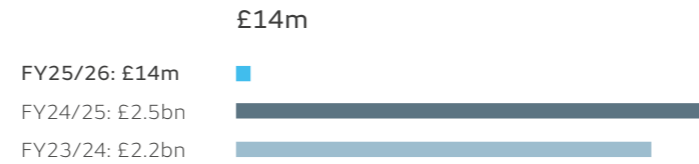


<sup>1</sup> Please see note 3 of the financial statements on pages 174 - 176 for alternative performance measures.

## OUR FINANCIAL PERFORMANCE

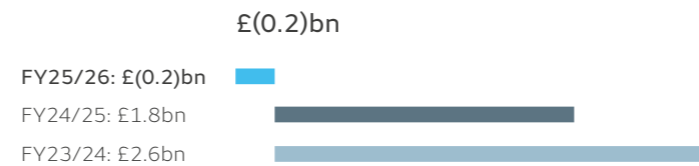
### Profit Before Tax Excluding Exceptional Items

Profit before tax excluding exceptional items was £14 million in FY25/26, down from £2.5 billion in the prior year. Exceptional items<sup>1</sup> relating to the cyber incident amounted to £260 million during the year while separation payments made to employees amounted to £58 million in FY25/26. A further £2 million related to expenditure associated with an one-off exceptional supply assurance cost and £2 million relating to other employee expenses.



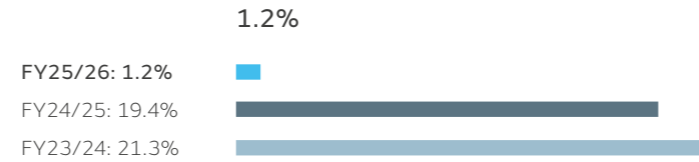
### (Loss) / Profit After Tax

Loss after tax was £(0.2) billion in FY25/26, compared to the profit of £1.8 billion in the prior year. A tax credit of £64 million was recorded in the year, compared to a £(674) million tax charge in FY24/25 (a deferred tax asset of £24 million was recognised in Q4 FY24/25).



### Return On Capital Employed (ROCE)

ROCE was 1.2<sup>2</sup> per cent in FY25/26, compared to 19.4 per cent in the prior year.

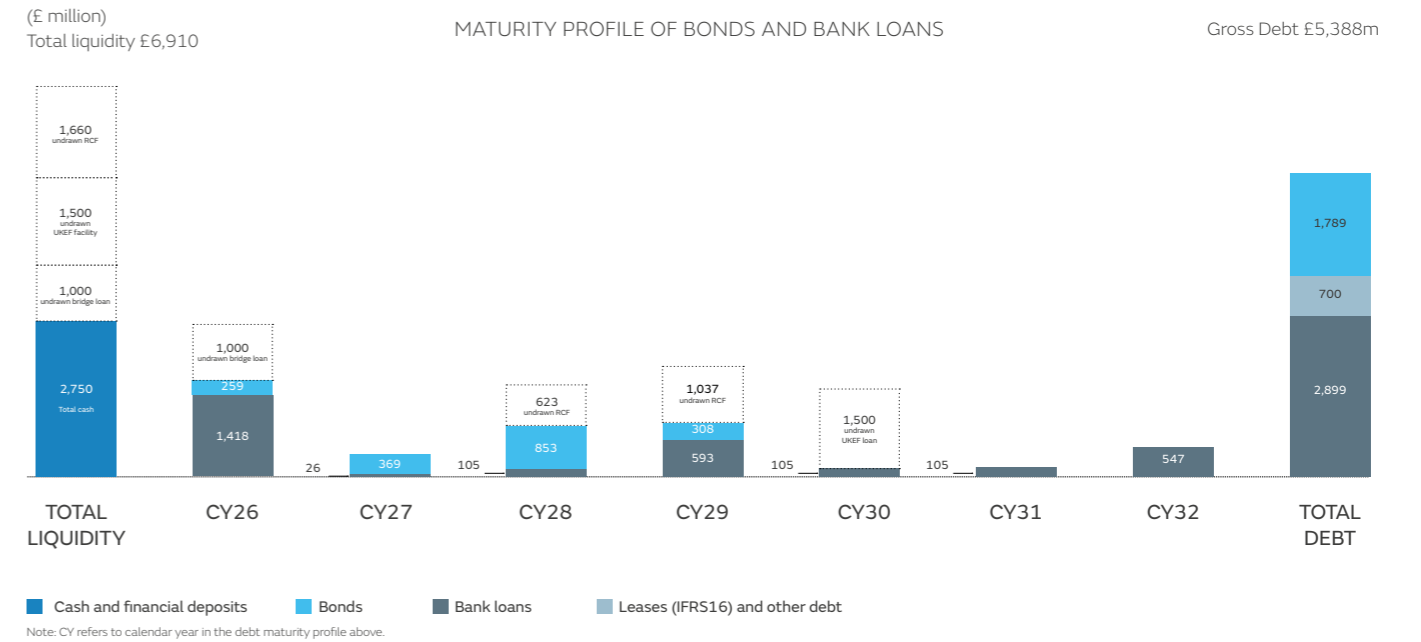


<sup>1</sup> Please see note 4 of the financial statements on page 177 for further information on exceptional items.

<sup>2</sup> Return on capital employed (ROCE) calculated using adjusted EBIT.

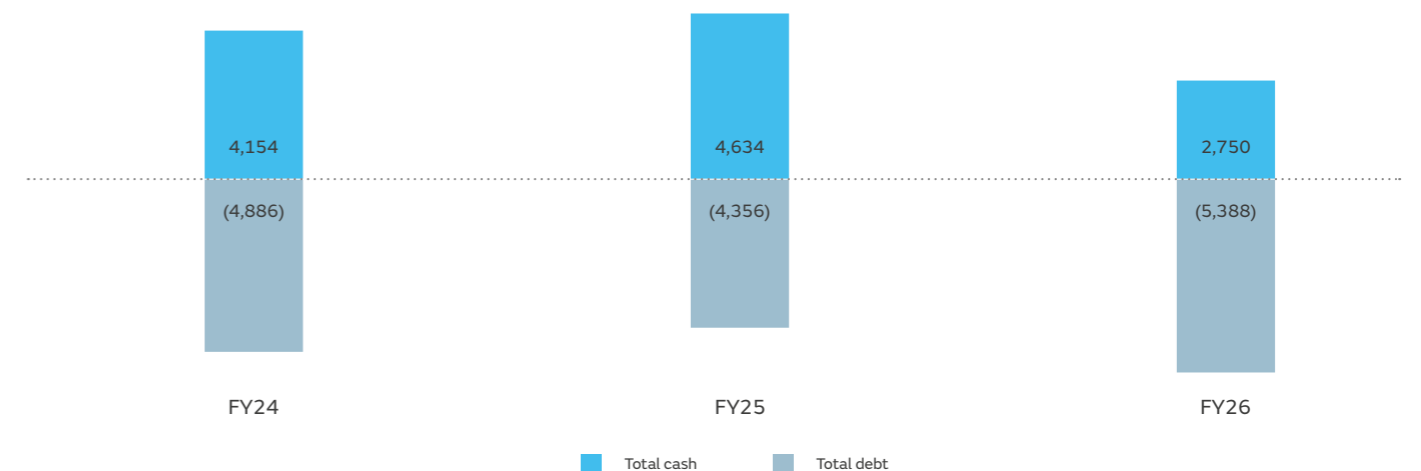
## Jaguar Land Rover Automotive plc Capital Structure

At 31 March 2026, we had £6.9 billion of total liquidity, including cash and cash equivalents, financial deposits and investments of £2.8 billion and an undrawn committed revolving credit facility (RCF) of £1.7 billion, an undrawn UKEF facility of £1.5 billion and a partially undrawn bridge facility remaining of £1.0 billion. Our total debt outstanding at 31 March 2026 was £5.4 billion<sup>2</sup>, giving a net debt position of £2.6 billion.



### Liquidity and Net Debt

Our total cash and cash equivalents, deposits and investments at 31 March 2026 were £2.8 billion (12.0 per cent of revenue), compared to £4.6 billion at 31 March 2025 (15.9 per cent of revenue); the lower cash balance reflected an increase of undrawn facilities from £1.7 billion to £4.2 billion. The balance at 31 March 2026 comprised of cash and cash equivalents was £2.8 billion, of which £0.3 billion was held in overseas subsidiaries, and deposits and other investments of £0 billion. Including the £1.7 billion revolving credit facility (fully undrawn and committed with £0.6 billion maturing in October 2028 and £1.0 billion maturing in October 2029), the undrawn UKEF facility of £1.5 billion and the partial undrawn bridge facility remaining of £1.0 billion, total liquidity was £6.9 billion at 31 March 2026 versus £6.3 billion<sup>1</sup> at the end of the prior year. At 31 March 2026, gross debt was £5.4 billion and net debt was £2.6 billion, £2.9 billion lower than the net cash position of £0.3 billion at the end of the prior year.



<sup>1</sup> Please see note 3 of the financial statements on pages 174 - 176 for alternative performance measures.

<sup>2</sup> Please see note 28 on pages 199 - 200 for further disclosure on our loans and borrowings.

## Borrowing and Indebtedness

At 31 March 2026, we had £5.4 billion of debt outstanding, comprising of:

- £1.8 billion of unsecured bonds
- £2.9 billion of unsecured loans
- £0.7 billion of leases accounted as debt under IFRS 16
- £38 million of other debt<sup>1</sup>

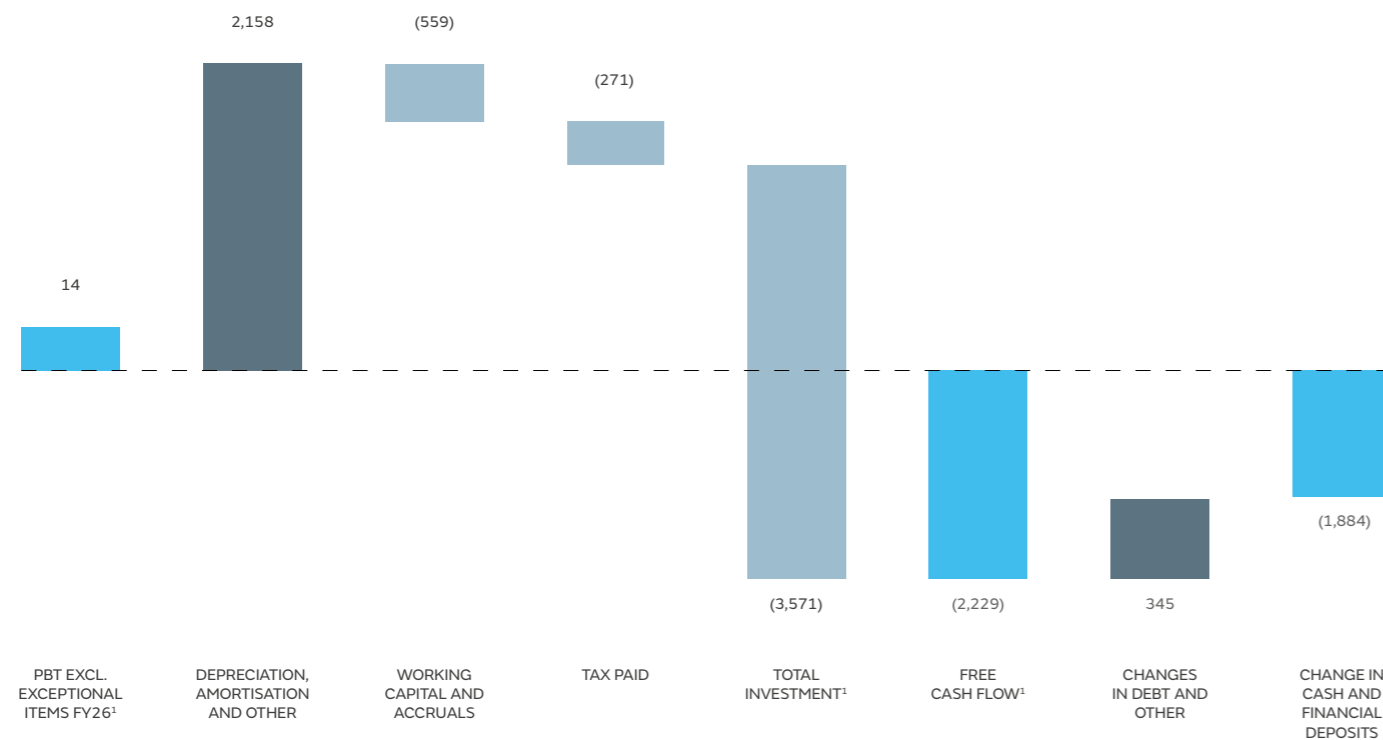
Of the £5.4 billion of debt, £2.1 billion is denominated in Pounds Sterling, £0.7 billion in Euros, £1.6 billion in US Dollars and £0.3 billion in Chinese Renminbi, with the remaining £0.7 billion included as leases in other currencies. The maturity profile has 31 per cent maturing within the next financial year and 46 per cent between one and five years. During FY25/26, we repaid out of cash a €500 million bond in January 2026, in addition to £125 million of the loans guaranteed by UKEF which amortise throughout the year.

In August we repaid a \$700m bond three months early as we refinanced with a £1.0 billion UKEF facility. During quarter three, we refinanced three loans for a total of ¥3.0 billion with local banks in China maturing in November and December 2026. In September we signed a new bridge loan facility for £2.0 billion and signed a new UKEF facility at a value of \$1.5 billion in October 2025.

## Consolidated Cash Flow

Free cash flow was £(2.2) billion negative in FY25/26, after total investment spending of £3.6 billion<sup>1</sup>, a decrease of £3.7 billion compared to the £1.5 billion positive free cash flow in the prior year.

(£ million)



<sup>1</sup> Please see note 3 of the financial statements on pages 174 - 176 for alternative performance measures.

## Free Cash Flow

Free cash flow was £(2.2) billion negative in FY25/26 after the £3.6 billion of total investment spend, £0.6 billion of working capital outflows, £0.3 billion paid in taxes and £0.4 billion of net finance expenses and fees.

## Total Product and Other Investment

Investment spend in FY25/26 was £3.6 billion (15.6 per cent of revenue), compared to £3.8 billion (13.1 per cent of revenue) the prior fiscal year. Total engineering and product spending accounted for £2.6 billion (72.4 per cent) of investment spending, while tangible and other intangible assets accounted for the remaining £1.0 billion (27.6 per cent). Of the £2.6 billion of total engineering spend, £0.9 billion was expensed through the income statement, with the remaining £1.7 billion being capitalised.

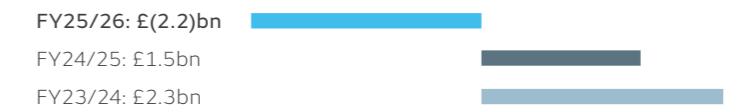
## Working Capital and Accruals

Working capital outflows (including non-cash accruals) were £(0.6) billion during the year, reflecting a 0.1 billion decrease in inventory, £0.4 billion decrease in payables, offset by £0.1 billion decrease in receivables and other financial assets and other of £0.1 billion. Included within the working capital and accruals movement is £0.3 billion of exceptional items of which £0.2 billion relates to cash outflows during the year.

## Change in Total Cash and Cash Equivalents, Deposits and Investments

Cash and cash equivalents, deposits and investments totalled £2.8 billion at 31 March 2026, c. £1.9 billion lower than the £4.6 billion at the end of the previous year. The decrease is explained by lower receipts alongside having more access to liquidity from undrawn facilities enabling us to operate with lower cash levels.

£(2.2)bn



£3.6bn



£(0.6)bn



£2.8bn



The background is a dark green gradient with several overlapping, curved, semi-transparent shapes that create a sense of depth and movement. The shapes are layered, with some appearing in front of others, and they all share the same green color palette, ranging from deep forest green to a slightly lighter, more vibrant green.

# SUSTAINABILITY

STRATEGIC REPORT

## SUSTAINABILITY

Sustainability has become an important foundation of long-term business resilience and value creation as global markets experience geopolitical fragmentation, shifting policy landscapes and accelerating environmental pressures. These dynamics are prompting organisations to integrate sustainability into core strategy, risk management and operational decision-making. For us, this involves strengthening the integration of sustainability considerations into the way products are designed, built and delivered, with the intention of supporting both near-term performance and long-term prosperity.

We aim to deliver products and services in a way that reduces negative impacts on people and the planet and seeks to enhance positive outcomes where this is achievable. This is an ongoing effort that requires commitment, collaboration and continuous improvement across every function, supported by engagement with stakeholders throughout the value chain.

Our sustainability strategy is guided by [Tata Group's Project Aalingana](#) and reflects the long-standing Tata ethos of contributing meaningfully to the communities it serves. The strategy is structured around three pillars, Planet Regenerate, Engage for Good and Responsible Business, and is underpinned by our [Environmental and Social Policy](#), which provides the standards and governance framework that guide delivery across the organisation.

As part of our ongoing commitment to sustainable value creation, we have conducted a double materiality assessment to prepare for evolving regulatory and compliance requirements and to strengthen our strategic decision-making. The assessment considered internal and external stakeholder perspectives alongside emerging sustainability risks and opportunities, enabling us to identify and prioritise the topics most material to our business and wider value chain. The outcomes of this process will support the evolution of our sustainability strategy, enhance business resilience, and help focus resources and actions on the areas of greatest impact to long-term performance and societal impact.

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### PLANET REGENERATE

Transforming our business across the full value chain

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

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### ENGAGE FOR GOOD

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

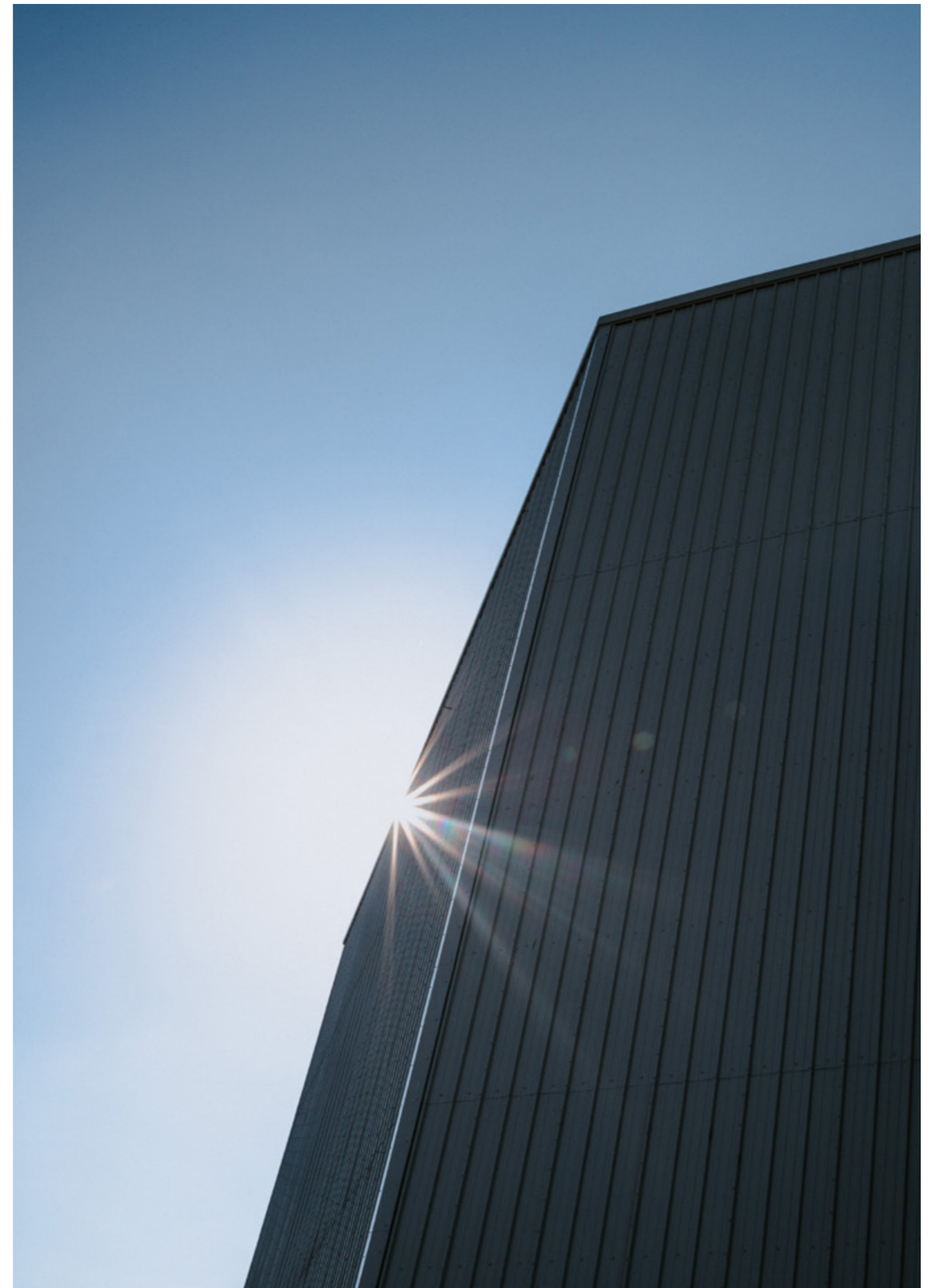
Community impact and employee engagement  
Youth futures  
Reducing inequalities  
Supporting the vulnerable

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### RESPONSIBLE BUSINESS

Doing business responsibly and with integrity

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



## PLANET REGENERATE

Planet Regenerate is our strategy which aims to strengthen the environmental performance of our business, driving decarbonisation, advancing circularity, and restoring nature and biodiversity.

### CARBON NET ZERO

Climate change remains one of the defining strategic challenges of our time. The automotive sector plays a pivotal role in global emissions and, therefore, holds significant influence in accelerating the transition to a low-carbon economy. As a manufacturer of luxury vehicles, we recognise our responsibility to lead this transformation. Therefore, responding to this challenge is not simply an environmental obligation, it is a business imperative.

Our ambition is to achieve net zero by 2039 across our direct product emissions, operations and supply chain. This ambition aligns with a 1.5°C pathway and is underpinned by science-based targets that guide our decarbonisation pathway and ensure our actions align with the latest climate science. Our ambition reflects not only the scale of the challenge but the scale of the opportunity to redefine modern luxury through sustainability; strengthening our resilience, enhancing long-term competitiveness, and contributing meaningfully to a more sustainable future.

Reducing lifecycle emissions requires decisive action and continuous collaboration and innovation. Yet the speed of this transition will be shaped as much by consumer behaviour as by the efforts of manufacturers. An evolving regulatory environment and the ongoing development of charging infrastructure will be critical in influencing consumer confidence in electrification.

These external factors introduce uncertainty that could significantly impact our ability to deliver against our mid-term science-based targets. To strengthen governance and transparency, we are developing a Climate Transition Plan that will



enable us to communicate these risks effectively, demonstrate a credible pathway to net zero, and embed the appropriate internal oversight needed to deliver it.

The following sections reflect our performance in FY25/26 as well as our key initiatives across our operational and product emissions. The reported results are in alignment with the scope of our Energy, Carbon, Waste Generation and Water Withdrawal Reporting Methodology Statement available to download from our [corporate website](#). Reported Scope 1 and 2 data, therefore, only includes those sites which are within the scope of our SBTi reporting requirements.

## OPERATIONAL EMISSIONS – SCOPE 1 AND 2

Our operational emissions arise mainly from three sources: Scope 1 emissions produced by gas combustion for heat and power at our facilities and emissions from company-owned vehicles, and Scope 2 emissions associated with purchased electricity. Achieving net zero operational emissions will require us to cut energy use through greater efficiency, to transition to renewable electricity and to phase out gas consumption by electrifying our heat and energy systems.

### PERFORMANCE

In FY25/26, our absolute Scope 1 and 2 emissions reduced to 221.3 ktCO<sub>2</sub>e. This was an 11.3 per cent reduction compared to FY24/25 and a 32.1 per cent reduction compared to our location-based FY19/20 baseline, placing the results ahead of the required SBTi trajectory to be aligned to a 1.5°C pathway (by 25.2 per cent). The result was affected by the cyber incident during which production was paused for five weeks before restarting on 8 October. However, a 29.5 per cent reduction was still achieved in the remaining months compared to the equivalent baseline months in FY19/20.

**SCOPE 1**  
GHG EMISSIONS (tCO<sub>2</sub>e)  
14.65% YOY DECREASE

FY25/26 - 112,041  
FY24/25 - 131,278  
FY23/24 - 129,340  
FY19/20 (BASELINE) - 160,416

# 112,041

# 109,266

**SCOPE 2**  
GHG EMISSIONS (tCO<sub>2</sub>e location-based)  
7.61% YOY DECREASE

FY25/26 - 109,266  
FY24/25 - 118,268  
FY23/24 - 117,936  
FY19/20 (BASELINE) - 165,526

### KEY INITIATIVES

The significant reduction in Scope 1 and 2 emissions in FY25/26 was achieved through continued improvement in energy efficiency, particularly to heating and ventilation at key sites, as well as the installation of increased renewable energy capacity aligned with our strategic focus areas.

#### Nitra, Slovakia, Flue Gas Heat Recovery

The Nitra facility advanced its decarbonisation roadmap through the installation of a flue gas heat recovery system during summer 2025. This initiative captures and reuses waste heat from existing processes, reducing reliance on primary energy sources. The project represents a scalable model for energy efficiency improvements across the wider manufacturing network.



### Solihull, UK, Heating and Ventilation, LED Lighting and Motor Efficiency

Solihull Block 48 underwent a major industrial heating and ventilation upgrade. The new system is designed with future-ready capability, enabling the site to transition to low-carbon heat sources as technology and infrastructure evolve. Once fully operational, the upgrade is expected to deliver annual emissions savings, alongside improved thermal performance and operational resilience.

A programme of LED lighting upgrades was delivered across the Solihull body shop, replacing legacy fixtures with high-efficiency alternatives. This initiative forms part of our housekeeping and energy management strategy, helping to reduce electricity consumption and lower operational emissions.

The press shop at Solihull also initiated a targeted motor efficiency upgrade programme, replacing or retrofitting motors to improve performance, reduce electrical load, and extend equipment life. This work supports our broader commitment to optimising core manufacturing assets and reducing energy intensity across production lines.



### On-site Renewable Energy Installations

In China, a large-scale rooftop solar PV installation was completed supplying a significant proportion of CJLR's onsite electricity demand. This investment strengthens local renewable energy integration and reduces exposure to grid carbon intensity.

The Electric Propulsion Manufacturing Centre (EPMC) solar PV system at Wolverhampton, UK continued to expand its role in supporting the regional energy transition. By attaining a licence to export surplus renewable electricity to the local grid, the facility can contribute to clean energy availability beyond its own operational footprint.

The Gaydon, UK solar generation project went live in July 2025, providing a direct renewable energy contribution to the site's electricity supply. This onsite solar generation helps to strengthen energy security and supports the long-term decarbonisation of the Gaydon campus.

### Accelerated Project Review and Approval Framework

To enable faster delivery of sustainability initiatives, we introduced a new project scaling and approval framework. This process accelerates the assessment, prioritisation, and deployment of decarbonisation projects, ensuring that high-impact opportunities move at pace from concept to implementation.

### SUPPLY CHAIN AND PRODUCT EMISSIONS – SCOPE 3

Our Scope 3 emissions are heavily influenced by the emissions produced when our vehicles are driven. Electrifying our portfolio is, therefore, fundamental to our science-based targets and helping to realise our net zero ambition. A key milestone on this journey is our commitment for every brand to offer a pure-electric option by 2030, but progress toward these goals will rely on sustained consumer demand for battery electric vehicles. At the same time, we must avoid shifting emissions upstream into our supply chain by partnering with our suppliers to decarbonise key materials and expand the use of recycled content.

### PERFORMANCE

Our FY25/26 performance remained stable in comparison to the previous financial year but continued to deliver increased engagement and integration of the reductions achieved by our partners in the value chain. Our Scope 3 'use of sold product' emissions for FY25/26 were 241.65 gCO<sub>2</sub>e per vehicle km. This was a reduction of 5.6 per cent compared to our FY19/20 baseline but a marginal increase of 1.2 per cent compared to our FY24/25 performance.

Our Scope 3 'combined use of sold products and purchased goods and services' emissions for FY25/26 were 61.2 tCO<sub>2</sub>e per vehicle. This was a 4.8 per cent reduction compared to our FY19/20 baseline but a 1.1 per cent increase compared to our FY24/25 performance.

These results were primarily due to a reduction in BEV sales as we ceased production of the Jaguar I-PACE, although this was partially offset by a slight increase in the proportion of PHEVs retailed. The launch of the Range Rover Electric and subsequent BEV variants in the coming years should help to accelerate the reduction in our Scope 3 emissions towards 2030 and beyond.

Due to the cyber incident and the consequential reduced retail volume in comparison to previous years, our absolute Scope 3 emissions across these categories were 21.6 MtCO<sub>2</sub>e, a reduction of 16.9 per cent compared to our FY24/25 performance.

**SCOPE 3**  
GHG EMISSIONS (tCO<sub>2</sub>e per vehicle)  
1.1% YOY INCREASE

FY25/26 - 61.2  
FY24/25 - 60.51  
FY23/24 - 62.23  
FY19/20 (BASELINE) - 64.31

61.2

## KEY INITIATIVES

In FY25/26, we continued to make progress, in collaboration with our supplier partners, to reduce emissions associated with our upstream value chains. The largest sources of these emissions are embedded in batteries, aluminium and steel production.

### Sourcing

We have now firmly embedded CO<sub>2</sub>e targets for high-impact materials (>25kgCO<sub>2</sub>e) into the sourcing of new-tooled components, with more than 90 per cent of applicable projects achieving their CO<sub>2</sub>e targets in FY25/26. These targets are calculated by identifying best-in-class benchmarks across our supply base, which are continually assessed and revised to ensure progress towards net zero. We have also established a 'Chain of Custody Standard' which creates a consistent, transparent framework for tracking responsibly sourced, low-carbon materials through complex supply chains, improving traceability while ensuring environmental benefits are clearly and accurately accounted for.

Through this process, we have moved the majority of aluminium used on future products to low-carbon sources through the use of recycled material and virgin material from smelters using renewable electricity. We have also increased the use of recycled steel and polymers, and reduced the intensity of our glass components, as well as increased the use of low-carbon energy throughout our supply chain.

### Procurement Training and Development

We have continued to develop and rollout training for our buyers to increase carbon literacy when engaging with suppliers on CO<sub>2</sub>e targets. This year, we launched a 'CO<sub>2</sub>e Champions Network', a group of buyers and procurement managers covering all areas of production spend, who receive additional training on decarbonisation and are increasingly taking on a lead role within ideation for supplier decarbonisation.

### Responsible Glass

In FY25/26 we joined the launch of '[Responsible Glass](#)', a global initiative that brings together organisations across the glass supply chain to develop a shared sustainability standard for glass products. Glass is a vital vehicle component but remains carbon and energy intensive to produce.

The industry is now at a pivotal moment as it moves toward circular, low-carbon technologies. By contributing our decarbonisation expertise to Responsible Glass working groups, we will help shape future standards on emissions and circularity, supporting the industry's shift toward fully circular, net zero glass.

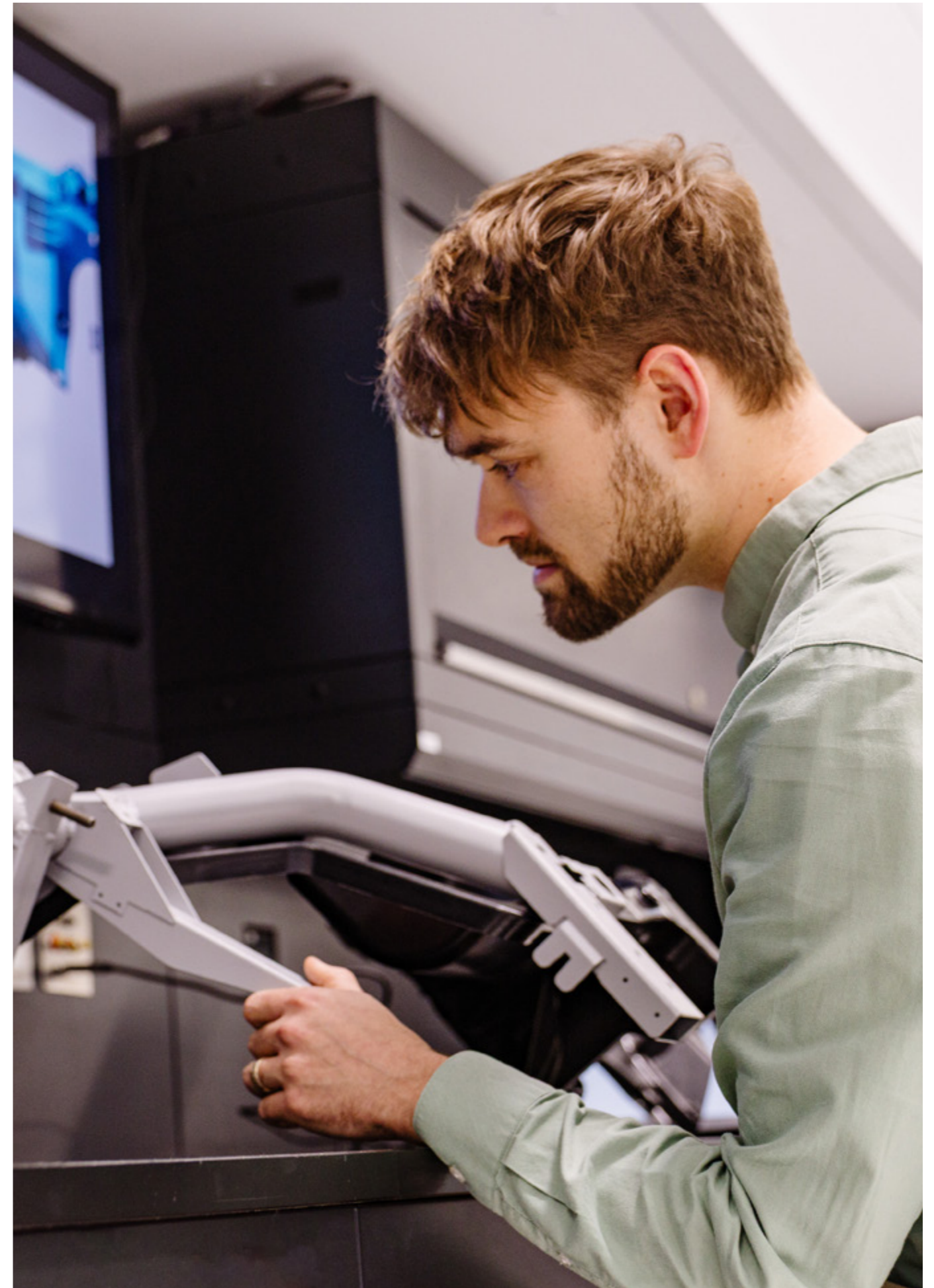
### Batteries

As a key customer of Agratas's planned UK gigafactory, our relationship is intended to go beyond capacity and cost to strengthen our long-term sustainability ambitions and supply chain resilience. We are working with Agratas to help establish a responsible, ESG-aligned supply chain that supports transparency, resilience and long-term sustainable value creation.

We have defined collaborative commitments to reduce battery cell carbon intensity in line with our [Reimagine](#) strategy by maximising clean energy use and applying circular economy principles, both of which are key elements of Tata's Project Aalingana. Together, this helps support a secure, competitive supply of battery cells while improving confidence in future raw material availability and responsible value chain performance.

### Engineering

In December 2025 we announced the development of a reengineered instrument panel cross car beam, one of the most structurally important but carbon intensive components in our vehicles. This part, which sits behind the dashboard, is essential for passenger safety, airbag mounting, and noise and vibration reduction. Instead of magnesium or steel alone, the new design uses a hybrid of fibre-reinforced plastic and steel, significantly lowering its carbon impact without affecting vehicle refinement. This innovation reflects the integration of CO<sub>2</sub>e as a consideration in the engineering, as well as the sourcing, of future products.



## CIRCULAR ECONOMY AND RESOURCE EFFICIENCY



The resources we use and consume remain central to the environmental impact of our supply chain, operations, and products in use. Achieving our net zero ambition requires accelerating the transition to a circular economy, reducing our footprint while creating value and building a more resilient business model.

In FY25/26, we focused on making the resources we use more circular by implementing our key strategic objectives and progressing tracking systems deeper into our operations and product development. Our approach continues to be guided by three core circularity targets in relation to recycled content, waste and water:

- Increase recycled content by doubling and aiming to treble recycled content in new products from 2028
- Achieve zero waste to landfill and raise non-metallic waste recycling/reuse to 80 per cent by FY29/30
- Reduce water consumption by cutting water usage per vehicle produced by one-third by FY29/30 compared to FY19/20 levels

The following sections outline our progress in these areas during the past financial year.

## RECYCLED CONTENT

We advanced our sustainable materials strategy by becoming the first automotive manufacturer to commit to introducing tyres made with more than 70 per cent renewable and recycled content across our luxury vehicle brands. Developed in partnership with Pirelli, the new P Zero tyres incorporate innovative materials such as silica derived from rice husks, plant-based resins, recycled carbon black, and recycled steel, all engineered to maintain high performance while significantly reducing environmental impact. The tyres will initially be fitted on select Range Rover models then across our wider portfolio, supporting our broader ambitions for responsible sourcing and lower-carbon product design. This initiative sits adjacent to our recycled-content target by accelerating the adoption of sustainable, circular materials within the supply chain.

We progressed our closed-loop recycling of polyurethane seat foam, developed with Dow's MobilityScience™ and Adient. Early trials demonstrated that end-of-life foam can be successfully recycled into high-quality polyols suitable for manufacturing new seat cushions, helping to reduce dependence on virgin materials. The technology is now advancing to production scale testing, marking an important step toward circular interior materials.

To support our aim to increase recycled content in our new vehicles from 2028, we are expanding the use of recycled aluminium sheet.



## ZERO WASTE TO LANDFILL

We strengthened waste segregation practices across sites to support our zero-landfill ambition. These actions lay the foundation for a more resource-efficient future. Underpinning this is the reuse of clay used for modelling which upon reaching the end of its useful life can be repurposed for the next project. A large amount of clay on the model is removed, reconditioned and prepared for the next vision. Each year, almost half the clay we use is recycled. In fact, some of the clay used on our heritage models decades ago is still being recycled and is shaping the cars of today – symbolic of how the same material that defined the past is helping create the future. This approach helps to ensure a more circular approach, aligning with our [Reimagine](#) strategy to deliver modern luxury in a more sustainable way.

Our clay modellers have also spent the last few years adopting 3D printing. This technology uses Fused Deposition Modelling (FDM) to create a variety of simple components such as buttons and switches, mirrors and door handles, all produced at minimal cost but adding maximum value to the evolution of a design. With FDM technology these printed components are shredded, melted down and reprocessed for future use.

This dual approach, recycling clay and reusing biodegradable plastics, helps create a stronger sustainability loop.

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# 32,512

**WASTE GENERATED (MT)**  
(excludes metal and construction waste)  
7.42% YOY DECREASE

FY25/26 - 32,512  
FY24/25 - 35,118  
FY23/24 - 37,037  
FY22/23 - 32,915

In FY25/26, we continued to strengthen waste management practices across our operations, with an ongoing emphasis on better waste segregation and increasing opportunities for recycling and reuse. Activities such as bin tip assessments and collaboration with suppliers, particularly to expand the reuse of protective packaging at the Solihull, UK site, remained central.

In FY25/26, our in-scope sites generated 32,512 metric @tonnes of waste, a reduction of 2606 metric tonnes compared with the previous year. This represents an increase of 16 kg of waste per vehicle compared with FY24/25, despite a reduction in total waste generated in absolute terms. Waste generation does not scale proportionately with vehicle production, as a significant proportion arises from fixed site operations and non-production activities. The increase in waste intensity per vehicle in FY25/26 therefore reflects lower production volumes, including the impact of the cyber incident, rather than a corresponding increase in underlying waste generation.

## WATER WITHDRAWAL

We continue to optimise water use in high-consumption processes, such as in our paint shops. This year we strengthened our approach to water stewardship by optimising the paint shop pre-treatment process, a water and chemical intensive stage of vehicle production. By reassessing the operational need for each tank drop and safely extending intervals between them, we have significantly reduced resource consumption while maintaining process quality. These changes are projected to save 5,469 m<sup>3</sup> of hard water and 4,992 m<sup>3</sup> of demineralised water each year, alongside substantial reductions in chemical use — including cleaners, surfactants, and neutralisers — and deliver around £200,000 in annual savings, with £68,000 already realised through early implementation.

We have also delivered a major investment in our paint facility. Now 90 per cent of our new exterior colours are water-based, significantly cutting emissions and resource use without compromising quality. In FY25/26, we announced a £65 million expansion of our UK and European operations to enhance sustainable practices and bespoke capabilities. From pioneering more environmentally friendly technologies to refining processes that minimise waste, we are working towards building a greener future for automotive design, where innovation meets responsibility.

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# 1,471,596

**WATER WITHDRAWAL (M<sup>3</sup>)**  
(see data table on page 112 re sites in scope)  
9.33% YOY DECREASE

FY25/26 - 1,471,596  
FY24/25 - 1,622,957  
FY23/24 - 1,616,821  
FY22/23 - 1,521,862

In FY25/26, total water withdrawal across our in-scope sites decreased to 1,471,596 cubic metres, down from 1,622,957 cubic metres in the previous year. This change equates to an increase of 0.64 m<sup>3</sup> per vehicle, bringing average water use to 4.69 m<sup>3</sup> per vehicle, a 15.8 per cent increase compared with FY24/25. Water consumption does not vary proportionately with production volumes, as core manufacturing operations and site infrastructure continue to operate at broadly consistent levels. Consequently, total water use did not decrease in line with lower vehicle output in FY25/26. We continue to focus on reducing consumption in water intensive operations, including initiatives such as implementing a smart spray system in the Solihull, UK paint shop designed to enhance efficiency.



## NATURE AND BIODIVERSITY

### Global Landscape

Nature and biodiversity are increasingly recognised as material to economic activity and business performance. External assessments estimate that more than 50 per cent of global economic value, equivalent to approximately USD 58 trillion, is moderately or highly dependent on nature and the ecosystem services it provides, including clean water, raw materials and climate regulation. This creates potential physical and transition risks for businesses with global operations and supply chains.<sup>1</sup>

In February 2025, governments concluded biodiversity finance and monitoring negotiations at the resumed UN Biodiversity Conference (CBD COP16). While not directly binding on companies, these outcomes shape the policy and investor context for businesses with global operations and supply chains.<sup>3,4</sup>

Policy and market attention is increasingly focused on nature-based solutions as part of the response to climate change and biodiversity loss. External studies indicate that nature-based solutions could contribute around 30 per cent of the global emissions reductions required to meet Net Zero pathways, while also delivering benefits for ecosystem resilience and communities.<sup>5</sup>

### Strategy

During the reporting period, we undertook an assessment of the nature-related impacts, risks and opportunities across our direct freehold site operations and upstream supply chain. The activity focused on understanding how our operations and value chain interact with nature, identifying areas of higher potential impact or risk, and ways to embed these considerations into existing corporate processes and decision-making.

The assessment covered ten freehold sites, seven in the UK and three internationally, alongside an initial screening of upstream supply chain activities. This provided a consistent view of where our direct operations and key supply chain stages interact most with nature across our global footprint.

The assessment highlighted that nature-related impacts, risks and opportunities arise from both direct operational activities and upstream supply chains. Key themes relate to how land, resources and emissions are managed across the value chain, with differing levels of visibility and influence between site operations and upstream activities.

This work has informed the development of a Biodiversity Roadmap, which sets out targeted actions to manage nature-related impacts and risks and to deliver improvements over time. Rather than creating parallel systems, the Roadmap focuses on practical delivery, alignment with existing plans and processes, and integration into business decision-making.

This work is aligned with recognised global and group-level frameworks, including the Kunming-Montreal Global Biodiversity Framework and the Tata Group Biodiversity Management Framework. It also supports compliance with evolving regulatory requirements, including the EU Corporate Sustainability Reporting Directive, by strengthening how nature-related impacts, risks and opportunities are identified and addressed within existing governance and reporting processes.<sup>2,6</sup>

1. PwC, Nature in the Balance: The Economics of Biodiversity, 2020 - <https://www.pwc.com/gx/en/issues/esg/nature-and-biodiversity.html>
2. Convention on Biological Diversity, Kunming Montreal Global Biodiversity Framework, adopted 2022 - <https://www.cbd.int/gbf>
3. Convention on Biological Diversity Secretariat, Outcomes of the resumed CBD COP16 session, February 2025 - <https://www.cbd.int/article/cop16-resumed-session-closing-2025>
4. UN News, Global biodiversity agreement mobilises USD 200 billion boost for nature, February 2025 - <https://news.un.org/en/story/2025/02/1160676>
5. The Nature Conservancy, Natural climate solutions, synthesis of peer reviewed analyses referenced 2023–2024 - <https://www.nature.org/en-us/what-we-do/our-priorities/tackle-climate-change/climate-change-stories/natural-climate-solutions-science/>
6. European Commission, Corporate Sustainability Reporting Directive, and EFRAG, ESRS E4 Biodiversity and ecosystems. [https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing/company-reporting/corporate-sustainability-reporting\\_en](https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing/company-reporting/corporate-sustainability-reporting_en) <https://www.efrag.org/en/projects/esrs/e4-biodiversity-and-ecosystems>



### Biodiversity at our Facilities

We continued to develop and deliver biodiversity management across a range of sites during FY25/26, supporting our long-term ambition to conserve and enhance the biodiversity value of the land we manage through to 2030. The strategy development has helped to create action plans for our sites and progress has begun to implement interventions designed to achieve our goals. Work undertaken during the year covered woodland management activities, including coppicing and the creation of deadwood, as well as the management of grassland and scrub, vegetation control within ponds and wetlands, and areas designated for non-intervention. In addition, hundreds of flower bulbs were planted in the orchard adjacent to our beehives to provide pollination benefits for bees. Our interventions are informed by ecological input when appropriate to the local context and are being monitored to assess their effectiveness.

In FY25/26, our Slovakia plant continued to implement commitment to environmental sustainability through a long-term biodiversity monitoring project carried out with the University of Constantine the Philosopher in Nitra, ongoing since 2019. Biomonitoring has confirmed the presence of 161 plant species, as well as 31 spider species, 26 dragonfly species, 41 bird species (24 of which are nesting), ten species of small mammals, and several groups of invertebrates.

The retention ponds play a key role supporting both dry-loving and moisture-dependent species and helps to enhance the ecological diversity of the area. Our introduction of five beehives into the meadow area has further strengthened our focus on biodiversity and we could have up to 300,000 bees in our beehives by next summer.

## CONSERVATION INITIATIVES

### Tusk, Africa

For more than 20 years Defender has supported Tusk's mission to strengthen progressive, community-led conservation initiatives and celebrate African conservation leaders through the annual Tusk Conservation Awards. Recent initiatives include support for the 2025 Tusk Award for Conservation in Africa, presented to Rahima Njaidi of MJUMITA for her leadership in protecting nearly two million hectares of Tanzanian forest; the pan-African Wildlife Ranger Challenge, which underpins the employment, training, welfare and equipping of more than 10,000 rangers; and further investment across six flagship programmes on the continent.

The long-standing partnership supports a broad range of conservation initiatives across the continent. In Botswana, work with WildEntrust strengthens large carnivore conservation and environmental education. In Namibia, collaboration with Save the Rhino Trust protects the world's largest free-ranging desert black rhino population. In South Africa, support for Vulpro enhances the rescue, rehabilitation and protection of endangered vultures. In Kenya, partnership with Borana Conservancy helps secure a key wildlife landscape and its endangered rhino population. In Zambia, Conservation South Luangwa improves protection of the national park and surrounding community lands while reducing conflict with wildlife. Tusk continues to recognise Defender as a valued long-term partner helping Africa's conservation heroes.

In January, Defender announced the winners of its inaugural Defender Awards, a £1 million global initiative supporting grassroots humanitarian and conservation projects. The awards celebrate small-scale charities and non-profit organisations driving impact in areas such as marine protection, biodiversity, rare species conservation, and ecological restoration. Each winner receives a Defender 4x4 vehicle, a £100,000 bursary, and expert mentorship to accelerate their pioneering work. The programme reinforces Defender's long-standing commitment to sustainability and humanitarian causes, building on decades of partnerships with organisations such as the British Red Cross and Tusk.





## ENGAGE FOR GOOD

Our ambition is to establish ourselves as a benchmark for positive societal and community impact. We are committed to supporting the communities and environments in which we operate, with a particular focus on enabling better futures for young people and addressing the needs of the most vulnerable and disadvantaged.

Engage for Good is structured around three strategic pillars: youth futures, reducing inequalities, and supporting vulnerable groups. Our citizenship initiatives are delivered through partnerships with nongovernmental organisations (NGOs), employee volunteering, the provision of vehicles, and targeted project funding.

Programme design is by a cross-functional team, incorporating expertise from our charitable partners, local market leadership and global colleagues. Each initiative is regularly evaluated to ensure it delivers a more sustainable, measurable, and meaningful impact.



**COMMUNITY IMPACT AND EMPLOYEE ENGAGEMENT**

**Volunteering**

Inspired by our purpose to Live the Exceptional with Soul, our colleagues continued to make a meaningful impact through their commitment to volunteering. Colleagues globally are empowered to contribute their time, skills, and enthusiasm to causes they care about, as well as initiatives aligned with our key focus areas.

This year, our colleagues dedicated 24,262 hours to volunteering, supporting a diverse range of community organisations and causes from STEM (Science, Technology, Engineering, Mathematics) programmes and foodbanks, to environmental projects, animal shelters and youth groups. Their efforts reflect a continued commitment to making a difference where it matters most.

Our colleagues in Nitra, Slovakia, made a notable contribution during National Volunteer Week, with around 132 employees dedicating a combined 1,147 hours to activities that aimed to enhance the environment, improve local spaces and support community wellbeing.

**Motorvate Programme, UK**

Motorvate is an employee-led initiative that aims to foster active community engagement, strengthen local relationships and deliver meaningful support through targeted projects and the provision of essential resources to communities surrounding our operational sites.

The National Motorvate Committee works with six local committees to assess applications and distribute funding and vehicles where they can have the greatest impact. This year, the programme awarded 111 grants, providing £154,464 in support to charities and community organisations.

## YOUTH FUTURES

### Experience in the Workplace, UK

We are committed to helping young people understand the world of work through modern, relevant educational experiences. This year we launched 'JLR Create Possible', the Group's first education programme for teachers of 10 to 14-year-olds, supported by a free online platform offering curriculum-linked resources. Designed to go beyond traditional STEM, the materials encourage creativity and innovation in subjects such as Textiles, Design and Technology, Geography and Business Studies, with the aim of inspiring a more diverse range of young people to see themselves in future STEM pathways.

Alongside this, we continue to expand access to workplace insights through Drive Your Future, a virtual work-experience programme for ages 13 and over. Delivered with Springpod, the on-demand programme introduces students to key skills used at JLR and has already reached more than 10,000 young people across the UK and Ireland since its launch in January 2024.

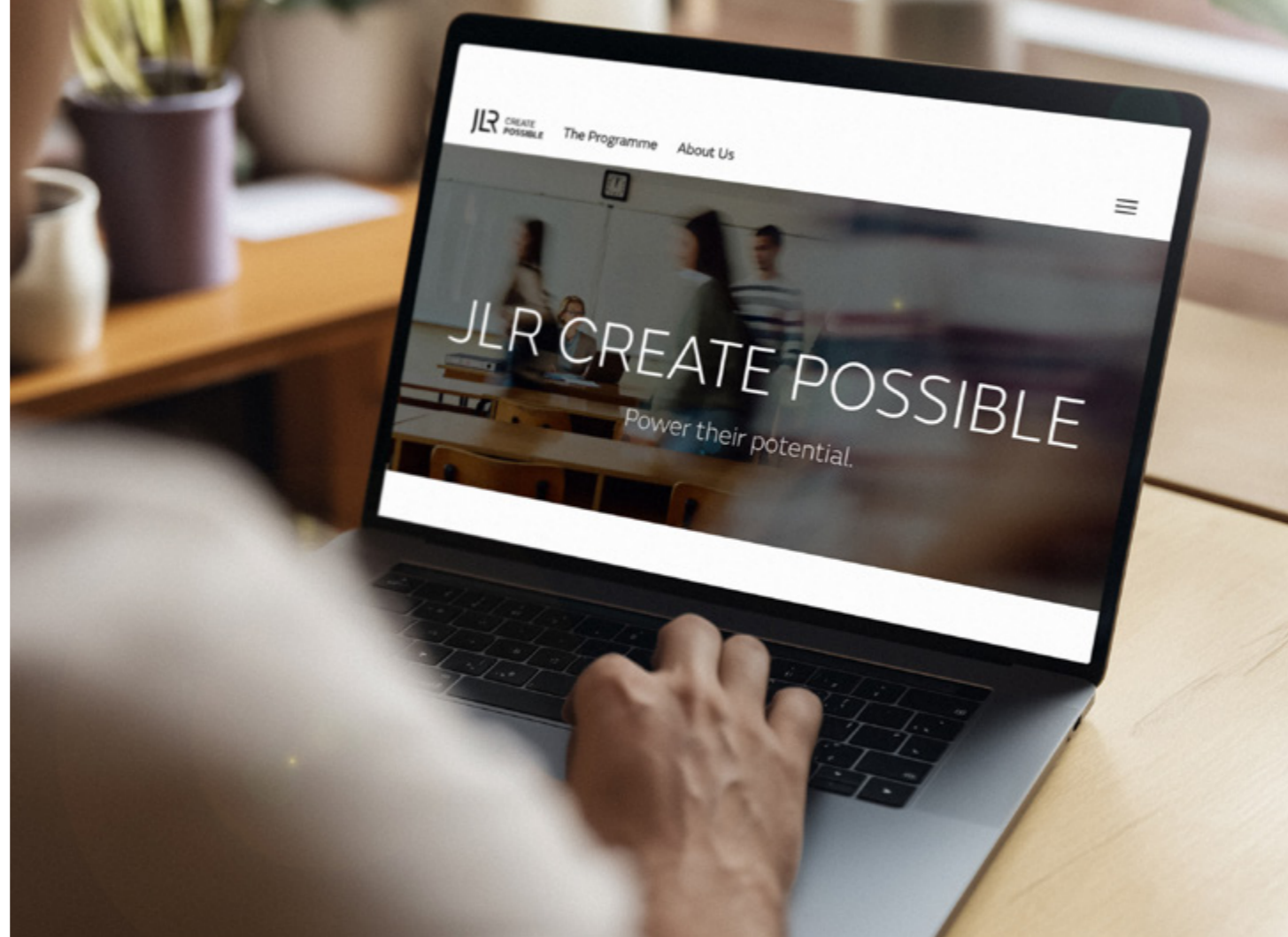
### JLR Schools' Partnership Programme, UK

The JLR Schools' Partnership programme is designed to deliver regular continued support to 45 schools across the UK, reaching more than 40,000 pupils annually. Schools are targeted in the local communities where 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 future careers at JLR. Support includes employer-led workshops, skills masterclasses, opportunities to engage with current JLR apprentices and graduates and support to develop employability skills.

This programme is supported by our network of STEM ambassadors who use their volunteering hours to support activities in partner schools and elsewhere.



photo credit: IntoUniversity



### Partnership Working, UK

We continue to collaborate with partners, charities and advocacy organisations to expand opportunities for young people, particularly those from disadvantaged backgrounds. This includes our partnership with the Sutton Trust, through which we provide workplace visits, role-model engagement and a fast-track route into degree apprenticeships via the 'Pathways to Engineering' programme.

In the UK, we help to strengthen education and career pathways through our role as a cornerstone employer across three counties, working with careers hubs and local partners to provide high-quality career insights to create future talent pipelines.

### The Amos Bursary, UK

For the third consecutive year, we are pleased to continue our funded partnership with The Amos Bursary (AMOS). AMOS provides long-term support to students of African Caribbean heritage, guiding them from Year 12 through a five-year higher education journey with structured mentoring and coaching to prepare them for future career pathways. Our colleagues have served as mentors, contributing 63 hours directly to the development and career readiness of seven participating students.

### Ciência nas Trilhas (Science on Trails), Brazil

A socio-environmental education programme delivered to public school students aged four to 14 in Itatiaia, near our Brazil manufacturing site. The initiative engaged over 900 students from rural and urban schools in immersive, nature-based science learning, designed to spark curiosity and inspire interest in science as a potential future pathway.



photo credit: Get Further

### JLR Hope School, China

We have provided support to a school in Zhaotong, China, since 2014, when a major earthquake caused extensive damage to its facilities. JLR China contributed more than £550,000 towards the school's reconstruction, after which it was renamed JLR Hope School. Today, the school ranks among the top five in the city, its teacher-to-student ratio has improved from 1:40 to 1:19, and more than 70 students have progressed to university.

### JLR Foundation

This year, JLR launched its new corporate philanthropy organisation, the JLR Foundation, with a mission to unlock the potential of children and young people. Fully funded by JLR and independently governed as a charity, the Foundation supports young people to succeed in education and to progress towards meaningful employment, particularly those facing greatest barriers to opportunity.

Across the UK, nearly 900,000 young people aged 16 to 24 are currently Not in Education, Employment or Training (NEET). The challenge is especially acute in the West Midlands and the Liverpool City Region, where JLR has significant operational presence.

In response, the JLR Foundation has awarded its first grants to seven charity partners working in JLR's communities. Through a wide range of evidence-based initiatives, these charities help disadvantaged young people gain the skills, confidence and opportunities they need to thrive.

In its first year of operation, the Foundation's portfolio, which includes partners such as Right to Succeed, OnSide Youth Zones, DFN Project SEARCH and Get Further, has reached almost 14,500 young people.

This is only the beginning. By working with exceptional charities and our communities, the JLR Foundation is helping to build a future where every young person, regardless of background, has the chance to realise their potential.

## REDUCING INEQUALITIES

### Creativity for Good

Our Creativity for Good initiative seeks to address social and environmental challenges through collaboration with non-governmental organisations, leveraging the expertise and skills of our colleagues to accelerate sustainable innovation. During the year, we partnered with The Washing Machine Project (TWMP) to develop a next-generation manual washing machine and distribution model designed to ease the burden of handwashing clothes for women and girls in India. Sustainability and innovation remained central to the programme, supported by more than 620 volunteer hours contributed by colleagues across 10 teams, including Engineering, Manufacturing and Sustainability.

Working alongside TWMP, our employees helped design a new prototype machine that is more cost effective to manufacture and simpler to assemble and repair and a new prototype distribution model that improves the process of getting machines to those who need them. We look forward to assessing the positive impact these improved models will have on communities. Globally, around four billion people wash clothes by hand, a task that can lead to health challenges and reduced opportunities for education and employment. With up to 20 hours per week spent on handwashing laundry, the burden falls disproportionately on women and girls.



### 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.

Journey for Vision is a long-standing initiative, operating across a wide geographic area. In partnership with Beijing Tongren Hospital, the programme has helped thousands of children and adolescents with free eye examinations and treatment and built up a local medical institute with professional training and equipment donations.

In 2025, Journey for Vision visited Guangxi, donating funding for treatments, delivery of myopia prevention lectures, ophthalmic equipment and professional training for local doctors across the province.



## SUPPORTING THE VULNERABLE

### Stitch by Stitch Transforming Lives through Sewing, Brazil

The Stitch-by-Stitch Transforming Lives through Sewing project is a social and environmental initiative in Itatiaia, Brazil, that uses professional training in sewing and business management to empower women in socially vulnerable situations. By transforming returned uniforms and other waste from our factory into high-quality products through upcycling practices, the project addresses both limited economic opportunities and the environmental impact of under-utilised industrial materials. Over a 12 month period, we will be supporting 120 participants with technical training in sewing and business management, strengthening their employability, supporting their transition to formal work, and enabling or encouraging income generation. The programme has also promoted circular economy practices through the reuse of textile waste from vehicles, while improving confidence, wellbeing and social inclusion.

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

Defender continued to support the Red Cross and Red Crescent Movement through its landmark charity partnership which began in 1954. Defender commits to providing additional support in the event of a disaster, emergency or outbreak of violence in conflict, and is also 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 anticipation of humanitarian crises or in the aftermath.

Our colleagues continue to support the partnership, volunteering their time to Missing Maps sessions and First Aid training offered by the British Red Cross. Six colleagues ran the London Marathon in aid of the British Red Cross, raising more than £12,000, and a pop-up charity shop held at Gaydon in December generated more than £4,000.

### Kingsley Holgate Foundation, Africa

Our long-standing partnership with the Kingsley Holgate Foundation continues to deliver meaningful humanitarian and conservation impact across Sub-Saharan Africa. Through a three-year partnership that includes fleet support and funding for malaria-prevention nets, the programme enables the Foundation to reach remote, underserved communities where healthcare access is limited. Each annual expedition focuses on high-risk malaria regions, distributing insecticide-treated nets to pregnant women and young children, while also supporting safe-water initiatives, basic eye care for elderly community members and youth engagement in wildlife conservation.

Recent expeditions, including the Greater Gorongosa journey, have protected over 3,000 mothers and children from malaria, provided 770 eye tests and reading glasses, and involved 2,000 children in conservation education. The programme helps to improve quality of life, strengthen community resilience and inspire environmental stewardship, supported by the Foundation's commitment to "use our journeys to save and improve lives."



## RESPONSIBLE BUSINESS

The Responsible Business pillar is at the heart of our sustainability strategy, ensuring that we operate ethically and with accountability and integrity. This commitment forms the basis for our efforts across Planet Regenerate and Engage for Good, particularly in relation to Environmental, Social and Governance (ESG) priorities.

The pillar centres on four core areas: tracking and responding to ESG legislation; establishing strong strategies and governance frameworks to meet ESG commitments; integrating environmental and social risks into our risk management; and reporting performance and progress.



## LEGISLATION AND REGULATION

The landscape of Environmental, Social and Governance (ESG) regulation is continuously evolving. 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), EU Deforestation Regulation (EUDR) and Corporate Sustainability Due Diligence Directive (CSDDD). This involves scanning for new and emerging legislation, interpreting and implementing any necessary changes, and monitoring and disclosing progress on an ongoing basis.

## STRATEGY AND GOVERNANCE

Our sustainability transformation continues to gather pace. We invest in relevant start-ups via InMotion Ventures and advance initiatives that support our journey towards zero tailpipe emissions, responsible supply chains, and a circular economy approach to luxury mobility. We have increased investment in next-generation battery technologies and the continued rollout of hybrid and upcoming pure-electric models, while helping to strengthen partnerships to secure ethically sourced materials across our global supply network.

We are also developing a Climate Transition Plan, to create a clear pathway to help reduce emissions across our products, operations, and supply chain, so that the business can meet regulatory expectations, strengthen resilience and support our aim of modern luxury in a low-carbon future. We have established senior level, cross-functional groups such as the Sustainability Steering Group (SSG) to champion sustainability, drive alignment and collaborate on sustainability topics across the business.



## DISCLOSURE AND REPORTING

Much of the upcoming sustainability legislation requires greater 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.

As we are wholly owned by Tata Motors Passenger Vehicles Limited, there has been effort to bring both companies together to prepare for sustainability reporting regulation such as CSRD and CSDDD. There are established governance sessions between the organisations focusing on reporting and compliance, digital and data and strategy.

## RISK MANAGEMENT

Managing environmental and social risks is integrated into our company-wide Enterprise Risk Management (ERM) process. We collaborate with internal and external stakeholders to identify and address the most significant environmental and social risks to our business, with appropriate escalation to the Risk and Compliance Committee.

## SAFETY, HEALTH AND WELLBEING

### SAFETY

Our core ambition is to create and sustain a workplace where Zero Harm is a reality not just an aspiration. This commitment is supported by our three safety pillars – Safe Place, Safe Systems, and Safe People – which underpin our journey towards Zero Harm.

Progress is measured through our Zero Harm Metric, a key Enterprise KPI monitored at Board level. Over the past year, the metric has continued to improve, reflecting the effectiveness of our drive to improve our safety management and processes.

To drive further gains, we continue to strengthen our monitoring and evaluation of leading and lagging indicators. Our enhanced data aggregation and analysis capabilities help us identify opportunities for improvement and to act. Our updated and simplified Safety Management System presents a clear, unified approach to all aspects of safety, at every level of the company.

Our dedication to the highest standards of occupational health, safety, and wellbeing for colleagues, partners, and clients is demonstrated through our ongoing certification to ISO 45001.



### HEALTH AND WELLBEING

We strive to be recognised as a global leader in health and wellbeing. 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 colleagues access to a range of services to help them look after their health and wellbeing. These include musculoskeletal, mental health, nutrition, fitness, sleep, addiction, mindfulness and other therapies, as well as financial information signposting and support. In the UK, we also offer mental health training for managers and colleagues and have trained around 400 Mental Health First Aiders since launching the programme in early 2024. We continue to build on these numbers in 2026, including a global roll-out of the training.

We have a global approach to wellbeing and have created 11 regional Wellbeing Centres in six countries that allow us to deliver bespoke programmes in all our markets. We supported our employees with over 43,000 individualised sessions. One UK programme involved with England's National Health Service (NHS) provided more than 4,500 employees a heart health check, including access to an onsite GP for follow-up.

## DIVERSITY, EQUITY AND INCLUSION (DEI)

We continue our cultural transformation to create a psychologically safe environment where everyone feels respected, valued and cared for, guided by our Creators' Code.

To support our transformation, we have set ourselves three internal ambitions:

### AMBITION 1

Globally, 30 per cent of all senior leaders to be female, by 2030. FY25/26 performance is

# 21.9%

This is an increase of 0.9 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. FY25/26 performance is

# 8.4%

This is an increase of 1.26 per cent from 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 figure above reflects our FY24/25 performance. Following a cyber incident, the annual employee engagement survey has been postponed to April/May 2026. As a result, the survey findings are not available at the time of publication.

## Our Global Reach

To support colleagues in embedding inclusion into everyday decision-making, we launched a comprehensive DEI Toolkit on our new SharePoint site. Accessible to all 25 countries we operate in, this resource provides practical guidance, including an Inclusion Lens, an Inclusive Language Guide, cultural awareness materials, and a Digital Accessibility Guide. These tools empower teams to create equitable experiences for employees and customers.

In 2025, we developed Trans Inclusion Training, created in partnership with external experts. This programme equips leaders and teams with the knowledge and confidence to foster a workplace where transgender and non-binary colleagues feel respected and supported. The training will be launched to the wider organisation in early 2026.

Throughout 2025, we held 'People Love' days at our Solihull, UK manufacturing site. The events provided structured, psychologically safe spaces for our manufacturing colleagues to share open and honest reflections on business practices and leadership behaviours, with particular attention to gender, ethnicity and overall workplace experience. These sessions reveal real barriers and opportunities for improvement, with insights used to drive targeted actions supporting leaders with the coaching, skills and accountability needed to lead diverse teams effectively. To date the events have been attended by over 4,800 manufacturing colleagues.

In July 2025, the DEI team supported a supplier conference, that was hosted by JLR and led a breakout session. Using a scenario-based film highlighting everyday business behaviours and their impact on team dynamics and decision-making, we facilitated a focused discussion on how inclusive practices such as equitable processes, psychological safety and constructive challenge help to innovation, strengthen partnerships and deliver measurable results.

Embedding a culture of transformation is a leadership responsibility that begins at the very top of the organisation. To reinforce this, each of our employee networks is paired with a dedicated sponsor from the executive leadership team, ensuring that every group has direct access to senior influence, advocacy and strategic guidance.

In 2024, we redefined and strengthened the role of the executive sponsor to reflect the evolving needs of our people and our ambition for meaningful, measurable progress. As part of this enhanced remit, executive sponsors participate in a quarterly steering group strategy meeting, where they contribute to long-term planning, review progress, and help keep each network's priorities aligned with our broader DEI strategy. Our executive board sponsors continued to lead the way in fostering a culture of inclusivity and mutual learning through their lived experiences.

## External Partnerships

We continue to strengthen our partnerships to advance DEI across our organisation. Our partnership with Dial Global provides us with tailored guidance that helps shape our DEI initiatives and identify priority areas. Our collaboration with the Business Disability Forum continues to inform and enhance our disability strategy.

We have also renewed our partnership with The Amos Bursary, supporting young students of African Caribbean descent from Year 12 through up to five years in higher education.





### Pay Gap Report - Gender and Ethnicity

We have seen a continued proportional increase in female representation across the workforce. This shift has contributed to a further improvement in the overall gender pay gap, indicating that the measures implemented to enhance gender balance are helping to deliver the intended impact, aligned with our broader inclusion objectives.

Representation of colleagues from ethnic minority backgrounds in the UK workforce has also increased. However, the majority of this growth has occurred within the earlier career and less senior salaried populations. As a result, the distributional effect across organisational levels has led to a marginal increase in the ethnicity pay gap.

We remain 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

### Early Careers

Early Careers and investment in apprentices, undergraduates and graduates continues to be a critical enabler of building skills for the future. In 2025, approximately 350 people joined us in the UK and internationally on our Early Careers programmes. Our programmes are recognised externally, with rankings in several 'top employers' tables such as Top 100 Apprentice Employers in the UK, where we climbed from 60th to 23rd in the table.

### Talent Upskilling for the Future

We support our people to work effectively and safely in an evolving environment. We have streamlined our Electrification Safety Training into a single, unified pathway to deliver consistent, accessible learning across the business and enable global rollout (starting with India and China). In the past 12 months, 1,271 UK colleagues and a further 136 globally have been trained to work with electrified technologies.

Delivery of our Level 4 Data Apprenticeships has continued, and this year we launched Levels 3 and 5, creating a true end-to-end development pathway that builds strategic data capability, covering topics such as Data Modelling, Predictive Analytics, SQL and Python, and the legal and ethical frameworks for data use. Year-to-date we have active participants at Level 3 - 65; Level 4 - 180; Level 5 - a cohort started in February 2026.

### Leadership

Leadership development continues to be a focus of our culture change programme, with the further development of our *Reimagine* Modern Leadership Programme. This year we focused on leaders in our major international markets (inclusive of China, the US, South America, Central Europe, India and Ireland). In the UK we piloted a cost-effective approach to leadership development with the introduction of '*Reimagine* Modern Leadership Bitesize'; four-hour on-site development sessions on Change Management, Understanding Modern Leadership, and Courageous Conversations.

In addition to our *Reimagine* Leadership Programme, over 250 managers and leaders participated in programmes such as Manager Essentials, further expanding our leadership pipeline and supporting long-term organisational growth.





## 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 Mapping and Transparency team employs digital risk-sensing tools and analytics 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 more sustainable, ethical and resilient value chain.

We have reviewed a number of global ESG regulations to understand the level of due diligence we would need within our supply chain. This has helped define the data sets that we would need to collate as part of our supplier transparency work to enable us to fulfil its obligations for current and future legislations linked to human rights and environmental impact. We have adopted a risk-based approach to map supply chains to Tier n. Throughout 2025, we held multiple webinars and engagement sessions 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 can develop consistent, agreed tools, methodologies and approaches that industry Tier 1 suppliers can utilise, and cascade through their respective supply chains.

Our membership of the Leather Working Group (LWG) highlights our commitment to transparency and continuous improvement in leather manufacturing. We also continued our membership with 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 must 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 there are gaps, the supplier is provided with recommendations for improvement. All active suppliers must update their SAQ annually. In FY25/26, we sustained a high supplier SAQ completion rate and continued engaging 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, as well as 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 help 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 identify smelters used by in-scope JLR Tier 1 suppliers.

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 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 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 continued 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. For 2025, the EMRT included additional minerals such as nickel, graphite (natural), lithium and copper.

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

In FY25/26, we increased coverage of our battery supply chain due diligence programme to support our proactive engagement on ESG risk management with our supplier partners. The minerals assessed as part of this programme include cobalt, lithium, nickel and natural graphite.

Partnering with an industry leader in supply chain due diligence, we have completed 27 audits against our target of 24. Across our supply chain, 189 suppliers were identified. Of the 140 suppliers (excluding traders), 22 per cent have been audited in 2025. In addition, 12 countries of origin were identified. Through the audit, supply chain evidence is triangulated by risk-sampling and cross-checking transaction records against physical shipments, inventory data and authenticated documents to test accuracy and legitimacy.

This programme has provided actionable data from which we have been able to build a targeted supplier engagement strategy. We are leading by example, helping 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. Annually, we select a number of our direct, indirect procurement and aftermarket suppliers to complete one or more CDP questionnaires to assess their environmental impacts.

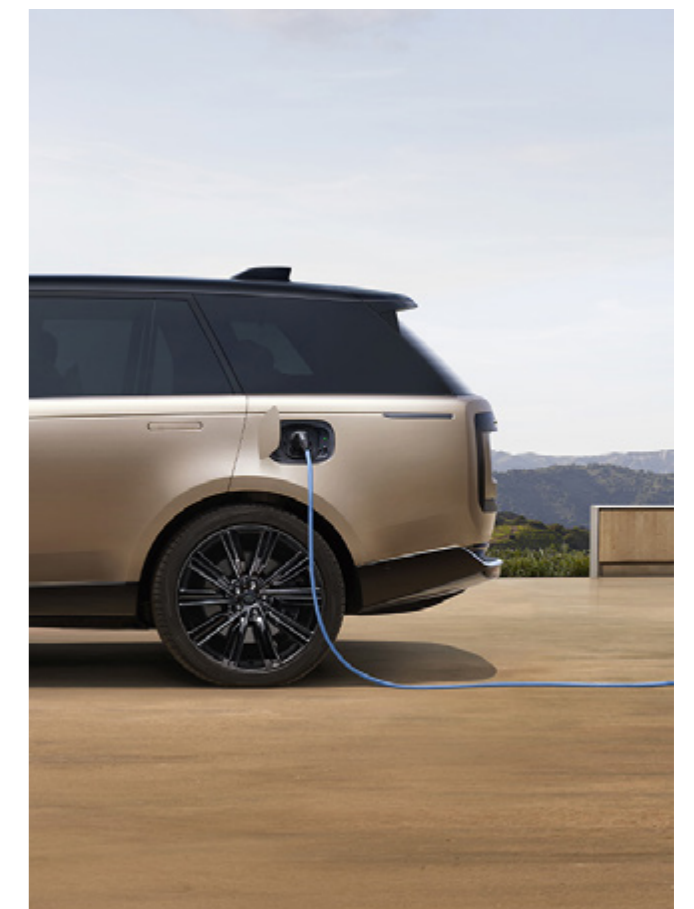
In FY25/26, we engaged with suppliers to participate in this programme and achieved the following response rates: climate change 90 per cent, water security 79 per cent and forest 41 per cent. The weighted average response rate was 87 per cent, an increase of 3 per cent compared to FY24/25.

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 CO<sub>2</sub>e goods purchased that are manufactured outside the EU and imported into the EU market. For us today, this includes certain steel and aluminium products that are stipulated in the regulation.

We continue to fulfil all our responsibilities with regard to CBAM, by submitting the required reports, covering all EU entities. Using automation software, we have ensured data collection and processing is robust, accurate and responsive to the continuing legislative changes implemented by the EU. We use default data from the EU to calculate our liability as well as collecting emissions data from suppliers to ensure a reporting cadence is maintained and suppliers continue 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 and adapt processes and workflows to remain legislatively compliant. In addition, we will continue to share educational materials with impacted suppliers to adequately prepare them to meet requirements, supporting the drive for a greater volume of primary CO<sub>2</sub>e data across the industry.





## Our Supplier 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 additional detail 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](#).

In July 2025 we hosted a conference with our strategic suppliers where we discussed our sustainability ambitions as well as the support and engagement needed from our suppliers. We also highlighted the importance of supply chain transparency to us and how this is required for our supplier due diligence framework.

## 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 FY25/26, 31 corrective actions were captured and monitored.

## Responsible Supply Chain Targets and Performance

For FY25/26, 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	95%	98%
2	CDP Supplier Response	86%	87%
3	Minerals Reporting Supplier Response	87%	88.5%
4	Social Audits Engagement	100%	91%

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: Due to the cyber incident we were unable to deliver all scheduled audits.

## 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

Our Directors, 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. All salaried colleagues are required to complete learning on the expectations set out within our Code of Conduct.

The Code of Conduct is supported by a suite of corporate policies that make clear our expectations and 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 or corporate policies 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 launched learning for our suppliers and a separate educational package for our own workforce, which we introduced this year.

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. Speak Up allows people to make reports confidentially and, if desired, anonymously, and we will investigate all concerns regarding alleged abuse of human rights or working conditions.

## CERTIFICATIONS

### EMS Policy, Implementation and Certification

Environmental Management is an integral part of our corporate strategy. 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, Electric Propulsion Manufacturing Centre (EPMC), Oxford Road, Fen End, Gaydon, Whitley (UK), Nitra (Slovakia), Itatiaia (Brazil), Pune (India), and CJLR (China). 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 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 six SDGs where we believe we have the greatest impact.



### Quality Education

We are committed to helping young people understand the world of work through modern, relevant educational experiences. This year we launched 'JLR Create Possible', the Group's first education programme for teachers of 10 to 14-year olds, supported by a free online platform offering curriculum-linked resources. This year, JLR launched its new corporate philanthropy organisation, the JLR Foundation, with a mission to unlock the potential of children and young people. Fully funded by JLR and independently governed as a charity, the Foundation supports young people to succeed in education and to progress towards meaningful employment, particularly those facing greatest barriers to opportunity. Across the UK, nearly one million young people aged 16 to 24 are currently Not in Education, Employment or Training (NEET). The challenge is especially acute in the West Midlands and the Liverpool City Region, where JLR has significant operational presence. In response, the JLR Foundation has awarded its first grants to seven charity partners working in JLR's communities. Through a wide range of evidence-based initiatives, these charities help disadvantaged young people gain the skills, confidence and opportunities they need to thrive.



### Gender Equality

We continue our cultural transformation to create a psychologically safe environment where everyone feels respected, valued and cared for, guided by our Creators' Code. To support our transformation, we have set ourselves three internal ambitions. The ambition is to have 30 per cent of all senior leaders to be female, globally, by 2030. Our FY25/26 performance is 21.9 per cent, an increase of 0.9 per cent from last year. In 2025, we developed Trans Inclusion Training, created in partnership with external experts. This programme equips leaders and teams with the knowledge and confidence to foster a workplace where transgender and non-binary colleagues feel respected and supported. The training will be launched to the wider organisation in early 2026. In our Gender Pay Gap Report, we have seen a continued proportional increase in female representation across the workforce. This shift has contributed to a further improvement in the overall gender pay gap, indicating that the measures implemented to enhance gender balance are helping to deliver the intended impact, aligned with our broader inclusion objectives.



### Decent Work and Economic Growth

A report by Oxford Economics<sup>1</sup>, published in August 2025, states that JLR supported an estimated £17.9 billion total contribution to GDP across the UK economy. This total was equivalent to around 0.6 per cent of UK GDP in the same year - or £1 in approximately every £160 of UK GDP. 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 additional detail on our requirements in relation to these topics and is available through our corporate website. We strive to be recognised as a global leader in health and wellbeing. 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. Our dedication to the highest standards of occupational health, safety, and wellbeing for colleagues, partners, and clients is demonstrated through our ongoing certification to ISO 45001.



### Industry, Innovation and Infrastructure

Our Creativity for Good initiative seeks to address social and environmental challenges through collaboration with nongovernmental organisations, leveraging the expertise and skills of our colleagues to accelerate sustainable innovation. During the year, we partnered with The Washing Machine Project (TWMP) to develop a next generation manual washing machine and distribution model designed to ease the burden of handwashing clothes for women and girls in India. We invest in relevant start-ups via InMotion Ventures and advance initiatives that support our journey towards zero tailpipe emissions, responsible supply chains, and a circular economy approach to luxury mobility. We advanced our sustainable materials strategy by becoming the first automotive manufacturer to commit to introducing tyres made with more than 70 per cent renewable and recycled content across our luxury vehicle brands. Developed in partnership with Pirelli, the new P Zero tyres incorporate innovative materials such as silica derived from rice husks, plant-based resins, recycled carbon black, and recycled steel, all engineered to maintain high performance while significantly reducing environmental impact. We also forged a partnership with charging software company [EV.Energy](#) to trial a new smart charging solution on JLR's electrified cars. During the pilot, EV.Energy's software platform will integrate with JLR's connected vehicle platform to intelligently schedule charging at grid-friendly times that prioritise renewable energy for participating clients.



### Responsible Consumption and Production

The resources we use and consume remain central to the environmental impact of our supply chain, operations, and products in use. To achieve our net zero ambition we must accelerate the transition to a circular economy, reducing our footprint while creating value and building a more resilient business model. In FY25/26, we focused on making the resources we use more circular by implementing our key strategic objectives and progressing tracking systems deeper into our operations and product development. We progressed our closed-loop recycling of polyurethane seat foam, developed with Dow's MobilityScience™ and Adient. Early trials demonstrated that end-of-life foam can be successfully recycled into high-quality polyols suitable for manufacturing new seat cushions, helping to reduce dependence on virgin materials. We strengthened waste segregation practices across sites to support our zero-landfill ambition. These actions lay the foundation for a more resource-efficient future. Underpinning this is the reuse of clay used for modelling which upon reaching the end of its useful life can be repurposed for the next project. A large amount of clay on the model is removed, reconditioned and prepared for the next vision.



### Climate Action

Climate change remains one of the defining strategic challenges of our time. The automotive sector plays a pivotal role in global emissions and, therefore, holds significant influence in accelerating the transition to a low-carbon economy. As a manufacturer of luxury vehicles, we recognise our responsibility to lead this transformation. Therefore, responding to this challenge is not simply an environmental obligation, it is a business imperative. Our ambition is to achieve net zero by 2039 across our direct product emissions, operations and supply chain. This ambition aligns with a 1.5°C pathway and is underpinned by science-based targets that guide our decarbonisation pathway and ensure our actions align with the latest climate science. Our ambition reflects not only the scale of the challenge but the scale of the opportunity to redefine modern luxury through sustainability, strengthening our resilience, enhancing long-term competitiveness, and contributing meaningfully to a more sustainable future.

<sup>1</sup><https://www.oxfordeconomics.com/resource/the-economic-footprint-of-jlr-in-the-uk/>

## 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 which form part of concerted actions by the government to mandate TCFD-aligned climate-related financial disclosures.

	UK Mandatory Climate-Related Financial Disclosures	Disclosure location within Annual Report
Governance	<p>(a) a description of the governance arrangements of the company in relation to assessing and managing climate-related risks and opportunities;</p> <p>The Company's Board of Directors retains overall accountability for the governance and oversight of risks facing the organisation, including sustainability matters and risk related to climate change. Day-to-day risk identification, control and mitigation, however, sit with the wider business.</p> <p>The Risk and Compliance Committee provides oversight of current and emerging risks and monitors progress of remediation activities to bring exposure within acceptable levels. Climate focused enterprise KPIs are in place to enable the Board to monitor progress.</p> <p>Principal risks and significant exceptions are also reported regularly to the Audit Committee to support informed decision-making and ensure that appropriate controls are in place to protect the organisation.</p> <p>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.</p>	See Governance section starting on page 121
Risk Management	<p>(b) a description of how the company identifies, assesses, and manages climate related risks and opportunities;</p> <p>Risks are uncertain events that could materially impact organisational objectives; both adversely and favourably.</p> <p>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.</p> <p>We utilise an Enterprise Risk Management (ERM) framework to identify, assess, manage and continually monitor and report on key risks that could affect our business.</p>	See Risk Management section on pages 116-118

	UK Mandatory Climate-Related Financial Disclosures	Disclosure location within Annual Report
Risk Management	<p>(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;</p> <p>Climate risks throughout the business value chain are identified using our ERM framework. The business determines the severity of a risk by considering two factors: the likelihood of the risk materialising in a given timeframe and the potential impact(s) such as financial or reputational.</p> <p>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 and services, Markets, Resilience).</p> <p>Risks are primarily 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 climate hazard exposure. The five most material climate risks and opportunities were determined based on this scoring and, where useful, 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.</p>	See Risk Management section on pages 116-118
Strategy	<p>(d) a description of—</p> <p>(i) the principal climate-related risks and opportunities arising in connection with the operations of the company, and</p> <p>(ii) the time periods by reference to which those risks and opportunities are assessed;</p> <p>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:</p> <ul style="list-style-type: none"> <li>Short 1-2 years: Aligned to our risk management and financial planning processes</li> <li>Medium 3-5 years: Aligned to our product cycle planning process and science-based target commitments</li> <li>Long 5 years+: Captures transition and physical risks and opportunities over the long term. Linked to organisational resilience and our long-term net zero goals</li> </ul>	See <i>Reimagine Strategy</i> on pages 20-21

	UK Mandatory Climate-Related Financial Disclosures	Disclosure location within Annual Report
Strategy	<p>(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;</p> <p>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 page 108-110</p>	
	<p>(f) an analysis of the resilience of the business model and strategy of the company, taking into consideration of different climate-related scenarios;</p> <p>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.</p> <p>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 <a href="#">Reimagine</a> strategy ( page 20). The pathway to 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 (shown below).</p> <p><b>Net Zero 2050 – “The low-carbon revolution” (NZ)</b>  Net Zero 2050 is an ambitious scenario aimed at limiting global warming to 1.5°C by 2100 through the immediate introduction of stringent climate policies and innovations. This scenario targets net zero CO<sup>2</sup> emissions by around 2050 and is linked to RCP2.6. While it involves higher transition risks early on, it effectively minimises physical risks. Policies are implemented globally, driving the transition to electrified transport and shifting mobility patterns. Stakeholders are increasingly aware and expect sustainability in decision-making, which accelerates the move from internal combustion engines (ICE) to electric vehicles and the materials needed for their production.</p> <p><b>Delayed transition (DT)</b>  This scenario follows a path where social, economic, and technological trends remain consistent with historical patterns. While the world takes action to limit emission growth, it fails to achieve significant emission reductions in the short term, missing the Paris Agreement goals and resulting in over 2°C warming by 2050. However, this warming is mitigated through carbon sequestration and storage (CSS). Linked to RCP4.5, this scenario involves several physical risks and transition risks emerging after 2030.</p>	See <i>Reimagine</i> Strategy on pages 20-21

	UK Mandatory Climate-Related Financial Disclosures	Disclosure location within Annual Report
Strategy	<p><b>Current policies – “climate chaos” (BAU)</b>  This scenario assumes that only currently implemented policies are maintained. The world fails to cut emissions, leading to accelerated climate change with 2.5°C warming by 2050 and over 4°C by 2100, causing irreversible changes. Linked to RCP8.5, this scenario involves minimal transition risks early on but results in severe and globally disruptive physical risks. Physical risks are most prevalent, with an increased frequency of extreme weather events such as flooding and wildfires impacting operations and supply chains. There is little policy or technological drive to further transport electrification.</p>	
Metrics and Targets	<p>(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</p>	
	<p>(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.</p> <p>Our ambition is to achieve net zero by 2039 across our direct product emissions, operations and supply chain. This ambition aligns with a 1.5°C pathway and is underpinned by science-based targets that guide our decarbonisation pathway and ensure our actions align with the latest climate science. Our ambition reflects not only the scale of the challenge but the scale of the opportunity to redefine modern luxury through sustainability, strengthening our resilience, enhancing long-term competitiveness, and ensuring we contribute meaningfully to a more sustainable future.</p> <p>Reducing lifecycle emissions requires decisive action and continuous collaboration and innovation. Yet the speed of this transition will be shaped as much by consumer behaviour as by the efforts of manufacturers. An evolving regulatory environment and the ongoing development of charging infrastructure will play a critical role in influencing consumer confidence in electrification. These external factors introduce uncertainty that could materially impact our ability to deliver against our mid-term science-based targets. To strengthen governance and transparency, we are developing a Climate Transition Plan that will enable us to communicate these risks effectively, demonstrate a credible pathway to net zero, and embed the appropriate internal oversight needed to deliver it. Please see pages 60-64 for our performance in FY25/26 as well as our key initiatives across our operational and product emissions. The reported results are in alignment with the scope of our Energy, Carbon, Waste Generation and Water Withdrawal Reporting Methodology Statement available to download from our <a href="#">corporate website</a>. Reported Scope 1 and 2 data, therefore, only includes those sites which are within the scope of our SBTi reporting requirements.</p>	See pages 60-69 and the Performance Data Table on pages 112-113

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.

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

Table 1

Risk/Opportunity and Classification	Time Horizon	Risk Modelled	Potential Business/ Financial Impact	Business Strategic Response
<p>Transition Risk - Failure to manage risk associated with existing and emerging environmental regulations on vehicles.</p> <p>In response to climate change, tailpipe emission regulations are tightening globally, though increasingly fragmented, aiming for more technology-agnostic decarbonisation. Our fleet of products must be compliant with all regulations and in the case of non-compliance, we may pay compliance costs.</p> <p><b>Aligns with Principal risks - Uncertainty in EV Adoption &amp; Powertrain Preferences and Environmental regulations and compliance.</b></p>	S / M	Continued to model the potential financial compliance impacts based on testing vehicle emissions compliance costs against business plan programme scenarios.	<p>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.</p> <p>The results of our models show a decrease in short term financial impact due to removal of US tailpipe CO<sub>2</sub> compliance regulations. In the medium term we face uncertainty around future tailpipe CO<sub>2</sub> across key regulated markets, and we assume long term risk management as our vehicles become increasingly electrified.</p>	<p>- Engaged with regulators through industry bodies, and independently to detect changes and implement ongoing product actions to mitigate the risk of regulatory change.</p> <p>- 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.</p> <p>- We continue the electrification of our portfolio aiming for a pure-electric option across all brands by 2030 in support of our 2039 net zero ambition.</p>
<p>Transition Risk - Failure to manage risk associated with increased exposure to raw material and component shortages.</p> <p>We rely on manufactured products and the security of supply of raw materials for operating our business globally, specifically battery pack components for our electric vehicles.</p> <p><b>Aligns with Principal Risk - Trade fragmentation, global geopolitical and economic environment.</b></p>	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 and BAU).	<p>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 NZ scenario (2050). The analysis shows the least potential financial impact under a BAU scenario.</p>	<p>- The Strategic Raw Materials Team continues to monitor risks associated with critical minerals, evaluating their availability, cost exposure, and ESG impacts to help ensure resilience across our supply chain.</p> <p>- We are enhancing visibility across our upstream supply chains by working with supplier partners to leverage advanced digital traceability tools.</p> <p>- Circular economy proof of concept initiatives are helping us to prepare to meet regulated battery material requirements. This year we demonstrated EV cells manufactured with recovered cathode and anode battery materials alongside Altilium Clean Technology. These cells demonstrated comparable performance against cells containing wholly virgin content.</p> <p>- As the key customer for the Agratas gigafactory, our partnership helps strengthens our long-term sustainability ambitions and supply-chain resilience. Together, we aim to build a responsible, ESG-aligned supply chain with shared commitments to embed circular economy principles. This collaboration will help secure a competitive supply of battery cells and increase confidence in future raw-material availability.</p>

Risk/Opportunity and Classification	Time Horizon	Risk Modelled	Potential Business/ Financial Impact	Business Strategic Response
<p>Transition Risk - Failure to mitigate increased costs from carbon pricing and taxation schemes.</p> <p>Regulatory and governmental policy changes such as carbon pricing and taxation schemes may increase under different climate scenarios.</p> <p><b>Aligns with Principal Risk - Trade fragmentation, global geopolitical and economic environment.</b></p>	M, L	<p>Modelled the potential financial impact from an increase in carbon pricing regulation under three climate scenarios (NZ, DT and BAU).</p> <p>Carbon pricing regulations include national regulations, carbon taxes, emission trading schemes and mechanisms such as the Carbon Border Adjustment Mechanism (CBAM).</p>	<p>An increase in carbon pricing regulation could result in direct compliance costs and indirect increases in production costs passed on by suppliers.</p> <p>The results of the scenario analysis show the quickest potential financial impact (peaking at 2030) under a NZ scenario and the least potential financial impact under BAU scenario.</p>	<p>- We have a decarbonisation ambition to achieve net zero by 2039 - decarbonising sites, products and services - With the aim of reducing our carbon footprint and helping mitigating exposure to carbon taxation.</p> <p>- Working closely with our supplier partners to jointly develop low-carbon options and new capabilities via creation of carbon reduction roadmaps and increased transparency.</p> <p>- Monitoring the development of CBAM legislation with the materials in scope expected to grow and adapting processes and workflows to ensure we are legislatively compliant. 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 CO<sub>2</sub>e data across the industry.</p>
<p>Physical Risk - Failure to mitigate impact of extreme weather events affecting direct operations and the supply chain.</p> <p>Climate change will increase the intensity and frequency of extreme weather events. We rely on our 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.</p> <p><b>Aligns with Principal Risk - Supply Chain Disruptions &amp; Vulnerabilities.</b></p>	S/M/L	<p>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, BAU).</p>	<p>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.</p> <p>The results of the scenario analysis show under all three scenarios an increase in potential financial impact in the long term, as physical risks increase. This is greatest under BAU.</p>	<p>- Our Industrial Operations division continues to improve risk visibility and management across our operations and supply chain.</p> <p>- Use of digital risk sensing tools including climate risk assessment and monitoring: &gt; Ongoing supply chain mapping (multi-tier) for critical supplier and commodities. &gt; Incorporated a Global Disaster Alert Coordination System tool to provide increased visibility and impacts of tropical storms and other extreme events. &gt; Improved response to climate events, supply chain rerouting and material fulfilment.</p> <p>- This year, we completed a project with the Warwick Manufacturing Group to strengthen our understanding of flood-mitigation options and identify actions for potential future implementation.</p> <p>- We have now also completed climate risk assessments for five strategic operations, including our Solihull, Halewood, and Nitra manufacturing facilities, in collaboration with our insurance provider. These assessments have provided detailed insights into climate hazard exposure and potential vulnerabilities. As a result, we are continuing to explore adaptation measures to strengthen resilience.</p> <p>- Ongoing business continuity process, including trained incident management team and resilience forum.</p> <p>- Insurance policy from property damage and business interruption.</p>

Risk/Opportunity and Classification	Time Horizon	Risk Modelled	Potential Business/ Financial Impact	Business Strategic Response
<p>Opportunity - To develop and expand into low-carbon business models and gain reputation as climate leader.</p> <p>As a business we have ambitious targets to deliver emission reductions and provide more sustainable product and services for our clients.</p>	M, L	<p>Modelled the potential financial opportunity related to increased variable profit from changing consumer trends in relation to more sustainable products.</p> <p>Three climate scenarios were used to stress test the opportunity (NZ, DT, BAU).</p>	<p>A larger and more diverse low-carbon product and service offering could result in an improved reputation with current and potential customers resulting in increased sales.</p> <p>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-related credentials.</p> <p>The results of the modelling show opportunity for growth under the NZ and DT scenario in the medium and long term. Under a BAU scenario the growth is limited.</p>	<p>- House of Brands strategy to anticipate and meet client demand.</p> <p>- Open Innovation strategy designed to accelerate next-generation technology and sustainability target through collaborations with start-ups, scale-ups, and like-minded organisations.</p> <p>- InMotion Ventures Studio incubates and accelerates new businesses and services from the ground up, identifying opportunities in mobility and connected services to elevate modern luxury experiences through new digital services and more sustainable innovations. The Studio created The Out and Pivotal, two fast-growing startups within JLR, offering alternative service models to a new target audience otherwise out of reach.</p> <p>These services require updates to our infrastructure, design and engineering to support a more circular approach. We have begun trials on in life refurbishment of the Pivotal fleet and on recovering green parts from end-of-life vehicles. Green parts refurbishment is currently in testing, with results and expansion plans expected next year. We are also preparing trials for multi cycle leasing to help secure a stable feedstock of materials for our future products.</p>

Based on our climate risk modelling and scenario analysis, transition risks continue to pose the greatest potential financial impact, driven by tightening tailpipe emissions legislation and broader policy measures such as carbon pricing and taxation under a Net Zero (NZ) scenario. Although the likelihood of a 1-in-100-year physical climate event is relatively low, we recognise that physical climate risks can still generate significant financial disruption, and these risks are expected to intensify over time. In response, we are maturing our operational climate modelling and developing adaptation and contingency plans for critical sites, while strengthening supply chain resilience through enhanced climate risk sensing, deeper multi-tier mapping, real-time extreme-weather alerts, and improved disruption response capabilities. While we acknowledge uncertainty in climate risks, we consider our current mitigation and resilience measures are appropriate based on the modelling performed.

Key business inputs into the climate models:

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

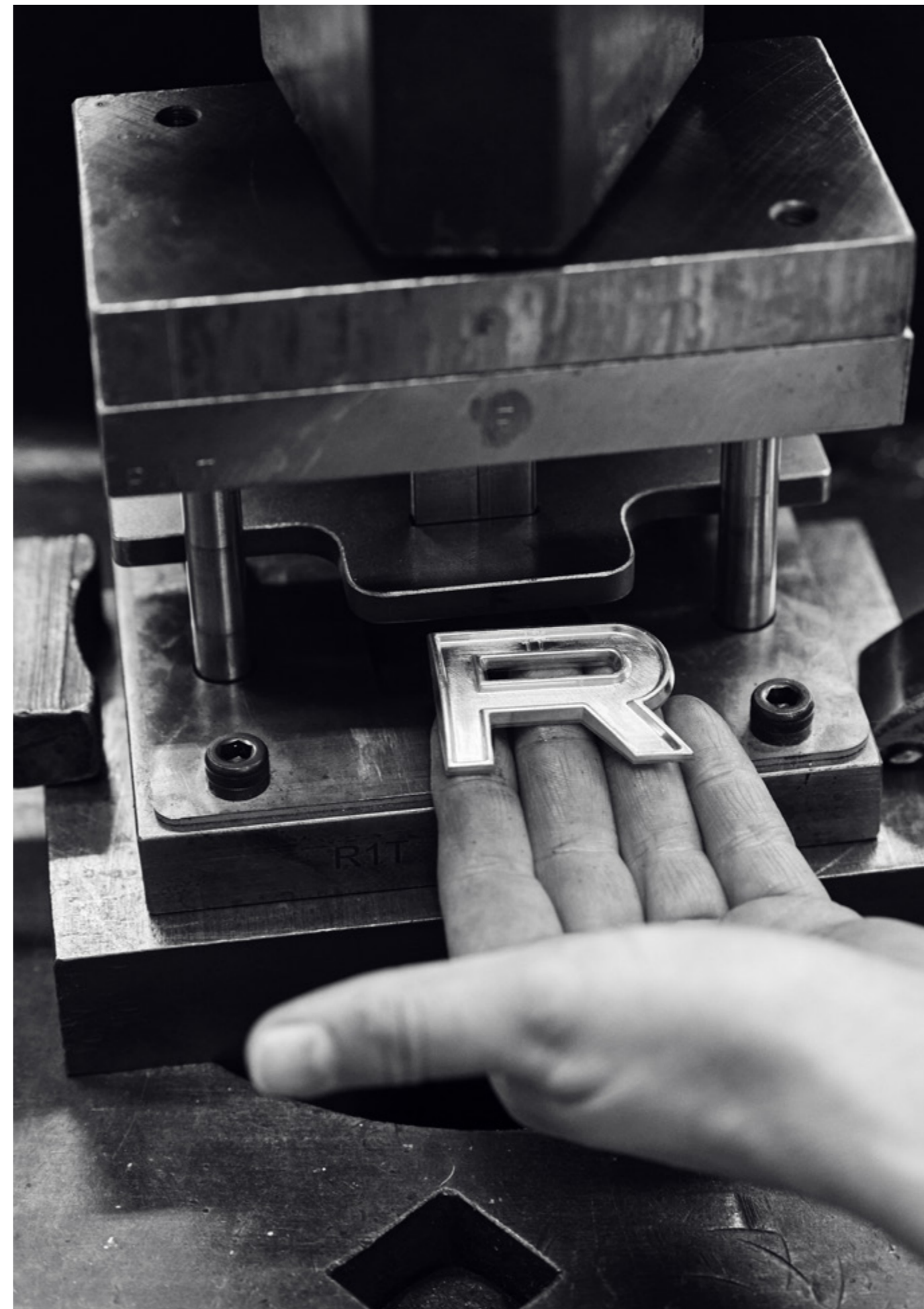
Key Assumptions

- 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 of drought-related water scarcity and the risk of increased material prices due to water stress for critical operations. We also assessed 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 a low financial impact under all three scenarios.

We have continued to conduct climate assessments of our core manufacturing operations with the highest direct dependence on water. Based on these results, we are exploring resilience options for water management at facilities that have indicated potential for high vulnerability. In addition, we have mapped high water usage materials and commodities, prioritising engagement with suppliers of these products. Using digital risk tools, we identified supplier locations with potential water stress and will continue to improve modelling and strengthen collaboration with those most exposed.



## PERFORMANCE DATA TABLES FY25/26: CLIMATE CHANGE

### KEY PERFORMANCE INDICATORS

Ambition	KPI measurement <sup>1</sup>	Baseline year FY19/20	FY25/26
46% reduction by 2030	% reduction in absolute location-based Scope 1 and 2 GHG emissions.	325,942 tCO <sub>2</sub> e	221,307 <sup>Δ</sup> (-32.1%) tCO <sub>2</sub> e <sup>Δ</sup>
60% reduction by 2030	% reduction in Scope 3 GHG emissions from use of sold products per vehicle-kilometre.	255.95 gCO <sub>2</sub> e	241.65 <sup>Δ</sup> (-5.6%) gCO <sub>2</sub> e <sup>Δ</sup>
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 <sub>2</sub> e	61.20 <sup>Δ</sup> (-4.8%) tCO <sub>2</sub> e <sup>Δ</sup>

### GHG EMISSIONS

Metric tonnes CO <sub>2</sub> e (absolute) by emissions source <sup>1</sup>	Baseline year FY19/20	FY25/26
CO <sub>2</sub> e emitted (Scope 1)	160,416	112,041 <sup>Δ</sup>
CO <sub>2</sub> e emitted (Scope 2) location-based (market-based)	165,526 (40,613)	109,266 <sup>Δ</sup> (116,788) <sup>Δ</sup>
CO <sub>2</sub> e emitted (Scope 3)	32,713,013	21,566,206 <sup>Δ</sup>
<b>Scope 3 emissions by category</b>		
i) Purchased goods and services	6,675,250	4,535,246 <sup>Δ</sup>
xi) Use of sold products	26,037,763	17,030,960 <sup>Δ</sup>
Metric tonnes CO <sub>2</sub> e (per vehicle) by emissions source <sup>1,2</sup>	Baseline year FY19/20	FY25/26
CO <sub>2</sub> e emitted (Scope 3)	64.31	61.20 <sup>Δ</sup>
<b>Scope 3 emissions by category</b>		
i) Purchased goods and services	13.12	12.87 <sup>Δ</sup>
xi) Use of sold products	51.19	48.33 <sup>Δ</sup>

### WASTE

Waste generated <sup>1,3,4,5</sup>	FY23/24	FY24/25	FY25/26
Total metric tonnes of waste generated	37,037	35,118	32,512 <sup>Δ</sup>

### WATER

Water withdrawal <sup>1,4,6</sup>	FY23/24	FY24/25	FY25/26
Total cubic metres of water withdrawal	1,616,821	1,622,957	1,471,596 <sup>Δ</sup>

1 Reported data includes only those sites which are within the scope of our SBTi reporting requirements. Calculation scope and assumptions provided in our Energy, Carbon, Waste Generation and Water Withdrawal Reporting Methodology Statement is available to download from 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, EMPG, 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 <sup>Δ</sup> 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 to download from our [corporate website](#).

## UK STREAMLINED ENERGY AND CARBON REPORTING (SECR)

PARAMETER	FY23/24	FY24/25	FY25/26
Energy consumption used to calculate emissions: kWh	1,036,059,427	1,082,092,344	923,505,880 <sup>Δ</sup>
Emissions from combustion of gas tCO <sub>2</sub> e (Scope 1)	99,185	104,290	84,966 <sup>Δ</sup>
Emissions from combustion of fuel, tCO <sub>2</sub> e, including transport (scope 1)	10,729	9,876	7,838 <sup>Δ</sup>
Emissions from business travel in rental cars or employee-owned vehicles where the company is responsible for purchasing the fuel tCO <sub>2</sub> e (scope 3)	1,537	1,987	1,885 <sup>Δ</sup>
Emissions from purchased electricity tCO <sub>2</sub> e (scope 2, location-based)	90,394	94,360	86,210 <sup>Δ</sup>
Total gross tCO <sub>2</sub> e based on above	201,846	210,513	180,899 <sup>Δ</sup>
Intensity ratio: tCO <sub>2</sub> e/£m revenue	6.96	7.3	7.9 <sup>Δ</sup>

For energy efficiency actions please see "Key Initiatives" on pages 61-62. 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 CO<sub>2</sub>e. 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 identify, manage and monitor risks that could influence our long-term, sustainable growth. A disciplined and forward-looking approach to risk will enable us to navigate uncertainty effectively and make informed strategic decisions.

### Defining Risk

Risks are uncertain events or conditions that have the potential to affect our organisational objectives - either negatively or positively. We recognise that risk is inherent in all business activities and that thoughtful risk taking is essential to delivering returns. Effective risk management is therefore critical to achieving our strategic ambitions.

To support this, JLR operates an Enterprise Risk Management (ERM) framework that enables us to identify, assess, manage, monitor and report on the key risks that may influence our business performance and resilience.

The ERM framework places clear emphasis on balancing tactical, near-term risks with long-term strategic risks. This integrated approach helps us remain responsive to operational challenges while proactively preparing for emerging and future threats. The framework operates consistently across the organisation, reflecting the collaborative input of stakeholders and supporting a more engaged, forward looking risk culture.

We continue to assess how effectively individual risk mitigations are operating and monitoring their progress toward the defined target exposure. With an increased focus on assurance activities we can more effectively oversee the organisation, providing confidence that processes and controls are functioning as intended and delivering the expected risk reduction.

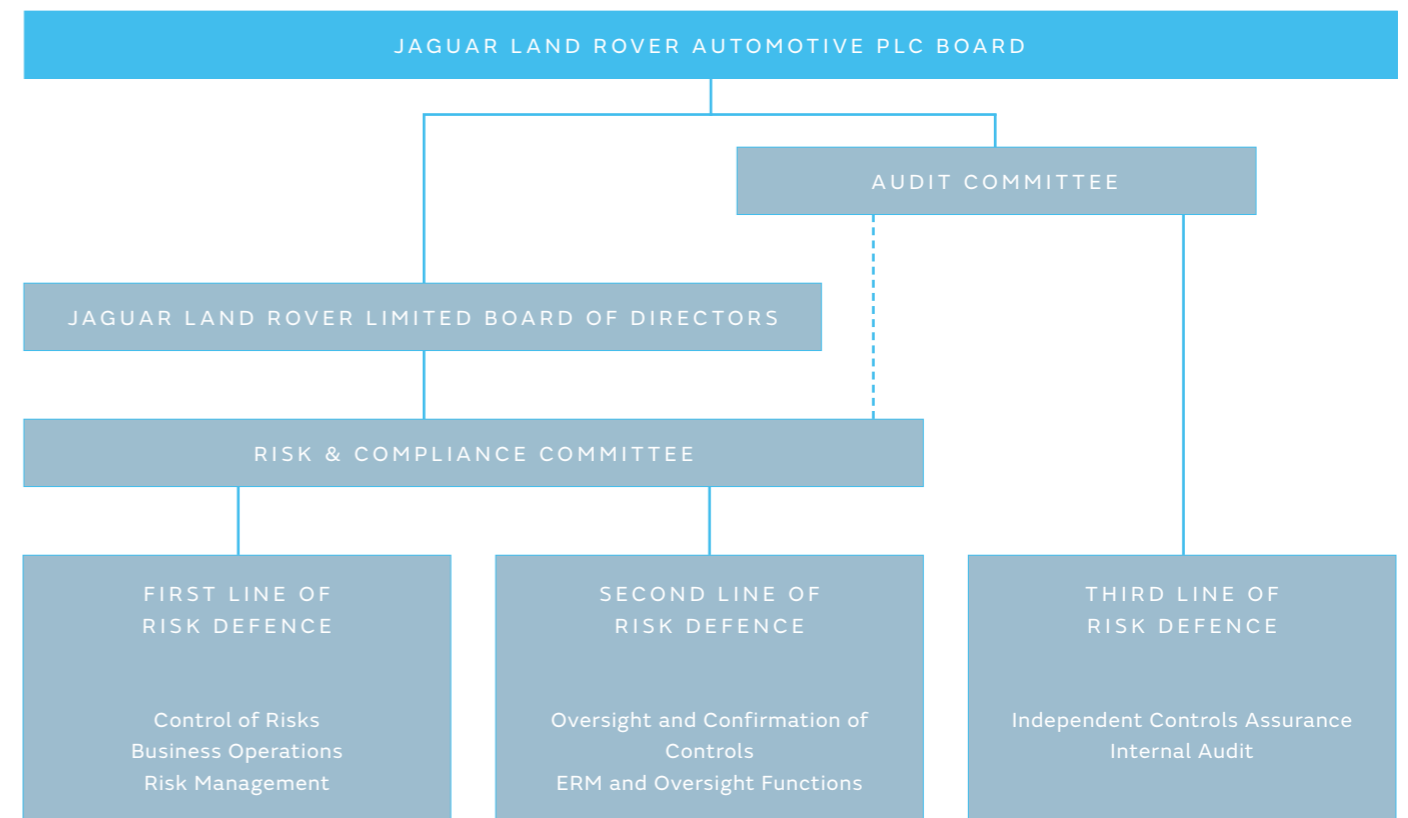
### Responsibility for Risk

The Company's Board of Directors retains ultimate accountability for the management of risks facing the organisation. Day-to-day risk identification, control and mitigation, however, sit with the wider business.

The Risk and Compliance Committee provides oversight of current and emerging risks and monitors progress of remediation activities to bring exposure within acceptable levels. Principal risks and significant exceptions are also reported regularly to the Audit Committee and the Company's Board of Directors to support Board oversight, informed decision making and ensure that appropriate controls are in place to protect the organisation.

### Our Principal Risks

Principal risks represent the most significant risks facing JLR - those that are most material to our performance, long term sustainability and ability to deliver on our strategic objectives. They do not represent all the risks managed within the business and they are not presented in order of priority. They reflect the key areas of focus considered most relevant to our stakeholders and the long term health of the organisation.



# PRINCIPAL RISKS

## Changes to our Principal Risks during FY25/26

Our Principal Risks have continued to evolve throughout the year, with movements in exposure, both upward and downward and shifts in scope, velocity and proximity. As our operating environment becomes increasingly dynamic, we maintain comprehensive oversight of all Principal Risks, so that our risk management approach remains both agile and responsive.

While all risks are continually monitored, we have intensified focus on the areas where emerging pressures and uncertainty are most pronounced. This includes Cyber Security, EV Adoption and Transition, Trade Fragmentation and Geopolitics, and Supply Chain Disruptions & Vulnerabilities.

In addition, Intensifying Market Competition has been elevated and called out separately as a new Principal Risk, reflecting the heightened competitive pressures now facing the organisation and the increasing challenge posed by external market entrants and evolving customer expectations.

STRATEGIC	CONSEQUENCES	MANAGEMENT OF RISK
<p><b>Uncertainty in EV Adoption &amp; Powertrain Preferences</b> ▲</p> <p>The industry is undergoing significant transformation driven by regulation, technology and shifting customer expectations. Uncertainty across government policy, infrastructure, energy costs, consumer confidence and economic conditions affects electrification trajectories. Evolving preferences and regional disparities in incentives and infrastructure create a risk that JLR's product portfolio may diverge from actual market demand during the transition.</p>	<p>The risk that changing regulations, inconsistent consumer demand and unclear market trends could lead to a misalignment between the organisation's product strategy and actual market needs. This could reduce customer uptake, depress sales volumes and create stranded investment in the wrong technologies or infrastructure. It may also hinder compliance with emerging emissions regulations and leave the organisation trailing competitors who adapt more quickly to market direction, ultimately impacting revenue, market share and long term strategic flexibility.</p>	<p>We have adjusted our full EV strategy to incorporate ICE technologies in support of the global market intelligence beyond the launch of our first pure electric Range Rover in 2026 and an all-electric, four-door GT Jaguar in 2027. We continue to closely monitor the pace of EV adoption, legislative change and market acceptance, enabling us to build appropriate response plans and maintain agility and resilience as the transition evolves via our Executive Committee approved propulsion study items.</p>
<p><b>Intensifying Market Competition &amp; Consumer Proposition</b> ▲</p> <p>The automotive sector remains competitive with new entrants joining the market, particularly the electric vehicle segment, as well as rapidly evolving technology, particularly with respect to autonomy, connectivity and electrification.</p> <p>Evolving expectations for digital and in vehicle technology and an integrated end-to-end customer experience, together with macroeconomic, regulatory and geopolitical pressures all need to be managed.</p>	<p>Inconsistent client experience, whether online or through physical retail partners, weakens client satisfaction and our ability to attract and retain clients, ultimately eroding our competitive position and impacting business and financial performance.</p> <p>Our competitiveness is further challenged if we are unable to operate effectively on cost, as lower than expected investment returns may limit our ability to meet financial objectives, reduce net debt, raise new financing, and invest in future products.</p> <p>These risks could be compounded by delays in launching technology intensive products or by products becoming obsolete, which may drive clients to competitor offerings and further reduce sales.</p>	<p>Modern luxury is furthered by our passion to innovate. We prioritise the development of software defined vehicles, including autonomous, connected, electrified and shared technologies.</p> <p>Under our <i>Reimagine</i> strategy our differentiated brands continue to deliver our modern luxury vision to maintain our position in the market. We are also continuing collaboration and partnerships both within the Tata Group and with external organisations in a number of areas to meet our client expectations.</p> <p>In China, as part of our ongoing partnership with Chery we have agreed to license and revive the Freelander name for a new range of vehicles so we have the capabilities, technologies and strategic support needed to meet evolving client expectations.</p> <p>We continue to evolve our transformation approach, aligning it to our <i>Reimagine</i> strategy. In 2025 we developed our 'Enterprise Missions', creating a flexible, always-on approach to focus together on key areas to drive performance, value delivery and fundamental transformation.</p> <p>Market demand is monitored daily to optimise vehicle and parts and accessory deliveries for our retailers and clients.</p>

<p><b>Trade fragmentation, global geopolitical and economic environment</b> ▲</p> <p>JLR faces an increasingly fragmented and volatile outlook of global challenges including political shifts, economic swings, interest rate, currency and commodity price fluctuations, trade tensions and protectionism impacted by geopolitical forces, major conflicts, climate related disruptions and regulatory divergence. Given the global nature of where we sell our products/services and buy our commodities, the risk landscape is complex, significant and wide ranging.</p> <p>Rising geopolitical tensions, and events such as the conflict in the Middle East, are reshaping global trade and increasing uncertainty across supply chains, the risk of sudden disruptions and increased business costs.</p>	<p>The risk that new tariffs, regulatory barriers and political tensions may significantly increase costs, disrupt supply chains and limit market access for key products and materials. Restrictions and conflicts could force rerouting of shipments, create delays, and raise compliance burdens, while new tariffs may diminish profitability through added cost pressures across global manufacturing and sales operations. Rising geopolitical unpredictability could also impede long-term planning and compel the organisation to localise production or diversify sourcing to reduce regional exposure, adding further complexity to supply chains and cost to global operations. Slower economic growth in key markets could result in weaker demand, and adverse currency or commodity price movements could also result in weaker performance.</p> <p>As a result, our business could be adversely affected through lower sales of finished vehicles, delays to vehicle deliveries, and increasing material and logistics costs, particularly in markets most exposed to regulatory and geopolitical disruption.</p>	<p>We continue to closely monitor, assess and implement mitigation plans in response to the turbulent trade, geopolitical and economic landscape. This work is supported by foresight intelligence and scenario planning so we can strengthen our forward-looking capabilities and build resilience to different future outcomes. Our diverse global customer base gives us flexibility to respond to regional demand changes by adjusting and rebalancing our sales mix across markets, and we can refine product features or content if supply challenges arise through insights from our enhanced supply chain risk-management framework. We manage interest rate, currency, and commodity price risk according to our treasury policy.</p> <p>We also continue to track global tariff environments, geopolitical events, and macroeconomic conditions closely to manage their impacts as effectively as possible.</p>
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OPERATIONAL	CONSEQUENCES	MANAGEMENT OF RISK
<p><b>Supply Chain Disruptions &amp; Vulnerabilities</b> ▲</p> <p>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. Increased geopolitical tensions, conflicts and increased frequency of extreme weather events can create challenges which need to be managed.</p> <p>The transition to electrification increases dependence on critical minerals, some of which are sourced from geopolitically sensitive regions.</p>	<p>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.</p> <p>Constrained access to essential inputs such as lithium, cobalt and nickel may lead to production delays, increased manufacturing costs and disruptions to EV rollout plans. Price volatility or geopolitical instability in key sourcing regions could intensify these pressures, especially where supply chains rely on politically sensitive markets. As a result, manufacturing efficiency may decline, growth targets may be jeopardised and the organisation could face weakening competitiveness in the rapidly evolving EV market.</p>	<p>The industrialisation of JLR's risk management framework has significantly enhanced our ability to recover from events affecting our global value chains and improved the speed and consistency of communication during disruptions. We continue to assess emerging and ongoing challenges across our supply chain and are strengthening resilience by introducing a range of enhanced risk-monitoring and early-detection mechanisms.</p>
<p><b>Cybersecurity &amp; Digital Estate Integrity</b> ▲</p> <p>As the sector becomes increasingly information-enabled and technology-driven, the continued strengthening of information security remains a core priority in safeguarding clients, protecting operations and supporting JLR's long-term, profitable sustainability.</p> <p>As JLR expands its digital transformation and connected vehicle capabilities, the overall cyber landscape that must be navigated continues to develop.</p> <p>Cybersecurity risks across all sectors remain elevated, reflecting the continually evolving tactics and techniques deployed by threat actors globally. These global cybersecurity risk themes continue and can range from isolated, uncoordinated attempts to highly sophisticated and targeted attacks, referred to as advanced persistent threats.</p>	<p>As referenced in the Strategic Report on page 22 JLR suffered a cyber incident during 2025.</p> <p>As cyber incidents can be caused by events beyond an organisation's control, there can be no assurance that we will not experience another cyber incident in the future.</p> <p>Depending on the nature and scale of any such event, the occurrence of another cyber incident could impact our reputation, our competitive business position and could result in business interruption, legal and regulatory action, as well as remediation costs, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects.</p>	<p>Like most large organisations, JLR maintains a risk-based global information security programme which is governed through board and executive oversight including committees and management forums. The Vehicle Systems environment is certified against UNECEr155 and its information security programme is aligned to recognised standards, such as ISO27001.</p> <p>This programme is documented in an Information Security Management System which includes written information security policies, standards and procedures that are periodically reviewed.</p>
<p><b>IT Infrastructure</b> ◀▶</p> <p>JLR's Reimagine strategy relies on technology transformation to advance its vision and define a new era of automotive excellence. Modern IT infrastructure and digital capabilities enable cloud adoption, enhanced vehicle technology and real time operational insight. As digital expectations rise, a stable technology landscape is key to delivering a superior client experience.</p>	<p>As JLR continues to become more information-enabled and powered by technology, there is an increasing threat of disruption to mission-critical applications and IT infrastructure. As customer expectations increasingly revolve around digital experiences, impacts to IT systems and networks could cause an outage across our enterprise, hindering our ability to conduct essential business transactions or activities.</p>	<p>JLR is investing in further strengthening our systems. We have engaged a number of third-party experts to assist in developing strategic enhancements to our security programme. These enhancements will focus on further strengthening controls, elevating cyber defences, and building additional capability. These steps will support JLR's ability to deliver its Reimagine strategy.</p>

OPERATIONAL	CONSEQUENCES	MANAGEMENT OF RISK
<p><b>Data Management</b> ◀▶</p> <p>JLR recognises data and AI as strategic assets essential to digital transformation in a rapidly evolving, AI enabled environment.</p> <p>Strong data and AI management are critical to ensure the quality, integrity, and responsible use of AI across the enterprise.</p>	<p>Failure to manage data and AI effectively exposes JLR to regulatory sanctions, operational disruption, and reputational harm.</p> <p>Poor data quality or uncontrolled use of AI would undermine our ability to deliver trusted digital services, meet client expectations, and remain competitive, potentially reducing market confidence, investment appetite, and overall business performance.</p>	<p>Strong and responsible data and AI management underpins operational excellence and the delivery of future digital capabilities.</p> <p>We continue to strengthen our data and AI controls to unlock value responsibly, comply with evolving regulations, whilst protecting the organisation from emerging risks.</p> <p>These measures help protect our information and digital infrastructure, support compliance with evolving regulation, and enable JLR to harness emerging technologies safely, responsibly, and in ways that generate sustainable value.</p>
<p><b>People capability and capacity</b> ◀▶</p> <p>To deliver its strategic and operational plans in an increasingly dynamic external environment, JLR needs an effective, efficient and high-performing workforce with core and critical skills in both current and emerging areas; and a culture underpinned by a physically and psychologically safe, secure and inclusive environment that enables people to perform at their best over the short and longer term.</p>	<p>If we are unable to attract, support, sustain colleague resilience and capacity and retain the best diverse talent and critical skills in an increasingly competitive environment, our ability to continually innovate and deliver high quality modern luxury brands, products and services to our clients will be impacted.</p>	<p>We continue to focus on creating the conditions for sustainable high performance. Cultural transformation remains central to our plans as we connect our people to our Purpose and embed the Creators' Code in our policies, processes, and ways of working. We are strengthening leadership capability and team effectiveness, while maintaining a clear focus on wellbeing, psychological safety and diversity, equity, and inclusion. We monitor colleague insight to identify pressure points and take action to improve resilience, prioritisation, and capacity. We also continue to build the skills and capabilities we need through strategic workforce planning, early careers, talent attraction, internal mobility and targeted upskilling and reskilling programmes.</p>

LEGAL AND COMPLIANCE	CONSEQUENCES	MANAGEMENT OF RISK
<p><b>Environmental regulations and compliance</b> ◀▶</p> <p>JLR operates within a rapidly evolving environmental regulatory landscape affecting both facilities and vehicles. The shift from fossil fuels to renewable energy increases environmental compliance challenges, particularly regarding tailpipe emissions and broader carbon related requirements linked to manufacturing and operational activity.</p>	<p>We incur additional compliance costs to avoid facing significant civil and regulatory penalties. Our competitors may gain an advantage by adopting new emissions-reducing and fuel-efficient technologies before we do. 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.</p>	<p>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.</p> <p>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 more than 90 per cent of our sales in regulated markets.</p>
<p><b>Litigation / regulatory</b> ◀▶</p> <p>The litigation process carries inherent uncertainty, and outcomes are not predictable. JLR faces a range of ongoing legal proceedings, claims and government investigations, including matters related to vehicle safety, component or design defects, emissions, competition, regulatory compliance, labour, contractual relationships, intellectual property, warranties and environmental issues.</p>	<p>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.</p>	<p>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</p>

## INTRODUCTION TO GOVERNANCE

### Statement of Corporate Governance Arrangement

For the year ended 31 March 2026, 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).

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, but also how they have had regard to the requirements of Section 172 (1)(a) to (f) of the Companies Act 2006 (the Act).

The following section summarises how the Group has applied the Wates Principles over the past year and how the Company's Board of Directors have considered the matters set out in Section 172(1)(a) to (f) of the Act.

The Company's Board of Directors understands the importance of effective corporate governance and remains committed to ensuring high standards of governance underpin the Group's core values and the delivery of its strategy.

### WATES PRINCIPLE 1 – PURPOSE AND LEADERSHIP

The Company's Board of Directors provides clear leadership by defining, promoting and overseeing the Group's ambition to become a creator of modern luxury vehicles through its *Reimagine* strategy. This focuses on transforming JLR into a modern luxury house of brands, with clients and sustainability at its heart, guided by JLR's Purpose, Live the Exceptional with Soul. This is underpinned by delivering exceptional client experiences, strengthening the desirability of our luxury brands and ensuring the Group is positioned for long-term success.

The Board ensures that JLR's purpose is reflected in its strategy, values and culture by providing oversight of key strategic developments, including investment in next-generation electric products, global manufacturing transformation and organisational redesign to support modern luxury delivery. Leadership also plays a central role in shaping organisational culture, and the Board believes that the JLRL Board and executive leadership team have the right capabilities, experience and alignment to drive the Group's strategy forward.

The Group's strategy is directly connected to its sustainability ambition. As part of *Reimagine*, JLR's ambition is to achieve net zero by 2039 across direct product emissions, operations and supply chain, supporting the transition to a clean and responsible luxury automotive future. In FY25/26 the Group achieved a significant reduction in Scope 1 and 2 emissions through continued improvement in energy efficiency and the installation of increased renewable energy capacity aligned with our strategic focus areas, and continued to make progress to reduce emissions associated with our upstream value chains.

The Group's purpose is reinforced by the ongoing championing of innovation and product leadership, with the Board overseeing significant launches such as the Range Rover Electric and the unveiling of the first new Jaguar, strengthening brand desirability and aligning product development with the company's modern luxury identity. The Board continues to develop and promote the Group's purpose by rigorously reviewing its strategy, performance, responsibilities and accountability, allowing it to ensure that every decision made is in the long-term best interests of the Group and is grounded in its business model.

The Company's Board of Directors actively oversees and challenges the Group's direction through its committees and engagement with key internal stakeholders. This includes careful consideration of economic, geopolitical, and environmental factors, such as shifts in global trade conditions, which may influence the Group's purpose and strategic priorities. Constructive and ongoing dialogue with trade unions and employee representatives remains central to maintaining a resilient business model and supporting sustainable growth. Empowering stakeholders to contribute to key decisions is a core element of how the Group ensures that its purpose is embedded across the organisation.

Further detail on the composition, areas of strategic focus, and the structure and responsibilities of the Company's Board of Directors and its committees is set out within this Corporate Governance Report, demonstrating how leadership aligns with and supports the Group's global business strategy.

Details of individual directors' attendance at the Company's Board of Directors and Committee meetings during FY25/26 are shown in the following table:

#### Board Meeting Attendance

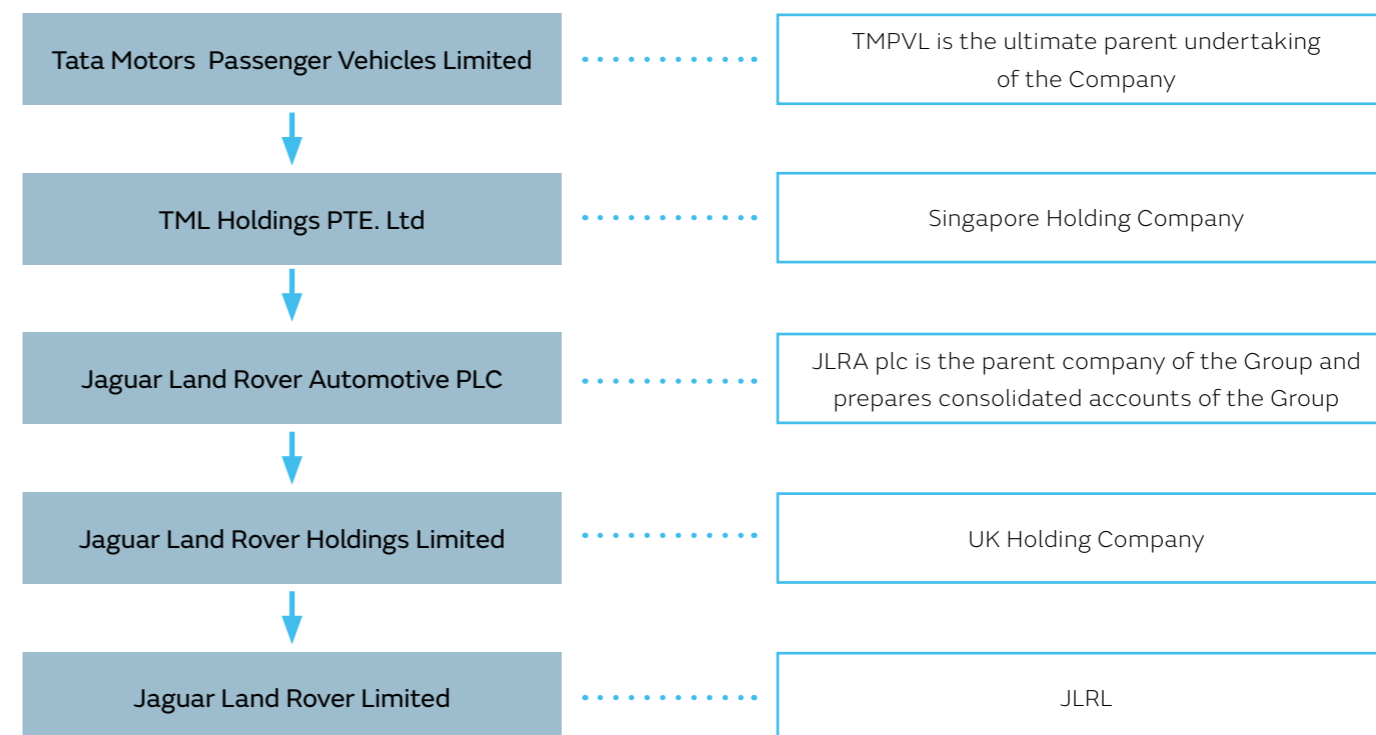
Name of Director	Board	Audit Committee	Nomination and Remuneration Committee
Adrian Mardell <sup>1</sup>	4 of 4		
Pathamadai Balaji <sup>2</sup>	6 of 6	3 of 3	
Natarajan Chandrasekaran	6 of 6		2 of 2
Richard Molyneux <sup>3</sup>	1 of 1		
Charles Nichols	6 of 6	5 of 5	
Al-Noor Ramji	6 of 6	5 of 5	
Hanne Sorensen	6 of 6	5 of 5	2 of 2
Prof. Sir Ralf Speth <sup>4</sup>	3 of 3		

1. Adrian Mardell resigned as CEO on 17 November 2025 and as a Director on 31 December 2025  
 2. Pathamadai Balaji was appointed as CEO on 17 November 2025  
 3. Richard Molyneux was appointed as a Director on 1 March 2026  
 4. Prof. Sir Ralf Speth resigned as a Director on 30 September 2025

## WATES PRINCIPLE 2 – BOARD COMPOSITION

### Group Structure

The Group has been a wholly-owned subsidiary of Tata Motors Passenger Vehicles Limited (TMPVL) (formerly known as Tata Motors Limited), in which Tata Sons is the largest shareholder, since 2008. Tata Motors Limited changed its name to TMPVL in October 2025, following a demerger which separated its commercial and passenger vehicle businesses. This change does not impact the ownership structure or operations of the Group. The Group structure is set out below:



### Division of Responsibilities

A clear division of responsibilities is maintained through the separate roles of the Chairman and the Chief Executive Officer, ensuring an appropriate balance of authority, responsibility and strategic oversight. The Board is further supported by the Non Executive Directors, the Chief Financial Officer and the Company Secretarial team, each of whom contributes to the maintenance of strong governance and effective leadership across the Group.

#### CHAIRMAN OF THE COMPANY'S BOARD OF DIRECTORS

The Chairman is responsible for leading the Company's Board of Directors, overseeing its governance and ensuring effective board performance. The Chairman takes full account of the issues and concerns of the other directors and acts as a link between, the Company's Board of Directors, senior management and external stakeholders.

#### NON-EXECUTIVE DIRECTORS

Non-Executive Directors constructively challenge the Chief Executive Officer and monitor the delivery of the Group's strategy by providing strategic guidance within the risk and controls environment set by the Company's Board of Directors.

CHIEF EXECUTIVE OFFICER (“CEO”)

The CEO is responsible for the overall management of the Group, through the development and implementation of the Group’s long-term strategy. They lead and oversee the day-to-day operations of the Group and, together with the JLRL Board and Executive Committee, manage the Group’s risk profile.

CHIEF FINANCIAL OFFICER (“CFO”)

The CFO is responsible for the financial health and performance of the Group. They also act as a strategic partner to the CEO in influencing and driving future strategic initiatives of the Group.

COMPANY SECRETARY

The Company Secretary has a key role to play in ensuring that the Group complies with the rules and regulations to which it is subject. To enable the effective functioning of the Company’s Board of Directors, they manage and provide guidance on corporate governance matters, monitor legislative developments that may impact the Group, and support the Directors with discharging their statutory duties.

### Board Composition

The Company’s Board of Directors remains committed to cultivating a culture that empowers colleagues, supports adaptability and professional development, and reinforces trust through respect, integrity and transparency. The Board conducts evaluations of its collective skills, experience, knowledge and independence to ensure that its composition remains appropriate for the effective stewardship of the Group. Initiatives across the wider organisation continue to promote diversity and equal opportunity, supporting the development and progression of colleagues into senior leadership roles.

### *The Company*

Prof. Sir Ralf Speth resigned as a Director of the Company in September 2025, and Adrian Mardell retired as CEO of the Group in November 2025 and Director of the Company in December 2025. Adrian was succeeded by P.B Balaji, who has been a Director of the Company since 2017, and was appointed as CEO of the Group and as a Director of JLRL in November 2025. P.B Balaji is a global finance professional with almost three decades of experience in the corporate sector spanning the FMCG and Automotive industries. He joined from TMPVL, where he served as CFO and was responsible for financial performance, helping TMPVL achieve its strategic goals while driving profitable and sustainable growth.

Richard Molyneux was also appointed as an Executive Director of the Company in March 2026. Mr Molyneux, whose career in Finance in the automotive sector spans over 30 years, has been the Group’s Chief Financial Officer and a Director of JLRL since December 2022. Biographies of the Company’s Board of Directors can be found on our [corporate website](#).

The Company’s Board of Directors is considered to be appropriately constituted, with each Director contributing the depth of expertise, professional insight and judgement necessary to facilitate robust debate, constructive challenge and well informed decision-making. Directors are provided with comprehensive, accurate and timely information, enabling them to work cohesively and to fulfil their responsibilities in shaping and overseeing the Group’s strategic direction. Regular briefings on strategic developments ensure that the Board remains fully equipped to discharge its duties effectively.

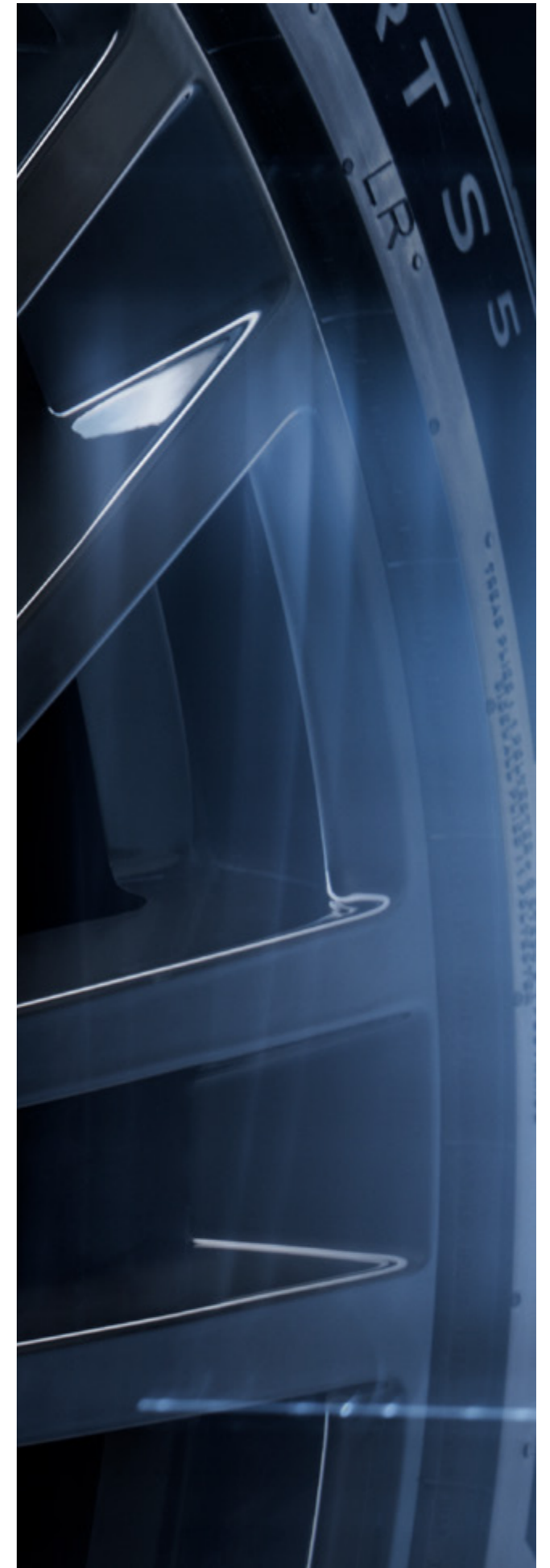
### *JLRL*

To support good governance and ensure appropriate focus between strategic oversight and operational execution, the JLRL Board established an Executive Committee as part of its governance framework, effective 1 April 2026. The Executive Committee has been delegated authority for the day to day operational leadership of the Group, and is comprised of the Company’s Executive Directors and remaining JLRL C-suite members, who are considered to have the collective skills, experience and capacity required to manage the business effectively.

The JLRL Board was reconstituted so that, with effect from 1 April 2026, it comprises P.B Balaji, as CEO, Richard Molyneux, as CFO, and Al-Noor Ramji, as Non-Executive Director. This structure enables the JLRL Board to maintain a balanced composition focused on long term strategy, culture and accountability, whilst empowering executive leadership to make timely and informed operational decisions. The delegation of authority to the Executive Committee enhances clarity of roles and responsibilities, strengthens decision making efficiency, and supports a well governed separation between oversight and execution.

During the year, Swarna Ramanthan stepped down as Chief Strategy Officer to pursue new opportunities, and Gerry McGovern stepped down as Chief Creative Officer to establish his own creative consultancy. Since 2004, Gerry has overseen the design direction of Range Rover, Defender, and Discovery, including the Range Rover Evoque, Velar, two generations of the Range Rover and Range Rover Sport, and the modern day Defender. More recently, he also assumed responsibility for Jaguar and led the development of the refreshed brand strategy, beginning with the reveal in Miami of the Type 00 concept in 2024. The JLRL Board is undertaking a search for senior design leadership.

Alongside this, Balaje Rajan and Naveen Krishna joined as Group Chief Strategy Officer and Chief Information and Digital Officer respectively.



## LEADERSHIP

### The Company's Board of Directors



**Natarajan Chandrasekaran**

Non-Executive Director and Chairman

Appointed 24 February 2017



**PB Balaji**

Chief Executive Officer

Appointed as CEO 17 November 2025  
Appointed as Director 7 December 2017



**Richard Molyneux**

Chief Financial Officer

Appointed Director 1 March 2026



**Charles Nichols**

Non-Executive Director

Appointed 24 January 2022



**Al-Noor Ramji**

Non-Executive Director

Appointed 24 January 2022



**Hanne Sørensen**

Non-Executive Director

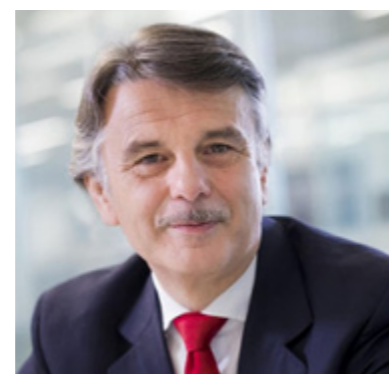
Appointed 15 August 2018



**Adrian Mardell**

Former CEO

Resigned as CEO 17 November 2025  
Resigned as Director 31 December 2025



**Prof. Sir Ralf Speth**

Former Non-Executive Director

Resigned 30 September 2025

### Executive Committee

The Executive Committee was constituted on 1 April 2026 and comprises the following:



**PB Balaji**

Chief Executive Officer



**Richard Molyneux**

Chief Financial Officer



**David Berry**

Chief Legal Officer



**Nigel Blenkinsop**

Chief Operations Officer



**Lennard Hoornik**

Chief Growth Officer



**Russell Leslie**

Chief Quality and Trust Officer



**Steve Marsh**

Chief Programme Delivery Officer



**Thomas Müller**

Chief Technology Officer



**Qing Pan**

Global Chief Procurement Officer and  
President of JLR China

Executive Committee continued:



**Balaje Rajan**  
Group Chief Strategy Officer



**Chris Thorp**  
Chief of Staff and Corporate Affairs Officer



**Dave Williams**  
Chief People Officer



**Naveen Krishna**  
Chief Information and Digital Officer

**WATES PRINCIPLE 3 – DIRECTOR RESPONSIBILITIES**

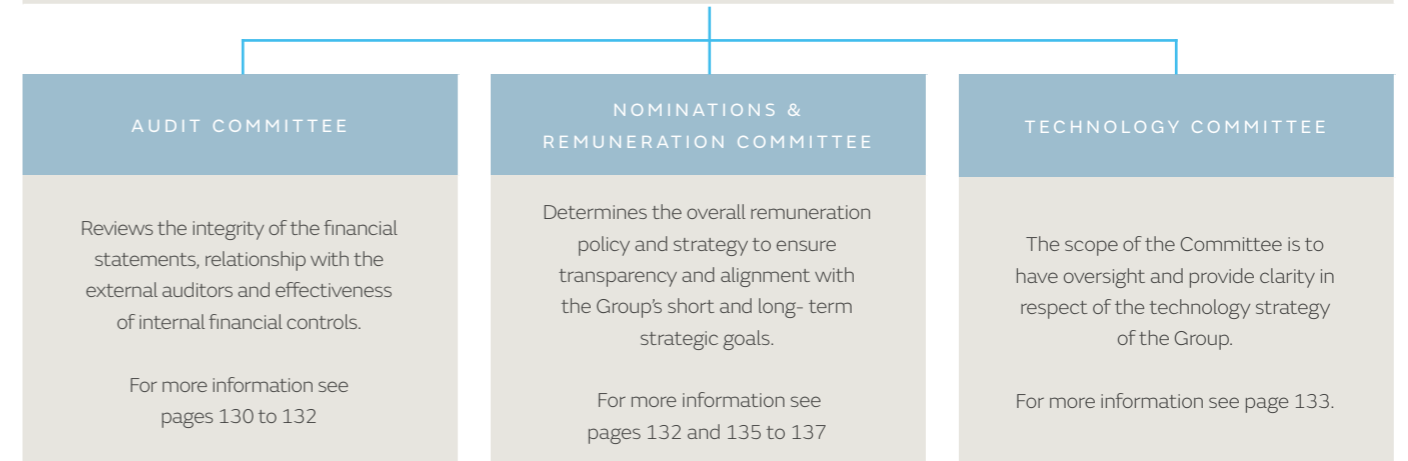
The Company’s Board of Directors maintains a clear and robust governance framework that defines the responsibilities and accountabilities of directors. This structure enables effective decision making, rigorous independent challenge, and strong oversight across all aspects of the business.

This section provides an overview of the responsibilities, remit and areas of focus of the Group’s committees, each of which plays a critical role in supporting the Board’s governance and oversight responsibilities. Good governance is reinforced through the regular and structured work of these committees, which evaluate key matters within their respective domains and facilitate informed and effective decision making by the Company’s Board of Directors.

**JAGUAR LAND ROVER AUTOMOTIVE PLC BOARD OF DIRECTORS**

The Company’s Board of Directors provide entrepreneurial leadership to the business within a framework of prudent and effective controls which enables risk to be assessed and managed. The Board sets the strategic aims of the JLR business and, supported by its committees, works to ensure that the necessary financial and human resources are in place to meet business objectives.

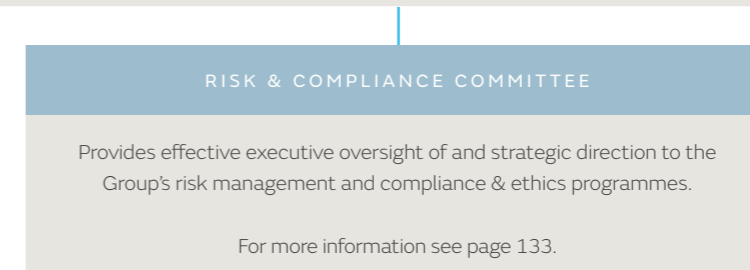
The Board retains full responsibility for key matters such as strategic direction, financial oversight, risk management and major capital investments, and ensures that JLR’s purpose is reflected in its strategy, values and culture.



**JAGUAR LAND ROVER LIMITED BOARD OF DIRECTORS**

The Company’s Board of Directors has delegated certain responsibilities to the JLRL Board, and with effect from 1 April 2026, the Executive Committee, which includes day-to-day management and operational decisions. The JLRL Board, together with the Executive Committee, operates under the direction and authority of the Chief Executive Officer, who supports the execution of the Group’s strategy, including evaluating the Group’s performance against budget and forecast.

The Company’s Board of Directors oversees the JLRL Board and Executive Committee through structured reporting, performance monitoring and review of strategic delivery, ensuring accountability for delegated matters while retaining authority over material corporate decisions.



## 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 in and transformation of our production facilities to support the Group's ambition to become an electric-first luxury car manufacturer by 2030;
- progressing engineering and development of next-generation vehicles;
- delivery of new and complementary partnerships and development of existing collaborations to enable successful delivery of our *Reimagine* strategy; and
- continuous review and monitoring of external risk factors and successful navigation of global market pressures.

### Evaluation

The Company's Board of Directors includes experienced Non-Executive Directors who bring external perspective, providing independent challenge to management's plans and assumptions. Their role is essential in overseeing the Group's transformation into a modern luxury vehicle manufacturer and ensuring that strategic initiatives are grounded in long-term value creation. Board processes are designed to encourage constructive debate, with formal committee structures providing deeper scrutiny over specialist areas such as audit, risk and remuneration.

The Company's Committees and the Executive Committee provide direct feedback to the Company's Board of Directors quarterly, to ensure appropriate escalation and management of risks across the business.

## OVERSIGHT

### AUDIT COMMITTEE

#### Composition of the Audit Committee

- Charles Nichols (Chairperson)
- Hanne Sørensen
- Al-Noor Ramji
- Pathamadai Balaji (until November 2025)

#### 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 role and effectiveness of Corporate Audit, ensuring coordination with the activities of the external auditor;
- Develops and recommends to the Board the policy on the provision of non-audit services by the external auditor; and
- 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*

The Audit Committee carried out its responsibilities through a structured programme of work during FY25/26. Over the course of the year, the Committee met five times with both management and the external auditor as part of the annual and quarterly reporting approval process. These meetings ensured that the Audit Committee members received the information necessary to exercise informed and independent challenge in relation to the Company's financial reporting obligations.

As part of its duties, the Audit Committee undertook a detailed review of the draft financial statements and supporting documentation to satisfy itself that the statements presented were fair, balanced and understandable, and provided shareholders with the information required to assess the Company's performance, business model and strategy. This oversight included:

- reviewing significant accounting judgements presented by management to ensure that all material issues were appropriately addressed and supported by clear evidence;
- assessing the adequacy, clarity and completeness of disclosures, including the presentation of key financial information and narrative reporting;
- evaluating documentation supporting the going concern assessment, ensuring that underlying assumptions and modelling were sufficiently robust; and
- reviewing external audit reports, including areas of audit focus and findings, to assess the effectiveness of the external audit process and any matters requiring further attention.

During the reporting period, the Committee's work focused on several key matters requiring oversight and judgement, including the financial impact of revenue recognition, assessment of cash generating units, alternative performance measures, the capitalisation of product engineering costs, deferred tax asset recognition, supplier claims, exceptional items and changes in warranty cost assumptions. The Committee scrutinised these areas to ensure appropriate accounting treatment and transparent disclosure.

#### *Internal Controls*

The Audit Committee oversaw a comprehensive review of the Group's internal controls and risk management framework during the year. The Committee evaluated the effectiveness of internal control over financial reporting, including the identification and assessment of any significant deficiencies in system design or operation that could adversely impact the accuracy, completeness or reliability of the Group's financial data. The Audit Committee also received regular presentations and reports from the external auditor, Business Assurance and Corporate Audit. These inputs enabled Committee members to evaluate control performance, identify potential weaknesses, and ensure appropriate remediation plans were in place. Relevant findings and updates were subsequently reported to the Company's Board of Directors, ensuring clear accountability, transparent escalation and oversight consistent with good governance practice.

#### *Cyber Incident*

Following a cyber incident in the second quarter of the fiscal year, the Audit Committee reviewed the impact on internal controls, financial reporting, assurance, and compliance. They received presentations and reports from Business Assurance and Corporate Audit on the business response, recovery efforts and considered how the

cyber incident would be covered through additional disclosures in the Annual Report.

### **Corporate Audit**

The Audit Committee reviewed the performance and effectiveness of the Corporate Audit function, which included annual consideration of the Corporate Audit Charter, the Audit Plan, resourcing levels, and outputs from assurance work conducted during the year.

### **External Audit**

The Audit Committee continued to monitor the effectiveness and independence of the Company's external auditor, KPMG LLP. They reviewed significant audit matters raised during the audit process and discussed with KPMG how these matters had been addressed within the financial statements. To safeguard auditor objectivity, the Committee applied the Group's non-audit services policy, which restricts the types of non-audit work KPMG may perform and sets stringent approval requirements. Under this policy, non-audit services may only be provided where there is a compelling justification and where independence will not be impaired. Accordingly, the Audit Committee reviewed and approved all non-audit services undertaken during the year and was satisfied that these services did not compromise KPMG's independence. KPMG non-audit fees for the year totalled £0.9 million (2025: £0.8 million), representing nine per cent (2025: nine per cent) of the total fees paid for audit and audit related assurance services.

## **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 also supported by the Chief People Officer and the Director of Global Reward & Mobility.

### **Role of the Nominations and Remuneration Committee**

- Reviews the structure, size and composition of the Company's Board of Directors and the Executive Committee;
- Responsible for the Company's Board of Directors and Executive Committee succession planning;
- Reviews the results of performance reviews of the Company's Board of Directors and JLRL executive directors;
- Reviews workforce remuneration and related policies;
- Approves remuneration of the Company's Board of Directors, the JLRL Board and the Executive Committee; and
- Approves the Global Bonus and LTIP metrics and assesses performance against these.

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.

For further information regarding the Nominations and Remuneration Committee and remuneration matters of the Group, please see pages 135 to 137.

## **TECHNOLOGY COMMITTEE**

### **Composition of the Technology Committee**

- Al-Noor Ramji (Chairperson)
- Hanne Sørensen

### **Role of the Technology Committee**

- Review Future Technology Roadmap – overall research and service roadmap review;
- Review Enterprise Delivery Enablers – consideration of digital transformation in alignment with agile operating model; and
- Assess Global Technology Footprint – technological approach for the Group.

## **RISK AND COMPLIANCE COMMITTEE**

### **Composition of the Risk & Compliance Committee**

- Chief Transformation Officer (Chairperson)
- Executive Committee
- Director of Compliance, Ethics & Risk
- Chief Sustainability Officer

### **Role of the Risk & Compliance Committee**

- 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.

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 & Cyber Security; and
- Strategic Incident Management and Business Continuity Planning.

## **EXECUTIVE COMMITTEE (WITH EFFECT FROM 1 APRIL 2026)**

### **Composition of the Executive Committee**

- The Company's Executive Directors
- JLRL C-Suite members

### **Role of the Executive Committee**

- Responsible for day to day operational management of the Group, to drive effective and faster decision-making.

## WATES PRINCIPLE 4 – OPPORTUNITY AND RISK

We are committed to identifying, managing and monitoring the risks and opportunities that could influence our long-term sustainable growth. Risks represent uncertain events that may impact our strategic objectives either positively or negatively, and we recognise that risk is inherent in all business activity. Effectively balancing risk and return is therefore essential to achieving our strategic ambitions.

To support this, JLR operates a comprehensive Enterprise Risk Management (ERM) framework that enables us to systematically identify, assess, manage, and continuously monitor the key risks that could affect our business. This structured approach ensures that risk considerations are integrated into strategic planning, operational decision-making and performance management.

The Executive Committee retains overall accountability for the governance and oversight of risk across the organisation. Day to day responsibility for proactive risk management and control sits with the wider organisation, ensuring that risks are addressed at the appropriate operational level.

The Executive Committee, through the Risk and Compliance Committee, oversees current and emerging risks and monitors progress against remediation actions to maintain an acceptable level of exposure and control. Principal risks and significant exceptions are regularly reported to the Audit Committee, supporting informed decision making and ensuring that adequate controls and assurances are in place to protect the Group.

Please refer to pages 38 to 41 for details of the Group's operating environment and pages 116 to 120 for a list of all emerging and principal risks, including assessment and categorisation of principal risks and actions to mitigate.



## WATES PRINCIPAL 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 short and long-term incentive plans for senior executives.

### 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:

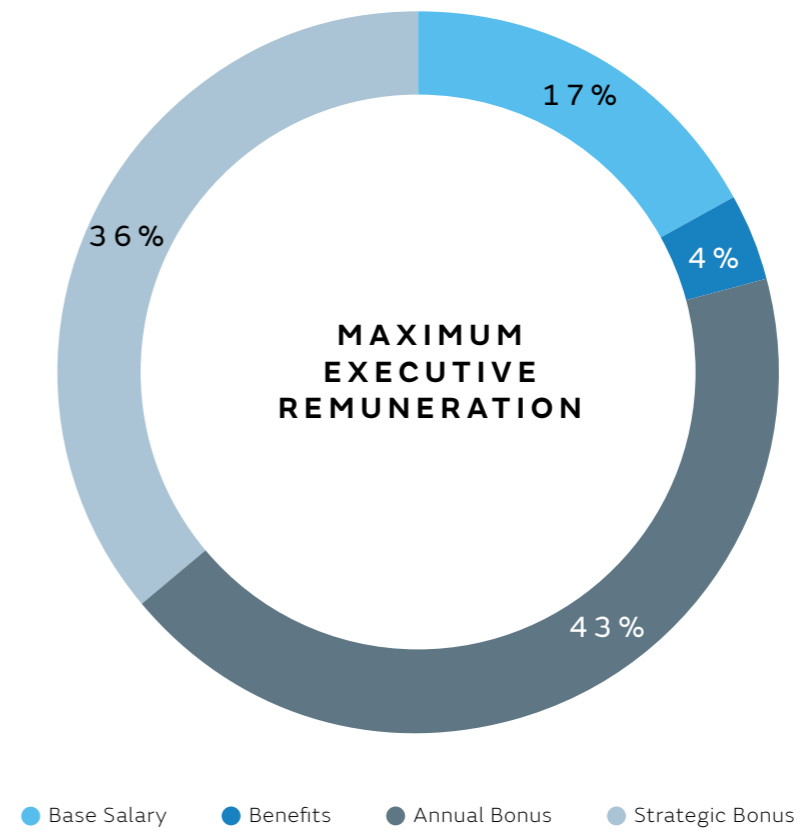
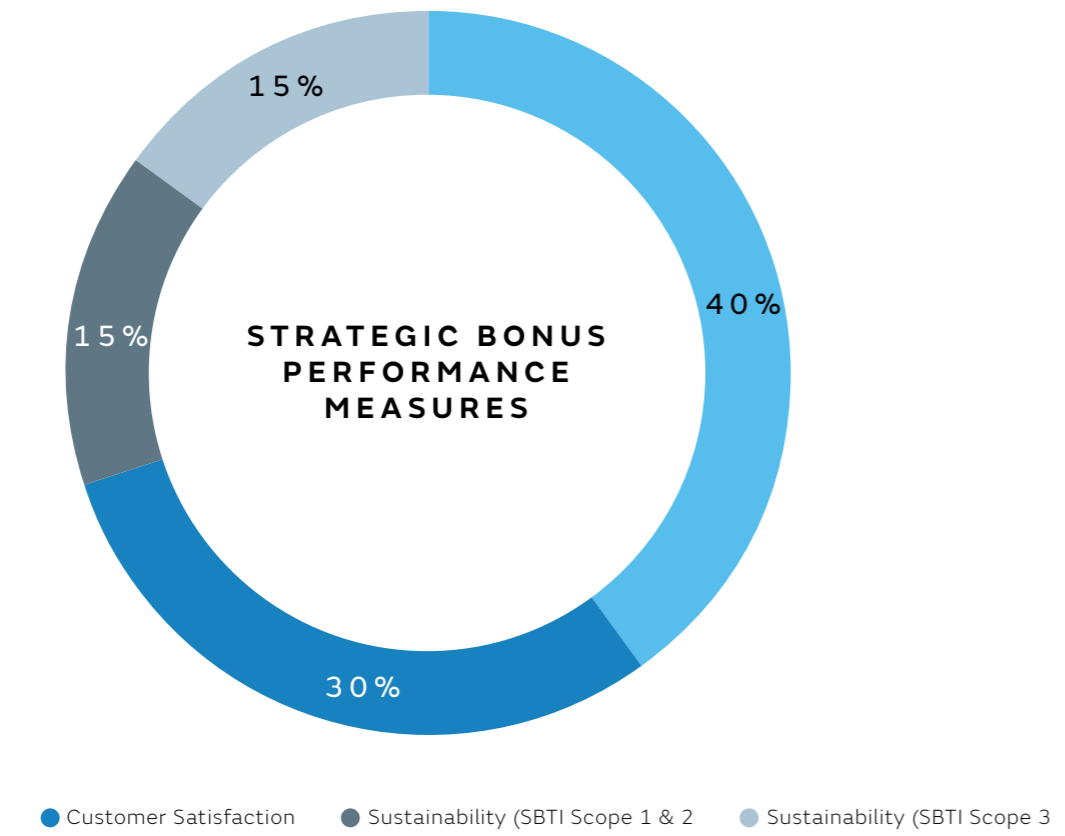
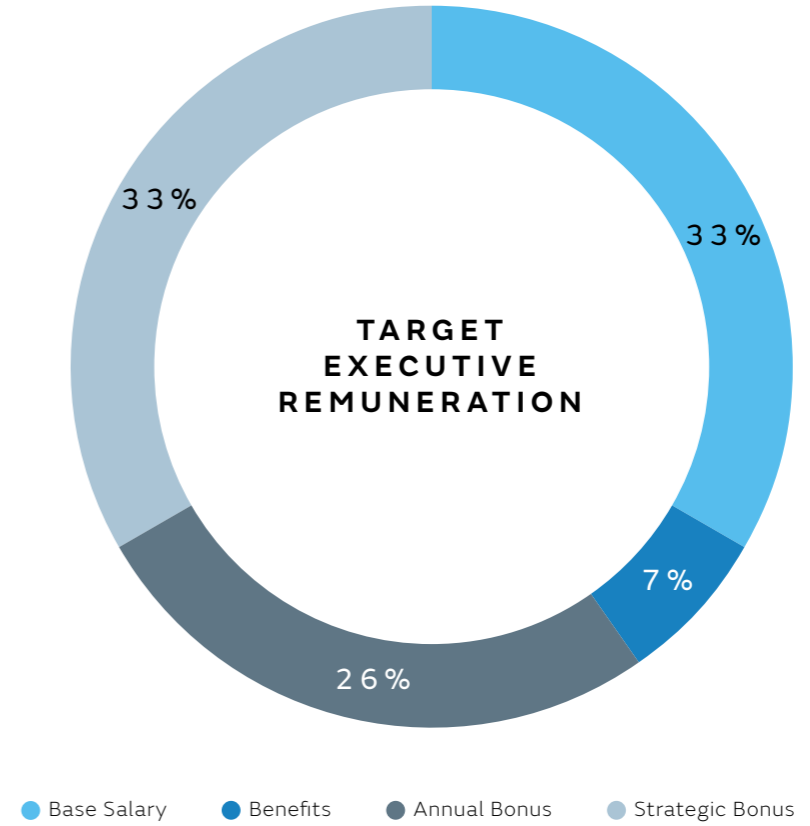
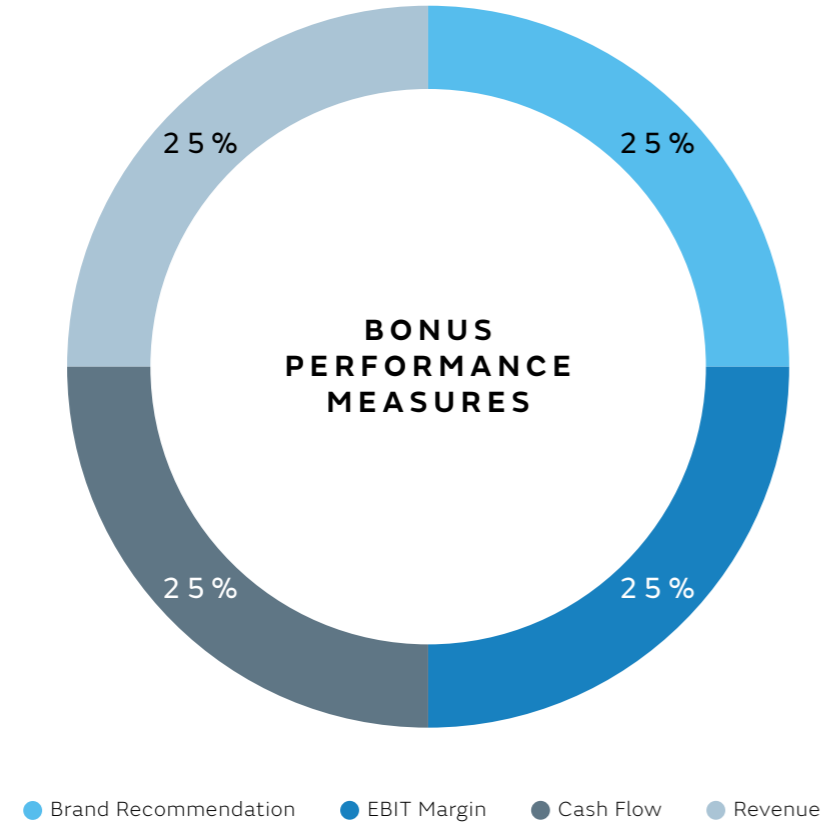
- The Global Bonus Plan is an annual bonus plan which focusses on the Company's key operational priorities. It rewards the achievement of short-term financial and operational objectives. Each of the metrics has an equal weighting.
- The Strategic Bonus Plan, open to JLR's senior worldwide leadership, 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 FY26 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. FY26 is the final time the Strategic Bonus Plan will operate as the new Long Term Incentive Plan which replaced it begins to vest and pay out from FY27.
- The Long Term Incentive Plan (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. As Tata Motors Limited was split into two companies, Tata Motors Passenger Vehicles Ltd and Tata Motors Ltd (Commercial vehicles) during the vesting period of the 2024 and 2025 LTIP award, the pay out of these awards will be based on the sum of the share price of the two companies. The plan metrics for the 2025 grant, which will vest and pay in 2028, 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), are reflected in the FY26 Strategic Bonus plan and all LTIP awards granted to date. 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

At JLR, we recognise that meaningful stakeholder relationships are essential to the long-term success and sustainability of the Group. Our governance framework ensures that the views, interests and expectations of those who are affected by our activities are actively considered as part of our decision making process. We understand that our stakeholders - ranging from colleagues, clients and suppliers to communities and wider partners — play a critical role in shaping our strategy, culture and performance.

### Colleague Engagement

We are committed to fostering strong, meaningful relationships with our colleagues. We believe that creating a workplace where every individual feels respected, valued and included reflects both the society we serve and the clients who choose our products. More importantly, it drives better business outcomes. There are a range of formal and informal mechanisms in place to ensure that colleagues perspectives are heard, understood and reflected in wider decision making, including town halls, team briefings and regular in-person and online communications from senior executives, which provide updates on business performance, strategy and change.

The Company actively gathers employee insight through monthly engagement surveys, an annual Pulse Survey and structured feedback mechanisms, such as exit interviews. These insights are analysed and, where appropriate, shared with senior leadership and the Board, to inform decisions relating to culture, wellbeing, resourcing and organisational effectiveness.

To remain relevant and responsive in a rapidly changing environment, we prioritise building a culture that strengthens the organisation over the long term. By encouraging open dialogue, continuous feedback and active collaboration, we empower colleagues to contribute meaningfully to our transformation and to drive impact both within and beyond the business.

Our Information and Consultation Forum, which was established in 2005 for UK colleagues in

grades LL6+, is intended to facilitate constructive dialogue and an exchange of views between JLR and relevant colleagues and to enable consultation with colleague representatives on developments affecting the Group. These representatives and members are appointed by the Company through a formal election process, and are kept regularly informed on the performance of the JLR business, so they are able to participate effectively in the Forum. Working together with JLRL, the Forum can influence decision making on items affecting UK colleagues, who are actively encouraged to engage with their local representative on those matters that are important to them. During the year, the forum discussed topics including talent strategies, employee policy changes and the cyber incident.

The Company recognises trade unions as a key stakeholder in representing the collective interests of employees and is committed to maintaining open, constructive and respectful relationships with recognised unions. Engagement with trade union representatives for UK colleagues in grades A-D is conducted through formal recognition and collective bargaining arrangements, which provide a clear framework for dialogue on matters such as pay, terms and conditions, working practices, health and safety, and wider workforce issues. Regular meetings are held between management and trade union representatives to facilitate meaningful two way communication, allowing the Company to share relevant business information and consult on proposed changes that may affect employees. This structured engagement ensures that workforce perspectives are considered at an early stage and supports informed, balanced decision making.

During the year, a pay and conditions offer for represented employees, jointly recommended by JLR and the Trade Unions, was initially rejected following a ballot of Trade Union members. A subsequent ballot confirmed that there was no mandate for industrial action. Following continued constructive engagement with Trade Union representatives, agreement was subsequently reached to implement the pay and conditions offer, providing workforce stability and clarity for the next three years.

We continue to enhance the workplace experience for our manufacturing colleagues and during the fiscal year we delivered a large-scale celebration of the talent and resilience of our manufacturing

colleagues which reached c.5,000 employees. Alongside wellbeing, including the opportunity to receive an NHS health check from medical 138 practitioners on site, attendees were immersed in sessions on DE&I and our purpose, and for those at JLR Nitra in Slovakia, the home of Defender and Discovery, more than 10,000 colleagues and their families spent the day behind the scenes at our state-of-the-art manufacturing site.

Leadership development also continues to be a focus of our culture change programme, with the further development of our Reimagine Modern Leadership Programme which focused on leaders in our major international markets. During the year nearly 800 managers and leaders participated in programmes such as Manager Essentials and First Leaders Academy, further expanding our leadership pipeline and supporting long-term organisational growth.

### Supplier Engagement

Suppliers are trusted and valued partners of the Group, and JLR is committed to engaging with them through clear, consistent and meaningful communication. In June 2025, JLR hosted its annual Global Supplier Summit at Gaydon, welcoming 80 C suite representatives from key strategic supply partners to an in person event, where the CEO and JLRL Board outlined the company's House of Brands ambitions, future electrification and industrialisation strategy, and reinforced Customer Love as a core principle.

Following the summit and across the year, supplier feedback has been actively sourced, carefully analysed and has directly informed the evolution of our current and future supplier communication strategy. Sustainability remains a central focus, highlighted by the Global Supplier Sustainability Conference, where suppliers received clear messaging on their strategic and industrial role in supporting JLR's sustainability objectives. During the cyber incident, suppliers were kept updated and engaged on a regular basis, so that they remained supported and well informed. In addition, suppliers continue to receive timely, targeted updates on evolving cycle plans, enabling them to clearly understand launch timelines across all programmes and the long term ambitions of the business.

### Client Engagement

Customer Love is one of our Creators' Code (our defined JLR behaviours) in which we are transforming from a product to a truly customer-centric, brand led, JLR. During the year we continued to embed the customer experience at the heart of what we do. Our Customer Relationship Centre, a 300-strong team dedicated to supporting our clients around the world, handled more than one million inbound and outbound enquiries across multiple channels and supported over 150,000 cases. We also hosted eight customer love live events, bringing our customers closer to our 44,000 employees around the world.

### Community Engagement

JLR colleagues continued to make a meaningful impact through their commitment to volunteering. They dedicated 24,262 hours during FY25/26 to volunteering, supporting a diverse range of community organisations from STEM (Science, Technology, Engineering, Mathematics) programmes and foodbanks to environmental projects, animal shelters, and youth groups.

In February 2025 we established a charitable corporate foundation, JLR Foundation, to strengthen our long-standing commitment and experience in youth and education initiatives, amplifying our Reimagine strategy. The JLR Foundation is dedicated to empowering children and young people to reach their full potential to reimagine the world of tomorrow. During FY25/26 it awarded its first grants to seven carefully selected charities in the UK regions where it operates, to support the development of essential skills and career prospects for underserved young people. This continues to strengthen the Group's long-standing commitment and track record in youth and education initiatives, extending into meaningful charitable work that makes a tangible difference to young people's futures.

### Investor Relations Engagement

The Company (and its subsidiaries) is a wholly owned subsidiary of Tata Motors Passenger Vehicles Limited (TMPVL). Although we operate on a standalone, arm's length basis, we maintain an open and collaborative strategic relationship with TMPVL and plan to continue our collaboration.

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 attended various credit conferences throughout the year and our annual capital markets day gave the opportunity for our investors, banks and other credit providers to meet with JLR senior management in person to discuss the Company's strategy and aspirations.

Together, these initiatives demonstrate how JLR actively listens to, engages with and learns from its stakeholders, ensuring their voices influence decisions and shape the culture of the organisation. This sustained focus on stakeholder engagement supports long-term value creation and strengthens our ability to deliver on our strategic objectives.

## SECTION 172 STATEMENT

The following section sets out how the Company's Board of Directors have had regard to the matters listed in section 172(1) of the Companies Act 2006 in exercising their duty to promote the success of the Company for the benefit of its members as a whole.

Section 172(1) Factors	Considerations	Additional Disclosures
a) the likely consequences of any decision in the long term	<p>Adrian Mardell retired from JLR in 2025 after 3 years as CEO and 35 years with the Group. The Company's Board of Directors undertook the search for a suitable candidate to lead JLR and after careful consideration appointed P.B. Balaji. Prior to joining JLR, P.B. Balaji served as the Group Chief Financial Officer of the Tata Motors Group and is a well-regarded global leader with 32 years of experience in the Automotive and Consumer Goods industries across finance and supply chain functions.</p> <p>As a result of our Reimagine strategy, during which we have navigated and overcome significant challenges, our talented global team grew to more than 44,000 people. To drive delivery for future vehicle launches, make our position resilient and sustainable for the longer term and to offset the headwinds in our path, the Board recognised this relied on the business rebalancing and adapting to become a leaner organisation. To remain competitive, strengthen our delivery and performance and build on our ongoing cultural transformation, we launched a limited voluntary redundancy program targeted primarily at UK-based management employees, with a total reduction of c.481 management and salaried roles at a one-off exceptional cost of £38 million.</p> <p>The Group also faced its share of challenges during the year, including a cyber incident, incremental US import tariffs, and tougher economic conditions in some markets, including China. In response, we focused on delivering our transformation missions and made strong progress in engineering and developing our next generation vehicles. This included the transformation of our global manufacturing facilities to enable electric vehicle production alongside internal combustion engine and hybrid variants, which neared completion, and testing of our highly anticipated Range Rover Electric, which is due to be launched in 2026 and is designed to deliver capabilities exceeding those of any other luxury electric SUV.</p>	<p>Chairman's Statement – pages 8 to 9</p> <p>CEO Statement – pages 10 to 11</p> <p>Purpose and Culture – page 20</p> <p>Our Year in Review – pages 32 to 35</p> <p>Operating Environment – page 38</p> <p>Principal Risks – pages 118 to 120</p> <p>Note 4 – Exceptional Items – page 177</p>

Section 172(1) Factors	Considerations	Additional Disclosures
	We also hired 50 specialists to maximise the resilience of our new electric vehicle supply chains, to provide the business with additional, detailed and accurate visibility of parts and materials in the supply chain, including for raw material sources, so we can foresee and help navigate any threats to supply, with a view to ensuring production is maintained. The Company's Board of Directors continues to review and update the Company's long-term strategy to ensure it aligns with future market requirements, sustainability expectations and changes in external influences.	
b) the interests of the Company's employees	<p>During the year, we extended our maternity package of a year's full pay for colleagues to include adoption and surrogacy, and launched a new Neonatal Care Leave policy.</p> <p>For over 20 years we have offered an industry leading 52 weeks maternity leave at full pay, and recognising that the journey to parenthood takes many different routes, this policy has now been extended to include adoption and surrogacy.</p> <p>Our new Neonatal Care Leave policy also offers colleagues an additional 12 weeks of paid leave if their babies need neonatal care after birth, and brings the total for maternity, adoption, and surrogacy to 64 weeks for all eligible parents.</p>	<p>Purpose and Culture – pages 14 to 17</p> <p>Our Year in Review – page 37</p> <p>Diversity, Equity and Inclusion – pages 90 to 93</p> <p>Wates Principle 6 – page 138</p>
c) the need to foster the Company's business relationships with suppliers, clients and others	<p>Following the cyber incident in the second quarter of the fiscal year, we took a number of steps to prudently bolster our liquidity, following the disruption to our operations. We fast-tracked a new financing scheme that provided qualifying JLR suppliers with cash upfront during the production restart phase, and also introduced solutions to support suppliers, including establishing a dedicated supplier help desk and implementing a manual payment system to settle outstanding invoices. The financing scheme allowed qualifying JLR suppliers to be paid much faster than under their standard payment terms, aiding their cashflow in the near term.</p> <p><b>Clients</b></p> <p>Customer Love is the leading behaviour in our Creators' Code, and remained a key focus for us in ensuring we continue to deliver exceptional client experiences. Our Customer Relationship Centre (CRC) handled over one million inbound and outbound enquiries across multiple channels and, alongside day-to-day client support, our CRC teams devote their day to proactively contacting clients at one, six, twelve, and twenty-four month intervals in service of ownership, ensuring each client is heard and supported with their vehicle ownership experience.</p> <p>During the year, we also held eight Customer Love live events, and hosted advisory boards made up of 3,500 clients in four countries around the world, providing us with regular feedback on our current and future products.</p>	<p>Purpose and Culture – pages 18 to 21</p> <p>Community Impact and Employee Engagement – page 77</p> <p>Responsible Supply Chain – pages 95 to 99</p> <p>Wates Principle 6 – page 139</p>

Section 172(1) Factors	Considerations	Additional Disclosures
	<p><b>Government</b></p> <p>JLR's government affairs team regularly engages with policy makers to ensure the value JLR brings to the UK economy, and communities in which we operate, is well understood.</p> <p><b>Investors</b></p> <p>We held our annual Investor Day in Gaydon in June 2025, providing a business update to the investment community and providing the opportunities for investors, banks and other credit providers to meet with senior management.</p>	
d) the impact of the Company's operations on the community and environment	<p><b>Environment</b></p> <p>During the year, we reached a significant milestone in the roll out of our global renewable energy strategy, with the opening of a new solar farm the size of up to 36 football pitches at our Gaydon, UK headquarters. The 26 hectare, 18MW facility will supply up to 31% of the site's energy requirements, marking the completion of the first of three of its UK solar energy projects.</p> <p>Our joint venture in China, CJLR, has also made considerable progress in its energy self sufficiency with a 20MW expansion to its rooftop solar installation. Since becoming operational in May 2025, the manufacturing facility has generated over 50% of its monthly energy consumption, supporting energy saving, cost reductions and temperature regulation in the workshop thanks to additional shading.</p> <p>We also collaborated with smart EV charging software platform, ev.energy, to support efforts to make charging more sustainable and affordable for its clients. The pilot scheme, which is being run in the UK to test the integration of ev.energy's software using 10 electric Jaguar I PACE models, will integrate ev.energy's software platform with JLR's connected vehicle platform to intelligently schedule charging at grid friendly times that prioritise renewable energy for participating clients. This builds on ev.energy's work to intelligently manage the flow and timing of energy consumption across charging vehicles, prioritising renewables and conserving grid energy at peak times with over 55+ utilities globally to date.</p> <p><b>Community</b></p> <p>During the year, JLR launched Create Possible, a free online education programme for teachers and students aged 11–14, to help tackle classroom challenges and support efforts to close the UK's STEM skills gap. Create Possible offers curriculum aligned lesson plans, interactive activities, and engaging Q&amp;A videos with JLR employees, designed to support teachers and help students identify their strengths, boost motivation, and improve academic outcomes.</p>	<p>Our Year in Review – pages 26 and 37</p> <p>Community Impact and Employee Engagement – page 78 to 83</p> <p>Responsible Supply Chain – pages 96 to 97</p> <p>Responsible Business – page 84 to 87</p>

Section 172(1) Factors	Considerations	Additional Disclosures
e) the desirability of the company maintaining a reputation for high standards of business conduct	<p>We are committed to upholding the highest standards of ethical business conduct by fostering a culture that is diverse, inclusive and representative of the customers we serve and the society in which we operate. We believe that when colleagues feel respected, valued and able to bring their authentic selves to work, they are empowered to reach their full potential, and this, in turn, strengthens our organisational integrity and performance.</p> <p>Our <i>Reimagine</i> strategy sets out a clear vision to become the Proud Creators of Modern Luxury. This shared Purpose unifies our colleagues and reinforces our commitment to conduct our business in a way that is principled, responsible and transparent. We strive to create an environment where individuals can thrive while collectively contributing to a culture built on trust and accountability.</p> <p>Our Purpose is underpinned by our Creators' Code, the Employee Code of Conduct and a suite of complementary corporate policies that together articulate the behaviours and standards expected across the Group. These frameworks guide our colleagues to consistently "do the right thing", in every decision, in every interaction, and in all circumstances. We hold our business partners to the same expectations, and our Supplier Code of Conduct sets out the ethical standards required of all those who work with us.</p> <p>We maintain a mature compliance and ethics programme that embeds these standards throughout the Group. This includes benchmarking our approach against Tata Group best practice and engaging in continuous improvement to strengthen our governance environment. Our commitment to ethical conduct is further reinforced through regular training, accessible reporting channels and clear accountability mechanisms.</p> <p>Oversight of our compliance and ethics programme sits with the Company's Board of Directors, which receives regular updates on programme performance and emerging areas of focus. This governance structure ensures that we maintain transparency at the highest level and remain unwavering in our duty to protect and enhance the Company's reputation for responsible and ethical business practices.</p>	<p>Responsible Supply Chain – pages 96 to 97</p> <p>Compliance and Ethics – pages 100 to 101</p>
f) the need to act fairly as between members of the Company	<p>The Group is owned by Tata Motors Passenger Vehicles Limited, and remains 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.</p>	<p>Operating Environment – page 41</p>

## OUR APPROACH TO TAX

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. 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 Frame Work

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 across the global business.

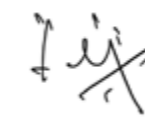
Responsibility for the day-to-day management of JLR's tax affairs rests with our central Tax function, comprising an appropriate blend of tax professionals led by the JLR Tax Director. In addition to the central Tax function, the business also has dedicated tax professionals embedded within the finance 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 14 to 145 was approved by the Company's Board of Directors and authorised for issue on 21 May 2026 and signed on its behalf by:



P B Balaji  
Chief Executive Officer  
Jaguar Land Rover Automotive plc

A close-up, artistic photograph of a car's alloy wheel. The wheel features a complex, multi-spoke design with a brushed metal finish. The lighting is dramatic, highlighting the metallic texture and the curved surfaces of the spokes. The background is dark, making the wheel stand out.

DIRECTORS'  
REPORT

## DIRECTORS' REPORT

The Directors present their report and the audited consolidated financial statements of the Group for the year ended 31 March 2026. 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.

The following disclosures, which are hereby incorporated by reference into, and form part of, this Directors' Report, can be found on the following pages:

Section	Page
Greenhouse Gas (GHG) Emissions	Pages 61 to 69 and 113
Corporate Governance Statement	Pages 121 to 143
Engagement with Colleagues	Pages 138 and 141
Engagement with Suppliers, Customers and Others	Pages 139 and 141 to 142
Environmental, Social and Governance (ESG) matters	Pages 58 to 141
Future Developments in the Business	Pages 21, 40 to 41 and 64
Share Capital	Page 202
Statement of Directors' Responsibilities	Pages 148 to 149
Subsidiary undertakings	Page 229
Post Balance Sheet Events	Page 225

### Overseas Branches

The Group has 10 branches that exist and operate outside of the UK, based in China and the United Arab Emirates.

### Directors

Directors currently serving on the Company's Board of Directors are set out on page 126. Sir Ralf Speth and Adrian Mardell served as Directors of the Company until 30 September 2025 and 31 December 2025 respectively. Richard Molyneux was appointed as a Director of the Company on 1 March 2026.

### 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.

### Major Shareholders

The Company is a wholly owned subsidiary of Tata Motors Passenger Vehicles Limited, (formerly known as Tata Motors Limited) held through TML Holdings Pte. Ltd. (Singapore). Tata Motors Limited changed its name to Tata Motors Passenger Vehicles Limited in October 2025, following a demerger which separated its commercial and passenger vehicle businesses. This change does not impact the ownership structure or operations of the Group.

### Dividends

On 9 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 2025: £387 million).

### Slavery and Human Trafficking Statement

Pursuant to section 54 of the Modern Slavery Act 2015, and other global slavery and human trafficking obligations, the Group has published a slavery and human trafficking statement for the year ended 31 March 2026. 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](http://www.jaguarlandrover.com).

### 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, RCF facilities and syndicated loan. Details of the scenarios and assumptions used in the assessment as at 31 March 2026 are set out in note 2 to the consolidated financial statements on page 172. 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.

### 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.


### 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 182.

### 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 211 to 222 and in note 54 on pages 231 to 233 of the parent company financial statements.

The Directors' Report on pages 148 to 149 was approved by the Company's Board of Directors and authorised for issue on 21 May 2026 and signed on its behalf by:



P B Balaji  
Chief Executive Officer  
Jaguar Land Rover Automotive plc

## 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.

### Disclosure Of Information To Auditors

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. 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 Company is to be proposed at the Company's 2026 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 complementary information. This complementary information does not form part of the Annual Report.

The Annual Report on pages 6 to 243, consisting of the Strategic Report, the Directors Report, and the Financial Statements, was approved by the Company's Board of Directors and authorised for issue on 21 May 2026 and signed on its behalf by:



P B Balaji  
Chief Executive Officer  
Jaguar Land Rover Automotive plc

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 2026 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 2.

**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 31 March 2026 and of the Group's loss 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.

**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:

OVERVIEW		
<b>Materiality:</b>	£120m (2025: £135m)	
Group financial statements as a whole	0.5% (2025: 0.5%) of Group revenue	
<b>Key audit matters</b>	vs 2025	
<b>Recurring risks</b>	Estimation of warranty provisions	◀▶
<b>New risks</b>	<b>New:</b> Impact of cyber incident	▲
	<b>New:</b> Impairment of property plant and equipment, intangible, and right-of use non-current assets	▲
<b>Parent Company key audit matter</b>	Recoverability of Parent Company intra-group debtors	◀▶

The risk	Our response
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<p><b>Impact of cyber incident</b></p> <p>Exceptional costs: £260 million (note 4), and amounts included within the £139m of total third party claims and obligations provision (note 30).</p> <p>Refer to note 4 (financial disclosures).</p>	<p><b>Unusual event</b></p> <p>During the year, the Group experienced a cyber incident that resulted in certain IT systems being taken offline, which led to a disruption to normal operational activities.</p> <p>The event required additional risk assessment to assess the potential implications for the financial statements and our audit.</p> <p>In particular we focussed on the impact on: the Group's IT systems and our potential reliance thereupon; the Group's compliance with relevant laws and regulations; and the wider impacts on the financial statements of related costs and activities.</p> <p>The extent that we can rely for our audit on automated controls and the integrity of data depends on the effectiveness of the group's general IT controls over key financial systems. There was a risk that the incident may have changed financial data or systems relevant to our audit such that we could not rely on automated controls or data.</p> <p>Existing business processes were impacted, and this resulted in management adopting temporary manual processes and controls, which we assessed for their impact on the amounts recorded in the financial statements.</p> <p>The incident had implications for amounts recorded in the financial statements that required management judgement and estimation, including the classification of certain costs as exceptional, the estimation of potential liabilities arising from claims from suppliers and contractual disputes, and the evaluation of any provisions associated with any breaches of laws and regulations that may be identified.</p> <p>The combination of disruption to operations, existing processes and controls relating to financial reporting and IT, and potential new accounting judgements and increased estimation uncertainty meant the matter was of most significance to our audit.</p> <p>In performing our final procedures, we assessed that there was not a significant degree of estimation uncertainty.</p>	<p>Our procedures included:</p> <p><b>General risk assessment</b></p> <ul style="list-style-type: none"> <li><b>Enquiry:</b> We gained an understanding of the incident and its implications through enquiries of management, management's specialists and business process owners.</li> </ul> <p><b>Incremental testing in response to the incident</b></p> <ul style="list-style-type: none"> <li><b>Control observation:</b> With the assistance of our own IT specialists, we evaluated whether we could place reliance on the General IT controls for the systems that were impacted by the cyber incident for the purpose of planning our audit testing. This evaluation included testing the operating effectiveness of controls over user access, an independent assessment of the integrity and reliability of relevant backup and restoration data, and inspection of reports on control effectiveness provided by associated IT service organisations;</li> <li><b>Incremental procedures:</b> We carried out incremental substantive testing of transactions during the outage period, increasing our sample sizes, where appropriate, to reflect increased risk. This included additional data integrity tests and testing the operating effectiveness of backup and restoration activities across systems relevant to the financial statement audit;</li> <li><b>Inspection of report:</b> With the assistance of professionals within the firm who have experience in assessing the impact of cyber incidents, we inspected a report commissioned by management that evaluated the extent of compromise of financial systems and databases relevant to the audit. As part of this inspection, we considered the scope of the engagement, the procedures performed and the evidence obtained, and we evaluated the qualifications, relevant experience and independence of the report authors.</li> </ul> <p><b>Completeness and estimation of provisions</b></p> <ul style="list-style-type: none"> <li><b>Test of detail:</b> We have reviewed correspondence with regulators and conducted independent research to assess the completeness of provisions associated with potential breaches of laws and regulations that may be identified;</li> <li><b>Historical comparisons:</b> We compared the key assumptions that have been used in the determination of the year end supplier claims provision to historical experience of other events that impacted production;</li> <li><b>Tests of detail:</b> We challenged the key assumptions used in the estimation of the provision for supplier claims, through comparison to correspondence of claims received and amounts now settled;</li> <li><b>Enquiries:</b> Enquiries of the Group's internal and external legal advisors.</li> </ul>
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2. KEY AUDIT MATTERS: OUR ASSESSMENT OF RISKS OF MATERIAL MISSTATEMENT (CONTINUED)

The risk	Our response
<p><b>Impact of cyber incident continued</b></p>	<p><b>Transparency of risks and estimation uncertainty</b></p> <ul style="list-style-type: none"> <li><b>Assessing transparency:</b> Assessed whether the Group's disclosures related to the extent of estimation uncertainty associated with provisions compared to our understanding.</li> </ul> <p><b>Management judgement on presentation of items as exceptional</b></p> <ul style="list-style-type: none"> <li><b>Comparison to policy:</b> Assessed whether the costs that have been presented as exceptional are in line with the Group's policy and described appropriately</li> </ul>
<p><b>Impairment of property plant and equipment, intangible, and right-of-use non-current assets</b></p> <p>Carrying value of property plant and equipment, intangible, and right-of-use non-current assets (£14,769 million; 2025: £13,196 million)</p> <p>Refer to note 2 (accounting policy) and note 21 (financial disclosures).</p>	<p><b>Forecast-based assessment</b></p> <p>The Group holds a significant amount of property, plant and equipment, intangible assets and right-of-use assets on its balance sheet. The cash generating unit (CGU) of which these assets form a part contains certain intangible assets which are not subject to amortisation and so an annual impairment review is required.</p> <p>The recoverable amount of the CGU is calculated based on its value in use, which requires management to make highly judgmental assumptions about the future. This presents a significant risk due to error and management bias.</p> <p>In particular, there is a heightened degree of estimation uncertainty compared to prior year associated with planned profit optimisation. In addition to ongoing execution risks associated with the Group's transition to Battery Electric Vehicles ('BEV') and economic uncertainty resulting from geo-political factors that could impact demand or supply.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the calculation of the value in use of CGU to which property, plant and equipment, intangible assets, and right-of-use assets are allocated 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 21 disclose the sensitivities estimated by the Group.</p>

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

The risk	Our response
<p><b>Estimation of warranty provisions</b></p> <p>Warranty provision (£2,651 million; 2025: £2,262 million)</p> <p>Refer to note 2 (accounting policy) and note 30 (financial disclosures).</p>	<p><b>Subjective estimate</b></p> <p>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.</p> <p>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 likelihood of risk of material misstatement has further increased due to increasing warranty spend in the year which has diverged from provision levels.</p> <p>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.</p> <p>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.</p>
<p><b>Recoverability of Parent Company intra-group debtors</b></p> <p>(£6,233 million; 2025: £4,674 million).</p>	<p><b>Low risk, high value</b></p> <p>The carrying amount of the intra-group debtors balance represents 79% (2025:76%) of the parent Company's total assets.</p> <p>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.</p>

We continue to perform procedures over the valuation of the defined benefit plan obligations and the capitalisation of product engineering costs. With regards to the valuation of the defined benefit plan obligations, given the use of consistent and reasonable actuarial assumptions, the presence of a stable and well-controlled valuation process, the continued involvement of a capable and objective specialist actuary, and the absence of new or emerging risk factors in the current year, we have not assessed this as one of the most significant risks in our current year audit and, therefore, it is not separately identified in our report this year.

For the capitalisation of product engineering costs, the reduction in risk reflects the consistency in the methodology used in determining whether the incurred costs meet the criteria for capitalisation, and the limited new project initiations. With this in mind, we have not assessed this as one of the most significant risks in our current year audit and, therefore, it is 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 £120 million (2025: £135 million), determined with reference to a benchmark of Group revenue of £22,911 million (2025: £28,961 million), of which it represents 0.5% (2025: 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 and due to the cyber incident resulting in the Group recognising a loss before tax in the current year.

Materiality for the parent Company financial statements as a whole was set at £48 million (2025: £54 million), determined with reference to a benchmark of parent Company total assets of which it represents 0.83% (2025: 0.91%).

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% (2025: 75%) of materiality for the financial statements as a whole, which equates to £90 million (2025: £101 million) for the Group and £36 million (2025: £40 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.

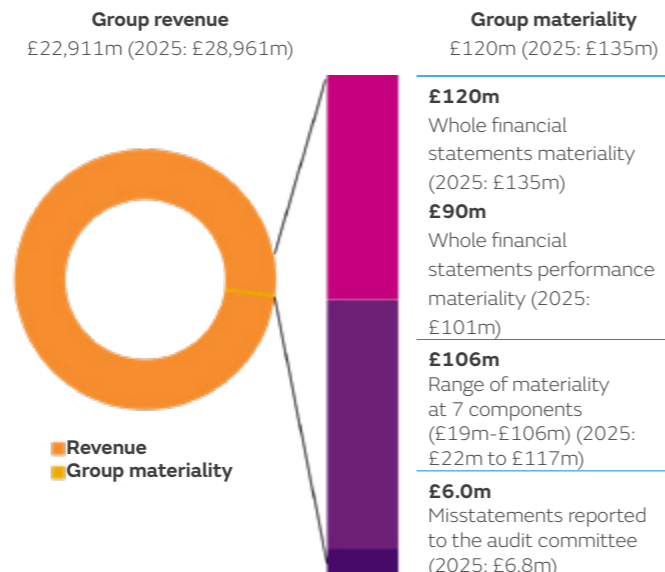
We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £6.0 million (2025: £6.8 million), in addition to other identified misstatements that warranted reporting on qualitative grounds.

#### OVERVIEW OF THE SCOPE OF OUR AUDIT

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 52 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 risks to the Group financial statements.



#### OVERVIEW OF THE SCOPE OF OUR AUDIT (CONTINUED)

Accordingly, we performed audit procedures on 8 components, of which we involved component auditors in performing the audit work on 4 components. The 4 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. The Group auditor performed the audit of the parent Company.

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

#### OVERVIEW OF THE SCOPE OF OUR AUDIT (CONT.)

We performed audit procedures in relation to components that accounted for 81% (2025: 85%) of Group revenue, 92% (2025: 92%) of Group total assets and 91% (2025: 88%) of the total profits and losses that made up Group loss before tax.

For the remaining components, no component represented more than 3% (2025: 3%) of Group total revenue, Group total assets or total profits and losses that made up Group loss before tax. We performed analysis at a Group level to re-examine our assessment that there is not a risk of material misstatement relating to these components.

#### IMPACT OF CONTROLS ON OUR GROUP AUDIT

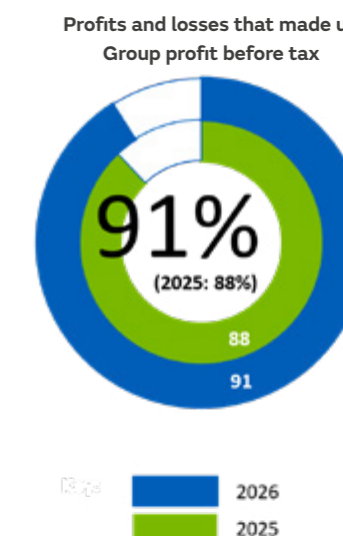
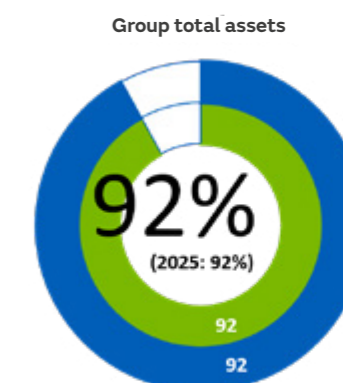
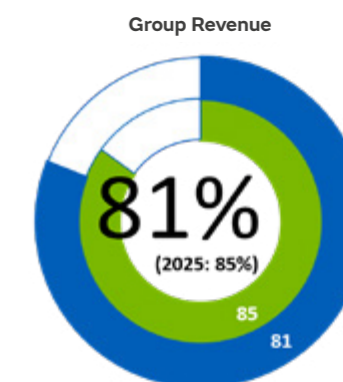
We were able to rely upon the Group's internal control over financial reporting in several areas of our audit, where our controls testing supported this approach, which enabled us to reduce the scope of our substantive audit work; in the other areas the scope of the audit work performed was fully substantive.

#### GROUP AUDITOR OVERSIGHT

In working with component auditors, we:

- Included the component auditors' engagement partners and managers in the Group planning discussions to facilitate inputs from component auditors in the identification of matters relevant to the Group audit.
- Issued Group audit instructions to component auditors on the scope and nature of their work.
- Visited 3 (2025: 3) component auditors in person as the audit progressed to understand and evaluate their work, which we perform on a rotational basis each year. In the current year, we visited component auditors in USA, China and India. 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 of the total profits and losses that made up 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").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's and Company's business model and analysed how those risks might affect the Group 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, and production impacting events.

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 key management personnel 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 performing 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.

#### 5. FRAUD AND BREACHES OF LAWS AND REGULATIONS – ABILITY TO DETECT (CONT.)

##### *Identifying and responding to risks of material misstatement due to fraud (continued)*

We also identified fraud risks related to inappropriate assumptions in relation to the warranty campaigns provision estimate, in response to possible pressures to meet profit targets.

We also identified fraud risks related to inappropriate impairment assumptions in relation to the value in use estimate, in response to possible pressure to meet profit targets.

Further detail in respect of this matter is set out in the key audit matter disclosures in section 2 of this report.

We also performed procedures including:

- Identifying journal entries to test at the Group level and for selected 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, cash and borrowings, and the warranty provision 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, including assessing the warranty provision estimate for bias.
- Assessing whether revenue in relation to new vehicle sales was appropriately recorded, particularly revenue recognised in the period close to before the year end in key markets and assessing of the existence of any unusual or side agreements.

##### *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, property, consumer product, environmental, HR 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 150, 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](http://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

21 May 2026



FINANCIAL STATEMENTS

# FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT

Year ended 31 March (£ millions)	Note	2026	2025	2024
Revenue	5	22,911	28,961	28,995
Material and other cost of sales*	4,6	(14,020)	(16,865)	(16,964)
Employee costs*	4,7	(3,314)	(3,417)	(3,064)
Other expenses*	4,11	(6,054)	(6,616)	(6,026)
Exceptional items	4	(322)	(15)	-
Other income	10	362	368	342
Engineering costs capitalised	12	1,657	1,792	1,453
Depreciation and amortisation	15	(1,374)	(1,677)	(2,175)
Foreign exchange (loss)/gain and fair value adjustments	13	(84)	97	(114)
Finance income	14	99	136	164
Finance expense (net)	14	(178)	(287)	(469)
Share of profit/(loss) of equity accounted investments	17	9	(3)	23
<b>(Loss)/profit before tax</b>		<b>(308)</b>	<b>2,474</b>	<b>2,165</b>
Income tax excluding impact of deferred tax asset recognition		64	(698)	(616)
Impact of deferred tax asset recognition		-	24	1,029
Income tax credit/(expense)	4,16	64	(674)	413
<b>(Loss)/profit for the year</b>		<b>(244)</b>	<b>1,800</b>	<b>2,578</b>

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

The notes on pages 170 to 225 are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENSE

Year ended 31 March (£ millions)	Note	2026	2025	2024
<b>(Loss)/profit for the year</b>		<b>(244)</b>	<b>1,800</b>	<b>2,578</b>
<b>Items that will not be reclassified subsequently to profit or loss:</b>				
Remeasurement of net defined benefit obligation	35	(147)	(7)	(405)
Income tax related to items that will not be reclassified	16	37	2	101
		<b>(110)</b>	<b>(5)</b>	<b>(304)</b>
<b>Items that may be reclassified subsequently to profit or loss:</b>				
(Loss)/gain on cash flow hedges (net)		(132)	350	895
Currency translation differences		27	(28)	(47)
Income tax related to items that may be reclassified	16	33	(88)	(84)
		<b>(72)</b>	<b>234</b>	<b>764</b>
<b>Other comprehensive (expense)/income net of tax</b>		<b>(182)</b>	<b>229</b>	<b>460</b>
<b>Total comprehensive (expense)/income attributable to shareholder</b>		<b>(426)</b>	<b>2,029</b>	<b>3,038</b>

The notes on pages 170 to 225 are an integral part of these consolidated financial statements.

## CONSOLIDATED BALANCE SHEET

As at 31 March (£ millions)	Note	2026	2025	2024
<b>Non-current assets</b>				
Investments in equity accounted investees	17	336	310	328
Other non-current investments	18	56	55	52
Other financial assets	19	398	520	355
Property, plant and equipment	20	6,161	5,919	5,724
Intangible assets	21	8,057	6,697	5,406
Right-of-use assets	22	551	580	608
Pension asset	35	193	313	300
Other non-current assets	23	169	192	143
Deferred tax assets	16	1,151	797	1,157
<b>Total non-current assets</b>		<b>17,072</b>	<b>15,383</b>	<b>14,073</b>
<b>Current assets</b>				
Cash and cash equivalents		2,750	4,611	4,051
Short-term deposits and other investments		-	23	103
Trade receivables		982	922	1,236
Other financial assets	19	783	752	543
Inventories	25	3,743	3,628	3,751
Other current assets	23	854	707	657
Current tax assets		19	24	2
Assets classified as held for sale	26	71	46	54
<b>Total current assets</b>		<b>9,202</b>	<b>10,713</b>	<b>10,397</b>
<b>Total assets</b>		<b>26,274</b>	<b>26,096</b>	<b>24,470</b>
<b>Current liabilities</b>				
Accounts payable	27	6,840	7,148	7,113
Short-term borrowings	28	1,678	1,286	1,256
Other financial liabilities	29	666	796	885
Provisions	30	1,253	1,186	1,026
Other current liabilities	31	778	649	711
Current tax liabilities		109	171	125
<b>Total current liabilities</b>		<b>11,324</b>	<b>11,236</b>	<b>11,116</b>
<b>Non-current liabilities</b>				
Long-term borrowings	28	3,048	2,399	2,936
Other financial liabilities	29	722	658	758
Provisions	30	1,803	1,596	1,311
Retirement benefit obligation	35	22	22	22
Other non-current liabilities	31	1,229	1,140	957
Deferred tax liabilities	16	62	101	91
<b>Total non-current liabilities</b>		<b>6,886</b>	<b>5,916</b>	<b>6,075</b>
<b>Total liabilities</b>		<b>18,210</b>	<b>17,152</b>	<b>17,191</b>
<b>Equity attributable to shareholders</b>				
Ordinary share capital	32	1,501	1,501	1,501
Capital redemption reserve	32	167	167	167
Other reserves	33	6,396	7,276	5,611
<b>Total equity attributable to shareholders</b>		<b>8,064</b>	<b>8,944</b>	<b>7,279</b>
<b>Total liabilities and equity</b>		<b>26,274</b>	<b>26,096</b>	<b>24,470</b>

The notes on pages 170 to 225 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 21 May 2026. They were signed on its behalf by:



**P B BALAJI**  
CHIEF EXECUTIVE OFFICER  
COMPANY REGISTERED NUMBER: 06477691

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

£ millions	Ordinary share capital	Capital redemption reserve	Other reserves	Total equity
<b>Balance at 1 April 2023</b>	<b>1,501</b>	<b>167</b>	<b>2,571</b>	<b>4,239</b>
Profit for the year	-	-	2,578	2,578
Other comprehensive income for the year	-	-	460	460
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>3,038</b>	<b>3,038</b>
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)
<b>Balance at 31 March 2024</b>	<b>1,501</b>	<b>167</b>	<b>5,611</b>	<b>7,279</b>
Profit for the year	-	-	1,800	1,800
Other comprehensive income for the year	-	-	229	229
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>2,029</b>	<b>2,029</b>
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)
<b>Balance at 31 March 2025</b>	<b>1,501</b>	<b>167</b>	<b>7,276</b>	<b>8,944</b>
Loss for the year	-	-	(244)	(244)
Other comprehensive expense for the year	-	-	(182)	(182)
<b>Total comprehensive expense</b>	<b>-</b>	<b>-</b>	<b>(426)</b>	<b>(426)</b>
Amounts removed from hedge reserve and recognised in inventory	-	-	(8)	(8)
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	-	2	2
Dividends paid	-	-	(448)	(448)
<b>Balance at 31 March 2026</b>	<b>1,501</b>	<b>167</b>	<b>6,396</b>	<b>8,064</b>

The notes on pages 170 to 225 are an integral part of these consolidated financial statements.

## CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March (£ millions)	Note	2026	2025	2024
<b>Cash flows from operating activities</b>				
Cash generated from operations	40	978	4,909	5,296
Income tax paid		(271)	(311)	(333)
<b>Net cash generated from operating activities</b>		<b>707</b>	<b>4,598</b>	<b>4,963</b>
<b>Cash flows from investing activities</b>				
Purchases of other investments		(8)	(7)	(7)
Investment in other restricted deposits		(61)	(36)	(25)
Redemption of other restricted deposits		45	33	27
Movements in other restricted deposits		(16)	(3)	2
Investments in short-term deposits and other investments		-	(23)	(285)
Redemption of short-term deposits and other investments		22	104	286
Movements in short-term deposits and other investments		22	81	1
Purchases of property, plant and equipment		(937)	(1,063)	(860)
Proceeds from sale of fixed assets and assets held for sale		1	77	16
Cash outflow relating to intangible asset expenditure		(1,696)	(1,851)	(1,516)
Acquisition of subsidiary (net of cash acquired)		-	(65)	-
Finance income received		105	139	158
Dividends received		5	2	2
Disposal of subsidiaries (net of cash disposed)		-	49	9
<b>Net cash used in investing activities</b>		<b>(2,524)</b>	<b>(2,641)</b>	<b>(2,195)</b>
<b>Cash flows from financing activities</b>				
Finance expenses and fees paid		(405)	(424)	(494)
Proceeds from issuance of borrowings and repurchase arrangements		2,037	844	-
Repayment of borrowings and repurchase arrangements		(1,135)	(1,252)	(1,752)
Payments of lease obligations		(92)	(86)	(74)
Dividends paid		(448)	(387)	-
<b>Net cash used in financing activities</b>		<b>(43)</b>	<b>(1,305)</b>	<b>(2,320)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,860)</b>	<b>652</b>	<b>448</b>
Cash and cash equivalents at beginning of year		4,611	4,051	3,687
Effect of foreign exchange on cash and cash equivalents		(1)	(92)	(84)
<b>Cash and cash equivalents at end of year</b>		<b>2,750</b>	<b>4,611</b>	<b>4,051</b>

The notes on pages 170 to 225 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 Passenger Vehicles 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 2024 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 2026 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 £6.9 billion at 31 March 2026, £2.8 billion of which is cash with the remainder the undrawn RCF facility and undrawn UKEF. Within the going concern assessment period there is a £1 billion minimum quarter-end liquidity covenant attached to the Group’s loans and RCF facilities. There is £1.7 billion of maturing debt in the going concern assessment period and the remaining undrawn £1 billion RCF (Bridge Loan) maturing in September 2026 with an option to extend to March 2027. No new funding is assumed. Net debt increased by £2.9 billion in the year and the Group will continue to monitor and take actions to manage liquidity and net debt 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. The base case model is built upon the most recent Board-approved forecasts, which reflects the directors best estimation of how the business plans to perform over the going concern period. It incorporates the latest view of trading performance, macroeconomic assumptions, and strategic initiatives.

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 a demand reduction across the Group’s product portfolio since demand is now considered the primary risk on wholesale volume, rather than supply following resolution of previously noted supply constraints.

In order to reach a liquidity level that breaches the covenant, it would require a significant sustained decline in wholesale volumes 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 177 to 225. The accounting policies below and on the next pages 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 of assets and liabilities at 31 March 2026. 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 2026. 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 2026, 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 purpose 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 and accessories, pass to the customer. This is assessed with reference to indicators of control, including physical possession of the vehicles and parts and accessories, 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): 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. Refer to note 3 for further information.
- Exceptional items: The Group exercised judgement in determining the appropriate classification of costs incurred as exceptional. Management assessed the nature of the costs incurred and, based on the underlying activity to which they related, classified the amounts within cost of sales, or other expenses. Refer to note 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.
- Supplier claims: The Group exercises judgement in determining whether an individual supplier claim gives rise to a constructive or legal obligation, as well as in estimating the amount to be recognised for that claim.

## 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

### **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.

### **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 the Group's financial statements. The Group continuously reviews and adjusts estimates to reflect new information and trends, ensuring that its financial reporting remains accurate and reliable. Refer to note 30 for further detail.

## Other 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.

## New accounting policy pronouncements

*(a) Standards, revisions and amendments to standards and interpretations applied for the first time in the year ending 31 March 2026*

The following amendment and interpretation has been adopted by the Group in the year ending 31 March 2026:

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

The adoption of the above amendment and interpretation 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 pronouncements, issued by the IASB and endorsed by the UK, are not yet effective and have not yet been adopted by the Group. These amendments are effective for annual report periods beginning on or after 1 January 2026:

- Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;
- Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity;
- Annual Improvements to IFRS Accounting Standards - Volume 11; and
- IFRS 18 Presentation and Disclosure in Financial Statements.

The Group is currently assessing the impact of these pronouncements on the consolidated financial statements. The Group expects IFRS 18 to have a material impact on the structure and presentation of the primary financial statements, particularly the consolidated income statement structure and the disclosure of management-defined performance measures.

*(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 19 Subsidiaries without Public Accountability: Disclosures;
- UK Sustainability Reporting Standards (based on IFRS S1 and IFRS S2); and
- Amendments to IAS 21 - Translation to a Hyperinflationary Presentation Currency.

IFRS 19 Subsidiaries without Public Accountability: Disclosures are not expected to be applicable to the Group, as the Group has public accountability by virtue of its listed debt instruments.

### 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 EBITDA margin is measured as adjusted EBITDA as a percentage of revenue.
Adjusted EBIT	Adjusted EBIT is defined as for adjusted EBITDA but including share of profit/(loss) from equity accounted investments, depreciation and amortisation. Adjusted EBIT margin is measured as adjusted EBIT as a percentage of revenue.
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 and net cash from repurchase financing arrangements. 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 (debt)/cash	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 retailers 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 and accruals 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	2026	2025	2024
<b>Adjusted EBITDA</b>		<b>1,530</b>	<b>4,151</b>	<b>4,620</b>
Depreciation and amortisation		(1,374)	(1,677)	(2,175)
Share of profit/(loss) of equity accounted investments	17	9	(3)	23
<b>Adjusted EBIT</b>		<b>165</b>	<b>2,471</b>	<b>2,468</b>
Foreign exchange on debt, derivatives and balance sheet revaluation	40	(140)	126	60
Unrealised gain/(loss) on commodity derivatives	40	75	46	(59)
Finance income	14	99	136	164
Finance expense (net)	14	(178)	(287)	(469)
Fair value (loss)/gain on equity investments	13	(7)	(3)	1
<b>Profit before tax and exceptional items</b>		<b>14</b>	<b>2,489</b>	<b>2,165</b>
Exceptional items	4	(322)	(15)	-
<b>(Loss)/profit before tax</b>		<b>(308)</b>	<b>2,474</b>	<b>2,165</b>

As at 31 March (£ millions)	Note	2026	2025	2024
Adjusted EBIT		165	2,471	2,468
Revenue	5	22,911	28,961	28,995
<b>Adjusted EBIT margin (%)</b>		<b>0.7 %</b>	<b>8.5 %</b>	<b>8.5 %</b>

### Return on capital employed

As at 31 March (£ millions)	Note	2026	2025	2024
Adjusted EBIT - last twelve months		165	2,471	2,468
<b>Capital employed</b>				
Net assets		8,064	8,944	7,279
Add: Total interest-bearing loans and borrowings	28	5,388	4,356	4,886
<b>Capital employed</b>		<b>13,452</b>	<b>13,300</b>	<b>12,165</b>
<b>Average capital employed</b>		<b>13,376</b>	<b>12,733</b>	<b>11,596</b>
<b>Return on capital employed (%)</b>		<b>1.2%</b>	<b>19.4%</b>	<b>21.3%</b>

### Free cash flow

Year ended 31 March (£ millions)	2026*	2025	2024
Net cash generated from operating activities	707	4,598	4,963
Purchases of property, plant and equipment	(937)	(1,063)	(860)
Cash outflow relating to intangible asset expenditure	(1,696)	(1,851)	(1,516)
Proceeds from sale of fixed assets and assets held for sale	1	77	16
Dividends received	5	2	2
Finance expenses and fees paid	(405)	(424)	(494)
Finance income received	105	139	158
Net cash outflow from repurchase financing arrangements	(9)	-	-
<b>Free cash flow</b>	<b>(2,229)</b>	<b>1,478</b>	<b>2,269</b>

\*For the years ending 31 March 2024 and 31 March 2025, cash flows arising from repurchase arrangements were presented within operating activities rather than financing activities. Comparative information has not been restated as the amounts involved were not material.

### Total product and other investments

Year ended 31 March (£ millions)	Note	2026	2025	2024
Purchases of property, plant and equipment		937	1,063	860
Cash outflow relating to intangible asset expenditure		1,696	1,851	1,516
Engineering costs expensed	12	930	869	880
Purchases of other investments		8	7	7
<b>Total product and other investments</b>		<b>3,571</b>	<b>3,790</b>	<b>3,263</b>

### Total cash and cash equivalents, deposits and investments

As at 31 March (£ millions)	2026	2025	2024
Cash and cash equivalents	2,750	4,611	4,051
Short-term deposits and other investments	-	23	103
<b>Total cash and cash equivalents, deposits and investments</b>	<b>2,750</b>	<b>4,634</b>	<b>4,154</b>

#### Available liquidity

As at 31 March (£ millions)	Note	2026	2025	2024
Cash and cash equivalents		2,750	4,611	4,051
Short-term deposits and other investments		-	23	103
Committed undrawn credit facilities	28	4,160	1,660	1,520
<b>Available liquidity</b>		<b>6,910</b>	<b>6,294</b>	<b>5,674</b>

#### Net (debt)/cash

As at 31 March (£ millions)	Note	2026	2025	2024
Cash and cash equivalents		2,750	4,611	4,051
Short-term deposits and other investments		-	23	103
Interest-bearing loans and borrowings	28	(5,388)	(4,356)	(4,886)
<b>Net (debt)/cash</b>		<b>(2,638)</b>	<b>278</b>	<b>(732)</b>

#### Retail and wholesales

Year ended 31 March (units)	2026	2025	2024
Retail sales	352,389	428,854	431,733
Wholesales	307,915	400,898	401,303

Retail sales include the sale of vehicles produced by our Chinese joint venture, Chery Jaguar Land rover Automotive Company Ltd, as defined on page 174.

Included in wholesales are 605 vehicles (2025: 301 vehicles, 2024: 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 2026 comprise:

- £(58) million in relation to separation payments made to employees;
- £(260) million in relation to expenditure associated with the cyber incident;
- £(2) million in relation to expenditure associated with one-off exceptional supply assurance costs; and
- £(2) million in relation to expenditure associated with other employee expenses.

In assessing the classification of costs arising from the cyber incident, including third party claims and obligations and professional fees, management considered the scale, nature and one-off impact of the event, and whether the costs were indicative of underlying operations. Ongoing or recurring expenditure to further strengthen IT infrastructure and cyber security, and indirect impacts not directly caused by the incident such as lost production or development time, have been treated as underlying rather than exceptional.

There are tax charges of £nil million and tax credits of £76 million arising from exceptional items in FY26.

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.

There were tax charges of £5 million and tax credits of £3 million arising from exceptional items in FY25.

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

The tables below set out the exceptional items recorded during the years ended 31 March 2026 and 2025 and the impact on the consolidated income statement if these items were not disclosed separately as exceptional items.

Year ended 31 March 2026 (£ millions)	Other expenses	Employee costs	Material and other cost of sales
<b>Excluding exceptional items</b>	<b>(6,054)</b>	<b>(3,314)</b>	<b>(14,020)</b>
Restructuring costs - employee and third party obligations	-	(58)	-
Cyber-related items	(58)	-	(202)
Other	(2)	(2)	-
<b>Including exceptional items</b>	<b>(6,114)</b>	<b>(3,374)</b>	<b>(14,222)</b>

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

## 5 REVENUE

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), 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 client's request (usually due to the lack of available space at their own premises) 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 retailer 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 retailer 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 revenue reduction 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, the Group does not recognise revenue on the original sale, as it retains ultimate control of that product. The related inventory continues to be recognised on the Group's consolidated balance sheet and a financial liability is recognised representing the Group's present obligation to repurchase the product.

When the contractual repurchase price is less than the original sale price, for example in arrangements with third-party fleet customers, the transaction is accounted for as a lease in accordance with IFRS 16 Leases. When the contractual repurchase price is equal to or greater than the original sale price, for example in management car scheme arrangements, the transaction is accounted for as a financing arrangement.

When a repurchased product is subsequently sold to a customer without any repurchase obligation or option attached, revenue is recognised in accordance with the Group's broader revenue recognition accounting policy outlined within this note.

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)	2026	2025	2024
Revenue recognised for sales of vehicles, parts and accessories	21,282	27,364	27,656
Revenue recognised for services transferred	433	438	349
Revenue - other*	702	967	1,044
<b>Total revenue from contracts with clients</b>	<b>22,417</b>	<b>28,769</b>	<b>29,049</b>
Realised revenue hedges	494	192	(54)
<b>Total revenue</b>	<b>22,911</b>	<b>28,961</b>	<b>28,995</b>

\*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 2026 (£ millions)	UK	US	China	Rest of Europe	MENA	Rest of World	Total revenue
Revenue recognised for sales of vehicles, parts and accessories	3,609	5,521	3,366	3,995	1,461	3,330	21,282
Revenue recognised for services transferred	133	122	48	37	23	70	433
Revenue - other	682	6	4	3	-	7	702
<b>Total revenue from contracts with clients</b>	<b>4,424</b>	<b>5,649</b>	<b>3,418</b>	<b>4,035</b>	<b>1,484</b>	<b>3,407</b>	<b>22,417</b>
Realised revenue hedges	-	128	229	-	31	106	494
<b>Total revenue</b>	<b>4,424</b>	<b>5,777</b>	<b>3,647</b>	<b>4,035</b>	<b>1,515</b>	<b>3,513</b>	<b>22,911</b>

Year ended 31 March 2025 (£ millions)	UK	US	China	Rest of Europe	MENA*	Rest of World	Total revenue
Revenue recognised for sales of vehicles, parts and accessories	3,795	8,432	4,839	4,771	1,774	3,753	27,364
Revenue recognised for services transferred	145	138	52	31	15	57	438
Revenue - other	871	24	62	-	-	10	967
<b>Total revenue from contracts with clients</b>	<b>4,811</b>	<b>8,594</b>	<b>4,953</b>	<b>4,802</b>	<b>1,789</b>	<b>3,820</b>	<b>28,769</b>
Realised revenue hedges	-	(45)	159	-	-	78	192
<b>Total revenue</b>	<b>4,811</b>	<b>8,549</b>	<b>5,112</b>	<b>4,802</b>	<b>1,789</b>	<b>3,898</b>	<b>28,961</b>

Year ended 31 March 2024 (£ millions)	UK	US	China	Rest of Europe	MENA*	Rest of World	Total revenue
Revenue recognised for sales of vehicles, parts and accessories	3,991	6,579	5,277	5,380	2,348	4,081	27,656
Revenue recognised for services transferred	137	102	24	16	17	53	349
Revenue - other	938	5	94	-	-	7	1,044
<b>Total revenue from contracts with clients</b>	<b>5,066</b>	<b>6,686</b>	<b>5,395</b>	<b>5,396</b>	<b>2,365</b>	<b>4,141</b>	<b>29,049</b>
Realised revenue hedges	-	(156)	82	-	-	20	(54)
<b>Total revenue</b>	<b>5,066</b>	<b>6,530</b>	<b>5,477</b>	<b>5,396</b>	<b>2,365</b>	<b>4,161</b>	<b>28,995</b>

\*The comparatives for the years ended 31 March 2025 and 31 March 2024 have been re-presented to align with presentation changes made during the year ended 31 March 2026. Amounts disclosed as Middle East and North Africa ('MENA') have been disaggregated from amounts previously disclosed as 'Rest of World'. This has not resulted in any change to the reported 'Total revenue'.

### Contract assets

As at 31 March (£ millions)	2026	2025	2024
Accrued income	20	29	53
<b>Total contract assets</b>	<b>20</b>	<b>29</b>	<b>53</b>

### Contract liabilities

As at 31 March (£ millions)	2026	2025	2024
Ongoing service obligations	935	1,003	929
Liabilities for advances received	55	74	102
<b>Total contract liabilities</b>	<b>990</b>	<b>1,077</b>	<b>1,031</b>

'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 2026 amounted to £990 million (2025: £1,077 million, 2024: £1,031 million).

The movement in contract liabilities relates solely to revenue recognised from balances held at the beginning of the year of £507 million (2025: £540 million, 2024: £400 million) and increases due to cash received for performance obligations unsatisfied at the year end of £420 million (2025: £586 million, 2024: £601 million).

Revenue recognised in the year from performance obligations satisfied in the previous year is £32 million (2025: £19 million, 2024: £5 million).

## 6 MATERIAL AND OTHER COST OF SALES

Year ended 31 March (£ millions)	2026	2025	2024
Purchase of products for sale	1,256	1,562	1,449
Raw materials used and changes in inventories of finished goods and work-in-progress	12,811	15,282	15,515
Realised purchase hedges	(3)	26	-
Realised commodity hedges	(44)	(5)	-
<b>Total material and other cost of sales</b>	<b>14,020</b>	<b>16,865</b>	<b>16,964</b>

## 7 EMPLOYEE NUMBERS AND COSTS

Year ended 31 March (£ millions)	2026	2025	2024
Wages and salaries - employee costs	2,443	2,543	2,310
Wages and salaries - agency costs	231	273	214
<b>Total wages and salaries</b>	<b>2,674</b>	<b>2,816</b>	<b>2,524</b>
Social security costs and benefits	452	408	382
Pension costs	188	193	158
<b>Total employee costs</b>	<b>3,314</b>	<b>3,417</b>	<b>3,064</b>

Average employee numbers for the year ended 31 March 2026	Non-agency	Agency	Total
Manufacturing	17,880	1,436	19,316
Research and development	12,689	372	13,061
Other	10,097	376	10,473
<b>Total employee numbers</b>	<b>40,666</b>	<b>2,184</b>	<b>42,850</b>

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
<b>Total employee numbers</b>	<b>41,242</b>	<b>2,861</b>	<b>44,103</b>

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
<b>Total employee numbers</b>	<b>39,006</b>	<b>2,924</b>	<b>41,930</b>

## 8 DIRECTORS' EMOLUMENTS

Year ended 31 March (£)	2026	2025	2024
Directors' emoluments	5,606,762	3,757,722	4,193,414
Increase/(Decrease) of long-term incentive scheme amounts receivable	592,652	229,591	-
Compensation for loss of office	840,000	-	-

The aggregate of emoluments received in the year and amounts accrued under the bonus schemes of the highest paid director was £5,671,597 (2025: £3,615,306, 2024: £3,827,850), together with post-employment benefit of £nil (2025, 2024: £nil). During the year, the value of Long-Term Incentive Plan ('LTIP') awards accrued has increased by £575,718 (2025: £229,591, 2024: £nil), which will become payable in future periods.

There were no directors who were members of a defined benefit pension scheme or a defined contribution scheme during the year ended 31 March 2026 (2025, 2024: nil). LTIP cash payments received by directors during the year ended 31 March 2026 were £nil (2025, 2024: £nil).

## 9 LONG-TERM INCENTIVE PLAN

The Group has two cash-settled Long-Term Incentive Plans ('LTIPs') operating for certain eligible employees.

The Group introduced the first LTIP with a three-year vesting period commencing in June 2024. In June 2025, the Group introduced a new LTIP scheme with terms and conditions that are substantially consistent with the prior-year plan, including the same three-year vesting period, performance conditions and valuation methodology.

Both LTIPs were initially based on the value of phantom shares, which mirrored the value of Tata Motors Limited's share price. During the year, Tata Motors Limited completed the separation of its Passenger Vehicle and Commercial Vehicle businesses into two independent listed companies. As a result of this restructuring, although the LTIPs grants were made over phantom TML shares, the payout at vesting will now be based on the combined value of the Passenger Vehicle Company and the Commercial Vehicle Company, measured as the sum of their respective share prices at the vesting date. This modification does not change the classification of the LTIP as a cash-settled share-based payment under IFRS 2. Additionally, these shares do not confer any ownership or voting rights. As the LTIPs are cash-settled and based on phantom shares, they are non-dilutive to existing shareholders.

Both schemes provide for a cash payment to eligible employees upon vesting, determined with reference to the Group's performance against long-term business metrics aligned to strategic priorities, and the movement in the share price of both the companies over the respective three-year performance periods.

The LTIPs are 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 consolidated income statement.

The following table presents the number of shares outstanding during the period:

Year ended 31 March (number)	2026	2025	2024
Outstanding at the beginning of the year	3,038,244	-	-
Granted in the year	5,438,172	3,092,216	-
Forfeited in the year	(842,916)	(53,972)	-
<b>Outstanding at the end of the year</b>	<b>7,633,500</b>	<b>3,038,244</b>	<b>-</b>

No phantom shares were exercisable at 31 March 2026.

The fair value of the phantom shares granted under the LTIPs is deemed to be materially equivalent to the combined market value of Tata Motors Passenger Vehicles Limited's and Tata Motors Commercial Vehicles' share price at the current year end. At 31 March 2026, the fair value of the phantom shares was £5.61 (2025: £6.11, 2024: £nil).

During the year ended 31 March 2026, £10 million (2025: £5 million, 2024: £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 2026 was £14 million (2025: £5 million, 2024: £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)	2026	2025	2024
Grant income	192	225	226
Commissions	37	32	23
Other	133	111	93
<b>Total other income</b>	<b>362</b>	<b>368</b>	<b>342</b>

During the year ended 31 March 2026, £305 million (2025: £309 million, 2024: £231 million) was recognised as a Research and Development Expenditure Credit ('RDEC') incentive on qualifying expenditure. During the year ended 31 March 2026, £173 million (2025: £181 million, 2024: £140 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 £132 million (2025: £128 million, 2024: £91 million) of the RDEC has been recognised as 'Other income'.

## 11 OTHER EXPENSES

Year ended 31 March (£ millions)	2026	2025	2024
Stores, spare parts and tools	128	137	132
Freight cost	600	708	710
Works, operations and other costs	2,835	3,466	3,243
Power and fuel	124	139	130
Product warranty	1,502	1,272	1,034
Publicity	865	894	777
<b>Total other expenses</b>	<b>6,054</b>	<b>6,616</b>	<b>6,026</b>

'Product warranty' costs are presented net of supplier recovery reimbursement income. See note 30 for further detail.

Litigation costs within 'Works, operations and other costs' are presented net of reimbursement income. See note 30 for further detail.

## 12 ENGINEERING COSTS CAPITALISED

Year ended 31 March (£ millions)	2026	2025	2024
Total engineering costs incurred	2,587	2,661	2,333
Engineering costs expensed	(930)	(869)	(880)
<b>Engineering costs capitalised</b>	<b>1,657</b>	<b>1,792</b>	<b>1,453</b>
Interest capitalised in relation to engineering costs	257	212	88
<b>Total capitalised in property, plant and equipment and intangible assets</b>	<b>1,914</b>	<b>2,004</b>	<b>1,541</b>

Engineering costs capitalised of £1,657 million (2025: £1,792 million, 2024: £1,453 million) comprises £720 million (2025: £814 million, 2024: £631 million) included in 'Employee costs' and £937 million (2025: £978 million, 2024: £822 million) included in 'Other expenses' in the consolidated income statement.

## 13 FOREIGN EXCHANGE AND FAIR VALUE ADJUSTMENTS

Year ended 31 March (£ millions)	2026	2025	2024
Foreign exchange and fair value adjustments on loans*	(131)	129	133
Foreign exchange gain/(loss) on economic hedges of loans	14	(44)	(119)
Foreign exchange gain on derivatives	6	4	1
Other foreign exchange (loss)/gain	(10)	8	3
Realised loss on commodities	(22)	(38)	(74)
Unrealised gain/(loss) on commodities	75	46	(59)
Fair value (loss)/gain on equity investments	(7)	(2)	1
Revaluation loss on hedged commodity derivatives	(9)	(6)	-
<b>Total foreign exchange and fair value adjustments</b>	<b>(84)</b>	<b>97</b>	<b>(114)</b>

\*Included in 'Foreign exchange and fair value adjustments on loans' is the cumulative fair value adjustment of £(120) million on the hedged borrowings that relates to the discontinued fair value hedge as disclosed in note 38 Financial Instruments (C) Derivatives and hedge accounting.

## 14 FINANCE INCOME AND EXPENSE

Year ended 31 March (£ millions)	2026	2025	2024
Finance income	99	136	164
<b>Total finance income</b>	<b>99</b>	<b>136</b>	<b>164</b>
Interest expense on lease liabilities	(51)	(55)	(56)
Total interest expense on financial liabilities measured at amortised cost other than lease liabilities measured at amortised cost	(284)	(333)	(401)
Interest expense on derivatives designated as a fair value hedge of financial liabilities	(19)	(28)	(27)
Unwind of discount on provisions	(81)	(85)	(77)
Interest capitalised	257	214	92
<b>Total finance expense (net)</b>	<b>(178)</b>	<b>(287)</b>	<b>(469)</b>

The capitalisation rate used to calculate borrowing costs eligible for capitalisation was 5.8 per cent (2025: 6.8 per cent, 2024: 6.4 per cent).

## 15 (LOSS)/PROFIT BEFORE TAX

Expense/(income) in (loss)/profit before tax includes the following:

Year ended 31 March (£ millions)	2026	2025	2024
Depreciation of property, plant and equipment	677	805	1,023
Amortisation of intangible assets (excluding internally generated development costs)	65	62	77
Amortisation of internally generated development costs	529	708	977
Depreciation of right-of-use assets	103	102	98
Expenses related to short-term leases	13	16	15
Expenses related to leases of low-value assets (excluding short-term leases of low-value assets)	11	14	13
Loss on disposal of fixed assets and assets held for sale	15	17	20
Exceptional items	322	15	-
Auditor remuneration	10	9	8

The following table sets out the auditor remuneration for the year (rounded to the nearest £0.1 million):

Year ended 31 March (£ millions)	2026	2025	2024
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	8.7	7.7	7.3
<b>Total audit fees</b>	<b>8.8</b>	<b>7.8</b>	<b>7.4</b>
Audit-related assurance services	0.5	0.5	0.5
Other assurance services	0.4	0.3	-
<b>Total non-audit fees</b>	<b>0.9</b>	<b>0.8</b>	<b>0.5</b>
<b>Total audit and related fees</b>	<b>9.7</b>	<b>8.6</b>	<b>7.9</b>

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.

The Group has reviewed the potential impact of the OECD Pillar Two rules enacted in certain jurisdictions. The Group does not expect the legislation to have a material impact on its current or deferred tax positions based on its current structure and operations. The Group has applied the mandatory temporary exception from recognising deferred taxes arising from Pillar Two, as required by IAS 12.

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)	2026	2025	2024
<b>Current tax expense</b>			
Current year	270	398	416
Adjustments for prior years	(18)	13	3
<b>Current tax expense</b>	<b>252</b>	<b>411</b>	<b>419</b>
<b>Deferred tax (credit)/expense</b>			
Origination and reversal of temporary differences	(322)	310	187
Adjustments for prior years	4	(23)	9
Deferred tax asset recognition	-	(24)	(1,029)
Rate changes	2	-	1
<b>Deferred tax (credit)/expense</b>	<b>(316)</b>	<b>263</b>	<b>(832)</b>
<b>Total income tax (credit)/expense</b>	<b>(64)</b>	<b>674</b>	<b>(413)</b>

Amounts recognised in the consolidated statement of other comprehensive income:

Year ended 31 March (£ millions)	2026	2025	2024
Deferred tax credit on actuarial gains on retirement benefits	(37)	(2)	(101)
Deferred tax (credit)/expense on change in fair value of cash flow hedges	(33)	88	84
<b>Total tax (credit)/expense</b>	<b>(70)</b>	<b>86</b>	<b>(17)</b>
<b>Total tax (credit)/expense</b>	<b>(134)</b>	<b>760</b>	<b>(430)</b>

Reconciliation of effective tax rate:

Year ended 31 March (£ millions)	2026	2025	2024
(Loss)/profit for the year	(244)	1,800	2,578
Total income tax (credit)/expense	(64)	674	(413)
<b>(Loss)/profit before tax</b>	<b>(308)</b>	<b>2,474</b>	<b>2,165</b>
Income tax (credit)/expense using the tax rates applicable to individual entities of 19.5% (2025: 25.3%, 2024: 25.4%)	(60)	627	549
Non-deductible expenses	32	47	30
Changes in tax rates	2	-	1
Deferred tax asset recognition	-	(24)	(1,029)
Overseas unremitted earnings	(22)	29	30
Tax on share of profit of equity accounted investments	(2)	1	(6)
Unrecognised or written-down deferred tax assets	-	4	-
(Under)/over provided in prior years	(14)	(10)	12
<b>Total income tax (credit)/expense</b>	<b>(64)</b>	<b>674</b>	<b>(413)</b>

The net underlying statutory tax rate represents the blended average of the tax rates suffered on profits and losses earned in the Group's various countries of operation. The current position reflects the fact that statutory tax rates applicable in profitable non-UK subsidiaries are higher than the UK tax rate applied to UK losses.

For the year ended 31 March 2026 the current period credit of £22m related to "Overseas unremitted earnings" includes the release of accrued withholding tax in a jurisdiction where an exemption has now been granted.

For the year ended 31 March 2026, the "Under provided in prior years" credit of £14 million (2025: credit of £10 million, 2024: charge of £12 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.

Deferred tax asset recognition relates to recognition of previously unrecognised deferred tax assets.

#### Deferred tax assets and liabilities

Significant components of deferred tax assets and liabilities for the year ended 31 March 2026 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
<b>Deferred tax assets</b>						
Property, plant & equipment	768	121	-	-	(1)	888
Expenses deductible in future years	285	29	-	-	5	319
Unrealised profit in inventory	165	(57)	-	-	-	108
Tax loss	926	478	-	-	-	1,404
Other	323	34	-	-	-	357
<b>Total deferred tax asset</b>	<b>2,467</b>	<b>605</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>3,076</b>
<b>Deferred tax liabilities</b>						
Intangible assets	1,491	298	-	-	-	1,789
Derivative financial instruments	126	31	(33)	(2)	-	122
Overseas unremitted earnings	85	(48)	-	-	-	37
Compensated absence and retirement benefits	69	8	(37)	-	(1)	39
<b>Total deferred tax liability</b>	<b>1,771</b>	<b>289</b>	<b>(70)</b>	<b>(2)</b>	<b>(1)</b>	<b>1,987</b>
Presented as deferred tax asset*	797					1,151
Presented as deferred tax liability*	(101)					(62)

\*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 2026, deferred tax assets of £1,151 million (2025: £797 million, 2024: £1,157 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.

"Other" deferred tax assets refers to unutilised UK Research and Development Expenditure (UK RDEC) credits carried forward under UK corporation tax legislation.

At 31 March 2026, the Group had unused tax losses of £5 million (2025: £15 million, 2024: £86 million) for which no deferred tax asset has been recognised on the basis of forecast profitability of the entities 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:

Year ended 31 March (£ millions)	2026	2025	2024
No expiry	5	15	86

All deferred tax assets and deferred tax liabilities at 31 March 2026, 2025 and 2024 are presented as non-current.

Significant components of deferred tax assets and liabilities for the year ended 31 March 2025 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
<b>Deferred tax assets</b>						
Property, plant & equipment	854	(87)	-	-	1	768
Expenses deductible in future years	233	64	-	-	(12)	285
Derivative financial instruments	-	-	-	-	-	-
Unrealised profit in inventory	189	(24)	-	-	-	165
Tax loss	891	36	-	-	(1)	926
Other	239	86	-	-	(2)	323
<b>Total deferred tax asset</b>	<b>2,406</b>	<b>75</b>	<b>-</b>	<b>-</b>	<b>(14)</b>	<b>2,467</b>
<b>Deferred tax liabilities</b>						
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
<b>Total deferred tax liability</b>	<b>1,340</b>	<b>338</b>	<b>86</b>	<b>7</b>	<b>-</b>	<b>1,771</b>
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.

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
<b>Deferred tax assets</b>						
Property, plant & equipment	799	54	-	-	1	854
Expenses deductible in future years	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
<b>Total deferred tax asset</b>	<b>1,594</b>	<b>823</b>	<b>-</b>	<b>-</b>	<b>(11)</b>	<b>2,406</b>
<b>Deferred tax liabilities</b>						
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
<b>Total deferred tax liability</b>	<b>1,365</b>	<b>(9)</b>	<b>(17)</b>	<b>1</b>	<b>-</b>	<b>1,340</b>
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.

## 17 INVESTMENT IN EQUITY ACCOUNTED INVESTEEES

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 is reduced to nil. This includes any long-term interests that are, in substance, part of the net investment. Recognition of further losses is discontinued unless 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 2026 are as follows:

Name of investment	Proportion of voting rights	Principal place of business and country of incorporation	Principal activity	Registered office address
Synaptiv Limited	33.3%	England & Wales	Business and domestic software development	2 Leman Street, London, United Kingdom, E1W 9US

Jaguar Cars Finance Limited was dissolved on 24 February 2026.

The Group has no material associates as at 31 March 2026. 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)	2026	2025	2024
Carrying amount of the Group's interests in associates	-	-	-
Year ended 31 March (£ millions)	2026	2025	2024
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 2026 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	No. 1Lu Hu Road, Changshu Economic and Technical Development Zone, Jiangshu City, Jiangshu 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 set 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)	2026	2025	2024
Cash and cash equivalents	498	290	276
Current financial liabilities (excluding trade and other payables and provisions)	(392)	(224)	(202)
Non-current financial liabilities (excluding trade and other payables and provisions)	(82)	(24)	-
Current assets	724	532	476
Current liabilities	(688)	(660)	(856)
Non-current assets	706	772	1,032
Non-current liabilities	(92)	(24)	(4)
<b>Net assets of material joint venture</b>	<b>650</b>	<b>620</b>	<b>648</b>

Year ended 31 March (£ millions)	2026	2025	2024
Revenue	868	1,105	1,511
Profit/(loss) for the year	10	(14)	28
<b>Total comprehensive income/(expense)</b>	<b>10</b>	<b>(14)</b>	<b>28</b>
Depreciation and amortisation	(120)	(192)	(172)
Finance income	4	6	8
Finance expense	(6)	(6)	(8)
Income tax credit/(expense)	-	9	(9)

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)	2026	2025	2024
<b>Net assets of material joint venture</b>	<b>650</b>	<b>620</b>	<b>648</b>
Share of net assets of material joint ventures	325	310	324
Other consolidation adjustments	1	(5)	(4)
<b>Carrying amount of the Group's material joint venture</b>	<b>326</b>	<b>305</b>	<b>320</b>

As at 31 March 2026, an adjustment of £(1) million (2025: £5 million, 2024: £4 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 2026, the Group received a dividend from Chery Jaguar Land Rover Automotive Company Ltd. of £nil (2025, 2024: £nil).

Details of the Group's immaterial joint ventures as at 31 March 2026 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)	2026	2025	2024
Carrying amount of the Group's interests in immaterial joint ventures	10	5	8

Year ended 31 March (£ millions)	2026	2025	2024
Group's share of profit and total comprehensive income in immaterial joint ventures	4	4	9

During the year ended 31 March 2026, the Group received dividends from its immaterial joint ventures of £5 million (2025: £2 million, 2024: £2 million).

### (C) Summary of amounts recognised in the consolidated financial statements

As at 31 March (£ millions)	2026	2025	2024
Carrying amount of material joint ventures	326	305	320
Carrying amount of immaterial joint ventures	10	5	8
<b>Carrying amount of the Group's interests in equity accounted investees</b>	<b>336</b>	<b>310</b>	<b>328</b>

Year ended 31 March (£ millions)	2026	2025	2024
Share of profit/(loss) of:			
Material joint venture	5	(7)	14
Immaterial joint venture	4	4	9
<b>Share of profit/(loss) of equity accounted investees</b>	<b>9</b>	<b>(3)</b>	<b>23</b>

Year ended 31 March (£ millions)	2026	2025	2024
Currency translation differences	10	(12)	(23)
<b>Share of other comprehensive income/(expense) related to equity accounted investees</b>	<b>10</b>	<b>(12)</b>	<b>(23)</b>

### 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)	2026	2025	2024
Other investments	56	55	52
<b>Total other non-current investments</b>	<b>56</b>	<b>55</b>	<b>52</b>

During the year ended 31 March 2026, the Group invested £8 million (2025: £7 million, 2024: £7 million) in other investments. A fair value loss of £7 million (2025: loss of £2 million, 2024: gain of £1 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 2026 no dividends were received (2025, 2024: 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)	2026	2025	2024
<b>Non-current</b>			
Restricted cash	14	10	8
Derivative financial instruments	223	336	223
Warranty reimbursement and other receivables	77	70	58
Other	84	104	66
<b>Total non-current other financial assets</b>	<b>398</b>	<b>520</b>	<b>355</b>
<b>Current</b>			
Restricted cash	22	9	10
Derivative financial instruments	416	354	239
Warranty reimbursement and other receivables	224	251	121
Accrued income	20	29	53
Other	101	109	120
<b>Total current other financial assets</b>	<b>783</b>	<b>752</b>	<b>543</b>

Accrued income is included within 'Contract assets' - see note 5.

Other financial assets pledged as collateral against borrowings are disclosed in note 28.

20 PROPERTY, PLANT AND EQUIPMENT

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 costs incurred for constructed assets are 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
<b>Cost</b>								
<b>Balance at 1 April 2023</b>	<b>2,646</b>	<b>11,360</b>	<b>14</b>	<b>213</b>	<b>140</b>	<b>40</b>	<b>388</b>	<b>14,801</b>
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)
<b>Balance at 31 March 2024</b>	<b>2,668</b>	<b>10,551</b>	<b>11</b>	<b>202</b>	<b>131</b>	<b>14</b>	<b>866</b>	<b>14,443</b>
Additions	-	-	-	5	3	-	1,040	1,048
Transfers	205	289	-	-	-	-	(494)	-
Disposals	(11)	(673)	-	(6)	(5)	-	-	(695)
Transfers 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)
<b>Balance at 31 March 2025</b>	<b>2,840</b>	<b>10,152</b>	<b>11</b>	<b>200</b>	<b>128</b>	<b>14</b>	<b>1,408</b>	<b>14,753</b>
Additions	-	27	-	16	2	-	867	912
Transfers	90	126	-	-	-	-	(216)	-
Disposals	(6)	(521)	-	(8)	(5)	-	-	(540)
Foreign currency translation	18	26	-	1	-	-	-	45
<b>Balance at 31 March 2026</b>	<b>2,942</b>	<b>9,810</b>	<b>11</b>	<b>209</b>	<b>125</b>	<b>14</b>	<b>2,059</b>	<b>15,170</b>
<b>Depreciation and impairment</b>								
<b>Balance at 1 April 2023</b>	<b>736</b>	<b>7,953</b>	<b>11</b>	<b>132</b>	<b>93</b>	<b>34</b>	<b>-</b>	<b>8,959</b>
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)
<b>Balance at 31 March 2024</b>	<b>834</b>	<b>7,646</b>	<b>11</b>	<b>132</b>	<b>89</b>	<b>7</b>	<b>-</b>	<b>8,719</b>
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)
<b>Balance at 31 March 2025</b>	<b>947</b>	<b>7,637</b>	<b>11</b>	<b>141</b>	<b>91</b>	<b>7</b>	<b>-</b>	<b>8,834</b>
Depreciation charge for the year	126	528	-	16	7	-	-	677
Disposals	(3)	(508)	-	(8)	(5)	-	-	(524)
Impairment - asset write-downs	-	-	-	-	-	2	-	2
Foreign currency translation	5	14	-	1	-	-	-	20
<b>Balance at 31 March 2026</b>	<b>1,075</b>	<b>7,671</b>	<b>11</b>	<b>150</b>	<b>93</b>	<b>9</b>	<b>-</b>	<b>9,009</b>
<b>Net book value</b>								
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
<b>At 31 March 2026</b>	<b>1,867</b>	<b>2,139</b>	<b>-</b>	<b>59</b>	<b>32</b>	<b>5</b>	<b>2,059</b>	<b>6,161</b>

\*During the year ended 31 March 2026, amounts with a net book value of £nil (2025: £2 million, 2024: £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.

## 21 INTANGIBLE ASSETS

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)
Goodwill	Indefinite
Software	2 to 8
Patents and technological know-how	2 to 12
Customer related	20
Intellectual property rights and other intangibles	3 to indefinite
Product development costs	2 to 12

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 retailer 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, powertrains, 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, £86 million (2025: £215 million, 2024: £30 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 £380 million lower in the year ended 31 March 2026 (2025: £359 million, 2024: £270 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
<b>Cost</b>								
<b>Balance at 1 April 2023</b>	-	<b>948</b>	<b>147</b>	<b>61</b>	<b>650</b>	<b>9,152</b>	<b>793</b>	<b>11,751</b>
Additions - externally purchased	-	66	-	-	-	-	-	66
Additions - internally developed	-	-	-	-	-	-	1,538	1,538
Transfers	-	-	-	-	-	147	(147)	-
Disposals	-	(241)	-	-	-	(221)	-	(462)
Foreign currency translation	-	(1)	-	-	-	-	-	(1)
<b>Balance at 31 March 2024</b>	-	<b>772</b>	<b>147</b>	<b>61</b>	<b>650</b>	<b>9,078</b>	<b>2,184</b>	<b>12,892</b>
Additions - externally purchased	-	61	-	-	-	-	-	61
Additions - internally developed	-	-	-	-	-	-	2,002	2,002
Transfers	-	-	-	-	-	92	(92)	-
Disposals	-	(76)	(147)	-	(22)	(2,676)	-	(2,921)
Acquisition of subsidiary	40	-	-	-	11	-	-	51
Disposal of subsidiary	(40)	-	-	-	(11)	-	-	(51)
Foreign currency translation	-	(1)	-	-	-	-	-	(1)
<b>Balance at 31 March 2025</b>	-	<b>756</b>	-	<b>61</b>	<b>628</b>	<b>6,494</b>	<b>4,094</b>	<b>12,033</b>
Additions - externally purchased	-	44	-	-	-	-	-	44
Additions - internally developed	-	-	-	-	-	-	1,912	1,912
Disposals	-	(89)	-	-	-	(638)	-	(727)
Foreign currency translation	-	1	-	-	-	-	-	1
<b>Balance at 31 March 2026</b>	-	<b>712</b>	-	<b>61</b>	<b>628</b>	<b>5,856</b>	<b>6,006</b>	<b>13,263</b>
<b>Amortisation and impairment</b>								
<b>Balance at 1 April 2023</b>	-	<b>743</b>	<b>147</b>	<b>48</b>	<b>173</b>	<b>5,776</b>	-	<b>6,887</b>
Amortisation charge for the year	-	70	-	5	2	977	-	1,054
Disposals	-	(233)	-	-	-	(221)	-	(454)
Foreign currency translation	-	(1)	-	-	-	-	-	(1)
<b>Balance at 31 March 2024</b>	-	<b>579</b>	<b>147</b>	<b>53</b>	<b>175</b>	<b>6,532</b>	-	<b>7,486</b>
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)
<b>Balance at 31 March 2025</b>	-	<b>563</b>	-	<b>55</b>	<b>154</b>	<b>4,564</b>	-	<b>5,336</b>
Amortisation charge for the year	-	63	-	2	-	529	-	594
Disposals	-	(87)	-	-	-	(638)	-	(725)
Foreign currency translation	-	1	-	-	-	-	-	1
<b>Balance at 31 March 2026</b>	-	<b>540</b>	-	<b>57</b>	<b>154</b>	<b>4,455</b>	-	<b>5,206</b>
<b>Net book value</b>								
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
<b>At 31 March 2026</b>	-	<b>172</b>	-	<b>4</b>	<b>474</b>	<b>1,401</b>	<b>6,006</b>	<b>8,057</b>

Included within Intellectual property rights and other intangibles at 31 March 2026 are intangible assets with a carrying value of £471 million (2025: £471 million, 2024: £471 million) that have indefinite useful lives.

### Impairment testing

An annual impairment assessment has been prepared as at 31 January 2026, using the value in use ("VIU") approach to determine the recoverable amount of the Group's cash generating unit ("CGU"). The operations of the Group, excluding equity accounted investments, represent a single CGU as the degree of integrated development and manufacturing activities is such that no one group of assets generates cash inflows that are independent of any other.

The VIU model is based on the cashflows within Group's Board approved five-year business plan. The business plan reflects the Group's Cycle Plan assumptions, the business' historical performance and management's expectation of future market developments through to 2030/31. Due to the inherent uncertainty of forecast information, management have adjusted some of the assumptions in the business plan to reflect possible variations in the amount or timing of the cash flows. In doing so, management has incorporated execution risks including those associated with our 'Reimagine' strategy and the transition to electrified powertrains (outlined on pages 118 to 120).

The VIU model indicated that the recoverable amount of the CGU exceeded the carrying amount by £4.6 billion (2025: £5.7 billion, 2024: £6.5 billion) and therefore no impairment was identified. The decrease in headroom has largely been driven by an increase to the value of the CGU due to increased investment to support new product launches partially offset by improved future forecasts, set against a more challenging external environment (outlined on pages 10-11).

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 2026.

### 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. The Group has incorporated both expected capital expenditure in relation to the replacement of assets and the costs of carbon credits to meet our environmental targets within the VIU assessment. Further details on our approach to sustainability are included in the Strategic Report on pages 58 to 113.

### Key assumptions

Management considers the key assumptions to be those that involve a significant amount of estimation and to which the VIU recoverable amount is most sensitive to reasonably possible alternatives. With the exception of the discount rate, all of the key assumptions listed below are based on the business plan that reflects the Group's Cycle Plan assumptions, the business' historical performance and management's expectation of future market developments through to 2030/31. Key sources of estimation uncertainty associated with each of the key assumptions are outlined below:

- **Variable profit (consisting of variable profit per unit & volumes)** - Variable profit per unit and volumes included in the business plan are largely driven by an updated product portfolio, which includes estimates and judgements related to the transition to electrified powertrain, including the introduction of new Jaguar. Supply risks and inflationary pressures are additional sources of estimation uncertainty.
- **Selling, general and administrative (S,G&A) costs** - The business plan includes expected changes to optimise the scale and nature of internal support structures in response to the changing automotive landscape as the Group continues the implementation of its Re-imagine strategy. Marketing and selling expenses are inherently sensitive to market conditions.
- **Terminal value capital expenditure** - The pace of technological advances involved in the transition to electrified powertrains involves estimates and judgements that may impact expected levels of maintenance capital expenditure required.
- **Discount rate** - The discount rate is estimated using the Capital Asset Pricing Model to derive a cost of equity which has been weighted with an estimated cost of debt based on a market participant level of gearing, which has been determined by reference to comparable listed companies. There are greater levels of estimation involved in determining, and the recoverable amount is sensitive to small changes, in this key assumption.

Certain assumptions which involve greater judgement and estimation, such as growth rate of 1.6 per cent (2025: 1.8 per cent, 2024: 1.7 per cent), but for which even relatively significant changes have a limited impact on the assessment are not regarded as key assumptions.

The value of key assumptions used to calculate the recoverable amount are as follows, some are presented as a % of Gross Vehicle Revenues ("GVR") to demonstrate the relative value to the assessment where needed:

As at	31 January 2026	31 January 2025	31 January 2024
Forecast variable profit (%GVR)	22.0%	24.9%	26.1%
Forecast S,G&A costs (%GVR)	8.5%	10.1%	9.0%
Terminal value capital expenditure (%GVR)	7.1%	8.0%	8.7%
Pre-tax discount rate	11.8%	11.2%	11.8%

### Sensitivity to reasonably possible changes to key assumptions

Management considers the key assumptions to be those to which the VIU recoverable amount is most sensitive to reasonably possible alternatives. The table below shows the amount by which the value assigned to the key assumptions must change in isolation for the recoverable amount of the CGU to be equal to its carrying amount. Management considers it reasonably possible that individual assumptions may vary, which could have a material impact on the recoverable amount derived by the VIU model, but not to an extent that impairment would be required.

As at	31 January 2026	31 January 2025	31 January 2024
Forecast variable profit	(7.3)%	(8.1)%	(8.8)%
Forecast S,G&A costs	20.7%	19.8%	26.0%
Terminal value capital expenditure	35.5%	38.4%	37.7%
Pre-tax discount rate	26.4%	46.6%	66.0%

Reasonably possible changes in multiple assumptions, when considered together could reduce the VIU to below the level of the carrying amount.

## 22 LEASES

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 land and buildings, plant and equipment, vehicles, IT equipment, fixtures and fittings, and other assets, certain of which have a renewal and/or purchase options in the normal course of 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 2026 and 2052.

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
<b>Cost</b>							
<b>Balance at 1 April 2023</b>	<b>781</b>	<b>94</b>	<b>7</b>	<b>17</b>	<b>17</b>	<b>4</b>	<b>920</b>
Additions**	36	26	3	10	-	1	76
Disposals	(21)	(28)	(1)	(5)	-	(2)	(57)
Foreign currency translation	(1)	-	-	-	(1)	-	(2)
<b>Balance at 31 March 2024</b>	<b>795</b>	<b>92</b>	<b>9</b>	<b>22</b>	<b>16</b>	<b>3</b>	<b>937</b>
Additions**	36	27	11	8	-	-	82
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)
<b>Balance at 31 March 2025</b>	<b>789</b>	<b>105</b>	<b>17</b>	<b>28</b>	<b>6</b>	<b>3</b>	<b>948</b>
Additions	26	29	18	3	-	-	76
Disposals	(34)	(13)	(6)	(9)	-	(1)	(63)
Foreign currency translation	2	(2)	1	-	-	-	1
<b>Balance at 31 March 2026</b>	<b>783</b>	<b>119</b>	<b>30</b>	<b>22</b>	<b>6</b>	<b>2</b>	<b>962</b>
<b>Depreciation</b>							
<b>Balance at 1 April 2023</b>	<b>208</b>	<b>57</b>	<b>3</b>	<b>9</b>	<b>5</b>	<b>3</b>	<b>285</b>
Depreciation charge for the year	73	14	3	5	2	1	98
Disposals	(18)	(28)	(1)	(5)	-	(2)	(54)
<b>Balance at 31 March 2024</b>	<b>263</b>	<b>43</b>	<b>5</b>	<b>9</b>	<b>7</b>	<b>2</b>	<b>329</b>
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)
<b>Balance at 31 March 2025</b>	<b>296</b>	<b>48</b>	<b>6</b>	<b>14</b>	<b>1</b>	<b>3</b>	<b>368</b>
Depreciation charge for the year	65	21	9	7	1	-	103
Disposals	(33)	(12)	(6)	(9)	-	(1)	(61)
Foreign currency translation	1	(1)	1	-	-	-	1
<b>Balance at 31 March 2026</b>	<b>329</b>	<b>56</b>	<b>10</b>	<b>12</b>	<b>2</b>	<b>2</b>	<b>411</b>
<b>Net book value</b>							
At 31 March 2024	532	49	4	13	9	1	608
At 31 March 2025	493	57	11	14	5	-	580
<b>At 31 March 2026</b>	<b>454</b>	<b>63</b>	<b>20</b>	<b>10</b>	<b>4</b>	<b>-</b>	<b>551</b>

\*During the year ended 31 March 2026, amounts with a net book value of £nil (2025: £2 million, 2024: £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.

\*\*The comparatives for the years ended 31 March 2025 and 31 March 2024 have been re-presented to align with presentation changes made during the year ended 31 March 2026. The amounts disclosed as 'Additions' include lease modifications previously disclosed as 'Other'. This has not resulted in any change to the reported Total Cost.

## Lease liabilities

The maturity analysis of the contractual undiscounted cash flows is as follows:

As at 31 March (£ millions)	2026	2025	2024
Less than one year	135	128	124
Between one and five years	341	347	354
More than five years	548	595	653
<b>Total undiscounted lease liabilities</b>	<b>1,024</b>	<b>1,070</b>	<b>1,131</b>

The following amounts are recognised in the consolidated balance sheet:

As at 31 March (£ millions)	2026	2025	2024
Current lease liabilities	89	79	73
Non-current lease liabilities	573	592	621
<b>Total lease liabilities</b>	<b>662</b>	<b>671</b>	<b>694</b>

The following amounts are recognised in the consolidated income statement:

Year ended 31 March (£ millions)	2026	2025	2024
Interest expense on lease liabilities	51	55	56
Expenses related to short-term leases	13	16	15
Expenses related to low-value assets, excluding short-term leases of low-value assets	11	14	13

The following amounts are recognised in the consolidated cash flow statement:

Year ended 31 March (£ millions)	2026	2025	2024
Cash payments for the principal portion of lease liabilities (within 'payments of lease obligations')	92	86	74
Cash payment for interest expense related to lease liabilities (within 'finance expenses and fees paid')	51	55	56
<b>Total cash outflow for leases</b>	<b>143</b>	<b>141</b>	<b>130</b>

## 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)	2026	2025	2024
Less than one year	6	5	8
Between one and five years	8	9	6
More than five years	16	16	8
<b>Total undiscounted lease payments to be received</b>	<b>30</b>	<b>30</b>	<b>22</b>

## 23 OTHER ASSETS

As at 31 March (£ millions)	2026	2025	2024
<b>Non-current</b>			
Prepaid expenses	156	173	131
Research and development expenditure credit	5	3	1
Other	8	16	11
<b>Total non-current other assets</b>	<b>169</b>	<b>192</b>	<b>143</b>
<b>Current</b>			
Recoverable VAT	243	156	158
Prepaid expenses	293	296	306
Research and development expenditure credit	265	231	178
Other	53	24	15
<b>Total current other assets</b>	<b>854</b>	<b>707</b>	<b>657</b>

## 24 ALLOWANCES FOR TRADE AND OTHER RECEIVABLES

Year ended 31 March (£ millions)	2026	2025	2024
At beginning of year	5	6	4
Charged during the year	1	1	5
Receivables written off as uncollectable	(1)	-	(2)
Unused amounts reversed	-	(2)	(1)
<b>At end of year</b>	<b>5</b>	<b>5</b>	<b>6</b>

## 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 the lower of cost and net realisable value, with net realisable value reflecting the estimated second-hand sale value.

As at 31 March (£ millions)	2026	2025	2024
Raw materials and consumables	143	157	109
Work-in-progress	753	492	538
Finished goods	2,848	2,974	3,103
Inventory basis adjustment	(1)	5	1
<b>Total inventories</b>	<b>3,743</b>	<b>3,628</b>	<b>3,751</b>

Inventories of finished goods include £470 million (2025: £458 million, 2024: £429 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 £15,729 million (2025: £19,476 million, 2024: £19,431 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 £40 million (2025: £23 million, 2024: £115 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)	2026	2025	2024
Land and buildings	-	1	30
Other assets held for sale	71	45	24
<b>Total assets classified as held for sale</b>	<b>71</b>	<b>46</b>	<b>54</b>

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 2026, write-downs of £nil (2025: £nil, 2024: £6 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)	2026	2025	2024
Trade payables	4,631	4,709	4,865
Liabilities related to revenue reductions	1,318	1,379	1,188
Liabilities to employees	216	326	317
Liabilities for expenses	322	313	345
Capital creditors	353	421	398
<b>Total accounts payable</b>	<b>6,840</b>	<b>7,148</b>	<b>7,113</b>

To assist suppliers in their recovery from the production shutdown which impacted the quarters ended 30 September 2025 and the subsequent restart in the quarter ended 31 December 2025, the Group arranged a temporary supplier financing facility with an external funding provider, of up to £500 million to advance payments to qualifying suppliers at the point of order scheduling. This enabled qualifying suppliers to receive up to 90% of the order value in advance. A total of £37 million has been advanced for such orders that have yet to be delivered. This is included within 'Other' in note 23 and represents the Group's right to receive future inventory from suppliers. The Group repays each advance to the funder in line with supplier's standard invoice terms or when a longstop date is reached. A total of £27 million is owed by the Group at 31 March 2026 to the funder for advances that have not yet reached their payment date. This arrangement does not directly benefit the Group financially but supports resilience within the manufacturing supply chain. Given the speed of production restart, this facility was not used extensively and this is therefore being wound down.

## 28 INTEREST-BEARING LOANS AND BORROWINGS

As at 31 March (£ millions)	2026	2025	2024
<b>Short-term borrowings</b>			
Bank Loans	1,323	319	-
Current portion of long-term EURO MTF listed debt	261	842	427
Current portion of long-term loans	94	125	829
<b>Total short-term borrowings</b>	<b>1,678</b>	<b>1,286</b>	<b>1,256</b>
<b>Long-term borrowings</b>			
Bank loans	1,482	589	217
EURO MTF listed debt	1,528	1,773	2,683
Other unsecured	38	37	36
<b>Total long-term borrowings</b>	<b>3,048</b>	<b>2,399</b>	<b>2,936</b>
Lease obligations	662	671	694
<b>Total interest-bearing loans and borrowings</b>	<b>5,388</b>	<b>4,356</b>	<b>4,886</b>

### 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 2026 are as follows:

\$500 million Senior Notes due 2027 at a coupon of 4.500 per cent per annum - issued October 2017  
 €298 million Senior Notes due 2026 at a coupon of 6.875 per cent per annum - issued November 2019  
 \$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 2026, the Group repaid its \$700 million Senior Notes due 2025 at a coupon of 7.750 per cent per annum - issued October 2020 and its €500 million Senior Notes due 2026 at a coupon of 4.500 per cent per annum - issued September 2018.

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.

### Syndicated loan

The Group has a \$650 million syndicate loan maturing in January 2029.

This loan includes a covenant requiring the Group to maintain a minimum quarter-end liquidity of £1 billion.

### 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.

### UK Export Finance facility

During the year ended 31 March 2026, the Group repaid £125 million (2025: £125 million, 2024: £125 million) of the remaining balance of the £625 million five-year amortising loan facility from UK Export Finance, ending December 2026. As at 31 March 2026, the remaining balance on the facility is £94 million (2025: £219 million, 2024: £344 million).

During the year ended 31 March 2025 the Group fully repaid the £625 million five-year amortising loan facility from UK Export Finance that ended in October 2024 (2025: £73 million; 2024: £125 million).

During the year ended 31 March 2026, the Group entered into two new UK Export Finance backed loan facilities. In August 2025, the Group entered and drawn in full a £1,000 million loan facility, maturing in July 2032. Amortisation starts in 2027 with 50% of the loan amortising over five years and the remaining 50% being payable at maturity.

In October 2025, the Group entered into a further £1,500 million UK Export Finance backed loan facility, which matures in October 2030. This facility has a two-year availability period and is undrawn as at 31 March 2026.

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 2026, the Group renewed the two loans which matured in December 2025 and entered into one new 12 month RMB working capital loan facility. The total drawn amount of the three loans is RMB 3 billion. These loans mature in November and December 2026.

### Revolving Credit Facilities

As at 31 March 2026, the Group has a total undrawn revolving credit facility of £2,660 million (2025: £1,660 million, 2024: £1,520 million), of which £1,660 million is the existing facility with £622 million maturing in October 2028 and £1,038 million maturing in October 2029. The Group entered into a £2,000 million RCF bridge facility in September 2025 maturing in September 2026 (with a six month extension option) of which £1,000 million remains undrawn.

These facilities include 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 £19 million (2025: £8 million, 2024: £27 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)	2026	2025	2024
<b>Due in</b>			
1 year or less	1,859	1,588	1,534
2nd and 3rd years	1,935	1,339	1,747
4th and 5th years	372	1,289	1,371
More than 5 years	1,126	110	444
<b>Total contractual cash flows</b>	<b>5,292</b>	<b>4,326</b>	<b>5,096</b>

### 29 OTHER FINANCIAL LIABILITIES

As at 31 March (£ millions)	2026	2025	2024
<b>Current</b>			
Lease obligations	89	79	73
Interest accrued*	60	66	84
Derivative financial instruments	26	152	265
Liability for vehicles sold under a repurchase arrangement	489	499	455
Other	2	-	8
<b>Total current other financial liabilities</b>	<b>666</b>	<b>796</b>	<b>885</b>
<b>Non-current</b>			
Lease obligations	573	592	621
Derivative financial instruments	149	65	136
Other	-	1	1
<b>Total non-current other financial liabilities</b>	<b>722</b>	<b>658</b>	<b>758</b>

\*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 £332 million (2025: £341 million, 2024: £282 million) related to vehicles for the management car scheme. Participants in the scheme make payments through deductions from salary.

### 30 PROVISIONS

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)	2026	2025	2024
<b>Current</b>			
Product warranty	960	857	720
Emissions compliance	118	138	41
Third party claims and obligations	139	154	197
Other provisions	36	37	68
<b>Total current provisions</b>	<b>1,253</b>	<b>1,186</b>	<b>1,026</b>
<b>Non-current</b>			
Product warranty	1,691	1,405	1,145
Emissions compliance	55	147	118
Other provisions	57	44	48
<b>Total non-current provisions</b>	<b>1,803</b>	<b>1,596</b>	<b>1,311</b>

Year ended 31 March 2026 (£ millions)	Product warranty	Emissions compliance	Third party claims and obligations	Other provisions	Total
Opening balance	2,262	285	154	81	2,782
Provisions made during the year	1,422	233	364	33	2,052
Provisions used during the year	(1,094)	(40)	(285)	(19)	(1,438)
Unused amounts reversed in the year	(21)	(305)	(94)	(2)	(422)
Impact of unwind of discounting	81	-	-	-	81
Foreign currency translation	1	-	-	-	1
<b>Closing balance</b>	<b>2,651</b>	<b>173</b>	<b>139</b>	<b>93</b>	<b>3,056</b>

#### Product warranty

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 sale 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 depending on when warranty claims 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 sale of electrified 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 electrified 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. These factors are external and cannot be influenced by management. 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.

Elements of the provision are also sensitive to interrelated operational and technical factors where field service actions remain ongoing. Warranty experience in this area continues to evolve as vehicles remain in service, often emerging over time and thus may progress in phases as root causes are identified and corrective actions are implemented. During these periods, claim frequency and average repair costs may change concurrently and may be driven by a limited number of components or systems, together with increasing diagnostic and repair complexity.

If the average product warranty expense increases/decreases by 10%, this would result in a £265 million increase/decrease in the warranty provision.

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 from suppliers, 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 of vehicles which are non-compliant with legal emissions requirements in certain jurisdictions. The provision is measured at the estimated cost of settling the non-compliance position at the balance sheet date. This is based on the cost of purchasing emission credits at estimated market rates based on latest market information, or where market indicative prices cannot be estimated, the cost of paying the legislated fine. The measurement of the provision does not include the benefit of credits that could be generated from future production and sale of compliant vehicles. Legislation is regularly monitored for changes to the emissions requirements across the various jurisdictions relevant to the Group and where changes or new legislation are virtually certain to be enacted, these are used as the basis for the provision measurement.

The timing of outflows will vary and is not known with certainty. The actual cash outflow may differ to the estimate.

Estimates of emissions compliance obligations were favourably adjusted in response to evolving regulatory and market conditions particularly within the United States of America, resulting in £305 million of unused amounts reversed in the period.

#### 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 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.

The Group is insured against product and public liability claims. Estimates are made of the expected reimbursement claims on a case-by-case basis. Insurance reimbursement claims are presented as separate assets within 'Other financial assets' in note 19. Insurance claim recoveries are recognised only when the Group considers there to be virtual certainty over their reimbursement.

#### 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)	2026	2025	2024
<b>Current</b>			
Liabilities for advances received	55	74	102
Ongoing service obligations	360	368	324
VAT	97	93	104
Deferred grant income	37	42	70
Other taxes payable	208	69	100
Other	21	3	11
<b>Total current other liabilities</b>	<b>778</b>	<b>649</b>	<b>711</b>
<b>Non-current</b>			
Ongoing service obligations	575	635	605
Deferred grant income	638	498	348
Other	16	7	4
<b>Total non-current other liabilities</b>	<b>1,229</b>	<b>1,140</b>	<b>957</b>

### 32 CAPITAL AND RESERVES

As at 31 March (£ millions)	2026	2025	2024
<b>Authorised, called up and fully paid</b>			
1,500,642,163 ordinary shares of £1 each	1,501	1,501	1,501
<b>Total ordinary share capital</b>	<b>1,501</b>	<b>1,501</b>	<b>1,501</b>

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 (2025: £167 million, 2024: £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
<b>Balance at 1 April 2023</b>	<b>(320)</b>	<b>(608)</b>	<b>(34)</b>	<b>3,533</b>	<b>2,571</b>
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)
<b>Balance at 31 March 2024</b>	<b>(367)</b>	<b>177</b>	<b>(6)</b>	<b>5,807</b>	<b>5,611</b>
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
<b>Balance at 1 April 2024</b>	<b>(367)</b>	<b>177</b>	<b>(6)</b>	<b>5,807</b>	<b>5,611</b>
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)
<b>Balance at 31 March 2025</b>	<b>(395)</b>	<b>460</b>	<b>(4)</b>	<b>7,215</b>	<b>7,276</b>
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)
<b>Balance at 1 April 2025</b>	<b>(395)</b>	<b>460</b>	<b>(4)</b>	<b>7,215</b>	<b>7,276</b>
Loss for the year	-	-	-	(244)	(244)
Remeasurement of defined benefit obligation	-	-	-	(147)	(147)
Gain on effective cash flow hedges	-	235	194	-	429
Income tax related to items recognised in other comprehensive income	-	(59)	(48)	37	(70)
Cash flow hedges reclassified to profit and loss	-	(549)	(12)	-	(561)
Income tax related to items reclassified to profit or loss	-	137	3	-	140
Amounts removed from hedge reserve and recognised in inventory	-	(9)	1	-	(8)
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	2	-	-	2
Dividends paid	-	-	-	(448)	(448)
Foreign currency translation	27	-	-	-	27
<b>Balance at 31 March 2026</b>	<b>(368)</b>	<b>217</b>	<b>134</b>	<b>6,413</b>	<b>6,396</b>
Of which:					
Amounts related to continuing hedges	n/a	212	133	n/a	345
Amounts related to discontinued hedges	n/a	5	1	n/a	6

#### 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 2026 the Company proposed and paid an ordinary dividend of £448 million to its immediate parent company TML Holdings Pte. Ltd. (Singapore) (2025: £387 million, 2024: £nil).

## 35 EMPLOYEE BENEFITS

### Pension schemes

The Group operates several defined benefit ("DB") pension schemes; 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 schemes are generally held in separate funds selected and overseen by the trustee. These plans were contracted out of the state second pension 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 0.7% 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 year.

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 of actuarial gains and losses and the return on plan assets (excluding interest) are recognised immediately in the consolidated balance sheet with a charge or credit to the consolidated statement of comprehensive income in the year 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 year. 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 permanent 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 schemes 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)	2026	2025	2024
Defined benefit obligation at beginning of year	4,694	5,104	5,089
Current service cost	58	66	63
Interest expense	265	253	237
Actuarial (gains)/losses arising from:			
Changes in demographic assumptions	49	(49)	(22)
Changes in financial assumptions	(107)	(501)	(147)
Experience adjustments	(7)	42	85
Exchange differences on foreign schemes	1	(1)	-
Member contributions	1	1	1
Benefits paid	(242)	(221)	(202)
<b>Defined benefit obligation at end of year</b>	<b>4,712</b>	<b>4,694</b>	<b>5,104</b>

### Change in present value of scheme assets

Year ended 31 March (£ millions)	2026	2025	2024
Fair value of schemes' assets at beginning of year	4,985	5,382	5,726
Interest income	285	270	270
Remeasurement loss on the return of plan assets, excluding amounts included in interest income	(212)	(515)	(489)
Administrative expenses	(4)	(9)	(10)
Exchange differences on foreign schemes	-	-	-
Employer contributions	70	77	86
Member contributions	1	1	1
Benefits paid	(242)	(221)	(202)
<b>Fair value of schemes' assets at end of year</b>	<b>4,883</b>	<b>4,985</b>	<b>5,382</b>

The actual return on the schemes' assets for the year ended 31 March 2026 was £73 million (2025: £(245) million, 2024: £(219) million).

Amounts recognised in the consolidated income statement consist of:

Year ended 31 March (£ millions)	2026	2025	2024
Current service cost	58	66	63
Past service cost	-	-	-
Administrative expenses	4	9	10
Net interest income (including onerous obligations)	(20)	(17)	(33)
<b>Components of defined benefit cost recognised in the consolidated income statement</b>	<b>42</b>	<b>58</b>	<b>40</b>

Amounts recognised in the consolidated statement of comprehensive income consist of:

Year ended 31 March (£ millions)	2026	2025	2024
Actuarial gains/(losses) arising from:			
Changes in demographic assumptions	(49)	49	22
Changes in financial assumptions	107	501	147
Experience adjustments	7	(42)	(85)
Remeasurement loss on the return of schemes' assets, excluding amounts included in interest income	(212)	(515)	(489)
<b>Remeasurement loss on net defined benefit obligation</b>	<b>(147)</b>	<b>(7)</b>	<b>(405)</b>

Amounts recognised in the consolidated balance sheet consist of:

As at 31 March (£ millions)	2026	2025	2024
Present value of defined benefit obligations	(4,712)	(4,694)	(5,104)
Fair value of schemes' assets	4,883	4,985	5,382
<b>Net pension asset</b>	<b>171</b>	<b>291</b>	<b>278</b>
Presented as non-current asset	193	313	300
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 2026 by a qualified independent actuary. For the UK schemes this is based on membership data as at 1 April 2025 for each of the large 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 DB pension schemes are set out below:

As at 31 March	2026	2025	2024
Discount rate	6.1 %	5.8 %	5.1 %
Expected rate of increase in benefit revaluation of covered employees	2.1 %	1.9 %	2.0 %
RPI inflation	3.1 %	2.9 %	3.0 %
CPI Inflation rate (capped at 5% p.a.)	2.7 %	2.5 %	2.5 %
CPI Inflation rate (capped at 2.5% p.a.)	1.9 %	1.8 %	1.8 %

From 30 June 2024 the Group 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.

For the valuation at 31 March 2026, 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 2025, 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 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 31 March 2026 year-end calculation, there is an allowance for future improvements in line with the CMI (2025) projections with a long-term rate of improvement of 1.25 per cent per annum and a smoothing parameter ( $\delta$ -kappa) of 7.0 (31 March 2025: CMI (2023) projections with 1.25 per cent per annum improvements and a smoothing parameter of 7.0, 31 March 2024: CMI (2022) projections with 1.25 per cent per annum improvements and a smoothing parameter of 7.0).

The assumed life expectancies on retirement at age 65 are:

As at 31 March (years)	2026	2025	2024
Retiring today:			
Males	21.3	21.0	21.0
Females	23.5	23.4	23.5
Retiring in 20 years:			
Males	22.7	22.4	22.5
Females	25.4	25.3	25.4

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 year) has been applied as when calculating the DB 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 years.

Assumption	Change in assumption	Impact on scheme liabilities	Impact on service cost
Discount rate	Increase/decrease by 0.25%	Decrease/increase by £ 138 million	Decrease/increase by £ 2 million
Inflation rate	Increase/decrease by 0.25%	Increase/decrease by £ 79 million	Increase/decrease by £ 1 million
Mortality	Increase/decrease in life expectancy by 1 year	Increase/decrease by £ 181 million	Increase/decrease by £ 2 million

The fair value of schemes' assets is represented by the following major categories:

As at 31 March (£ millions)	2026				2025				2024				
	Quoted	Unquoted	Total	% Quoted	Unquoted	Total	% Quoted	Unquoted	Total	% Quoted	Unquoted	Total	%
<b>Equity instruments</b>													
Information technology	-	67	67	1%	-	52	52	1%	-	80	80	1%	-
Energy	-	11	11	-	-	8	8	-	-	11	11	-	-
Manufacturing	-	56	56	1%	-	44	44	1%	-	60	60	1%	-
Financials	-	77	77	2%	-	60	60	1%	-	26	26	-	-
Other	-	178	178	4%	-	139	139	3%	-	109	109	2%	-
	-	<b>389</b>	<b>389</b>	<b>8%</b>	-	<b>303</b>	<b>303</b>	<b>6%</b>	-	<b>286</b>	<b>286</b>	<b>4%</b>	-
<b>Debt instruments</b>													
Government bonds (inc. LDJ)	2,617	(1,231)	1,386	28%	2,157	(862)	1,295	26%	2,054	(559)	1,495	28%	-
Corporate bonds (investment grade)	769	117	886	18%	834	146	980	20%	913	147	1,060	20%	-
Corporate bonds (non-investment grade)	-	574	574	12%	-	542	542	11%	-	520	520	10%	-
	<b>3,386</b>	<b>(540)</b>	<b>2,846</b>	<b>58%</b>	<b>2,991</b>	<b>(174)</b>	<b>2,817</b>	<b>57%</b>	<b>2,967</b>	<b>108</b>	<b>3,075</b>	<b>58%</b>	-
<b>Property funds</b>													
UK	-	315	315	6%	-	322	322	6%	-	336	336	6%	-
Other	-	210	210	4%	-	221	221	4%	-	264	264	5%	-
	-	<b>525</b>	<b>525</b>	<b>10%</b>	-	<b>543</b>	<b>543</b>	<b>10%</b>	-	<b>600</b>	<b>600</b>	<b>11%</b>	-
<b>Cash and cash equivalents</b>	<b>260</b>	<b>-</b>	<b>260</b>	<b>6%</b>	<b>346</b>	<b>-</b>	<b>346</b>	<b>7%</b>	<b>403</b>	<b>-</b>	<b>403</b>	<b>7%</b>	-
<b>Other</b>													
Hedge funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Private markets	-	745	745	15%	-	825	825	17%	-	866	866	16%	-
Alternatives	-	150	150	3%	-	154	154	3%	-	151	151	3%	-
	-	<b>895</b>	<b>895</b>	<b>18%</b>	-	<b>979</b>	<b>979</b>	<b>20%</b>	-	<b>1,017</b>	<b>1,017</b>	<b>19%</b>	-
<b>Derivatives</b>													
Foreign exchange contracts	-	(9)	(9)	-	-	-	-	-	-	(6)	(6)	-	-
Interest rate and inflation swaps	-	(23)	(23)	-	-	(3)	(3)	-	-	7	7	-	-
	-	<b>(32)</b>	<b>(32)</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>(3)</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3,646</b>	<b>1,237</b>	<b>4,883</b>	<b>100%</b>	<b>3,337</b>	<b>1,648</b>	<b>4,985</b>	<b>100%</b>	<b>3,370</b>	<b>2,012</b>	<b>5,382</b>	<b>100%</b>	-

As at 31 March 2026, 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 £1,294 million (2025: £965 million, 2024: £698 million).

The Group 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 the Group balances consistency between asset holdings, consistency from year to year and manager/other assessments. The Group 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 2026. Movements in listed equity and other market valuations may be significant over the year therefore the valuation of these assets may also vary significantly. The value of these assets in the DB pension schemes, included above, is £1.4 billion (2025: £1.5 billion, 2024: £1.7 billion).

The Group contributes towards the UK DB 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 2026 was c.10 per cent. The ongoing rate will vary to reflect prevailing financial conditions over time.

The Group has taken legal advice considering the documentation of the UK DB schemes and the regulatory environment. This confirmed the recoverability of any surplus in the schemes via reduced future contributions or gradual settlement and the Group has based its accounting judgement on this advice.

The average duration of the benefit obligations at 31 March 2026 is 12.0 years (2025: 12.8 years, 2024: 14.2 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 £44 million. The Group expects to pay £35 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 Group schemes. The Group and pension trustees are currently considering the implications of the case together with legislative and regulatory changes included in the Pensions Schemes Bill, which was passed by Parliament on 28 April 2026. 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 the Group 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 2026 was £146 million (2025: £135 million, 2024: £118 million).

## 36 COMMITMENTS AND CONTINGENCIES

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 outflow is probable and capable of being estimated and discloses such matters in the financial statements, if material. For potential outflows that are considered possible, but not probable, the Group provides disclosure in the consolidated financial statements but does not record a liability unless the outflow becomes probable. Such potential outflows may be of uncertain timing and/or amount.

As at 31 March (£ millions)	2026	2025	2024
Contingencies:			
- Third party claims and obligations	188	199	332
- Taxes and duties	48	64	60
Commitments:			
- Plant and equipment	873	873	655
- Intangible assets	13	18	20
Pledged as collateral/security against the borrowings and commitments:			
- Other financial assets	19	8	27

#### 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

#### 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. Provisions and disclosures for legal proceedings represent estimates and may vary as the result of future developments in pending matters. Adverse decisions in legal and regulatory proceedings could, in the aggregate, have a material effect on the Group's reputation, financial condition and/or operations.

#### 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 the class actions the Group has been facing relate to issues such as diesel vehicle emissions involving in some cases multiple OEMs. In England and Wales, a group action is currently pending against the Group. Given the number of car manufacturer defendants in England and Wales, the High Court has designated that the cases against five defendants will move forward as lead proceedings. The Group was not designated as a lead defendant in this manner. Trials which address a number of legal and factual issues were conducted from October 2025 to December 2025, and in March 2026. Judgment has not yet been handed down on these issues. In Scotland, the Group and other manufacturers are facing similar claims and the Court of Session has approved that those claims should proceed under the Scottish group proceedings mechanism. The Group is also facing class actions relating to alleged deficiencies of the diesel particulate filters in certain vehicle models, including before the Federal Courts of Australia and the High Court of Justice in England and Wales. Adverse decisions or settlements in any of these proceedings can have negative financial, reputational and/or operational impact. The Group is robustly defending its position in these proceedings and, at this stage, it is not practicable to estimate the amount or timing of any possible 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. The Group is constantly working to minimise this risk by identifying upcoming regulatory changes and implementing compliance at an early stage.

The Group has systems in place to ensure that any compliance issues which might arise are investigated and addressed appropriately.

Management 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. The Group continues to collaborate with the relevant authorities, including consideration of changes to relevant vehicles. At this stage, it is not practicable to estimate the amount or timing of any possible liability.

#### 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 2026. The outstanding commitment of CNY 1,525 million translates to £167 million at the 31 March 2026 exchange rate.

The Group's share of capital commitments of its joint venture at 31 March 2026 is £20 million (2025: £5 million, 2024: £2 million) and contingent liabilities of its joint venture 31 March 2026 is £7 million (2025: £7 million, 2024: £6 million).

### 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)	2026	2025	2024
Short-term debt	1,767	1,365	1,329
Long-term debt	3,621	2,991	3,557
<b>Total debt*</b>	<b>5,388</b>	<b>4,356</b>	<b>4,886</b>
Equity attributable to shareholders	8,064	8,944	7,279
<b>Total capital</b>	<b>13,452</b>	<b>13,300</b>	<b>12,165</b>

\*Total debt includes lease obligations of £662 million (2025: £671 million, 2024: £694 million).

### 38 FINANCIAL INSTRUMENTS

#### 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 consolidated 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 financial 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.

#### Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet where there is 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. Arrangements that allow for the net-settlement of financial assets and liabilities in certain circumstances such as bankruptcy or the termination of a contract are not offset unless the relevant criteria have been met and the Group intends to settle on a net basis.

### 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 fair value hedging relationship. 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 consolidated 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 tables show the carrying amount and fair value of each category of financial assets and liabilities:

As at 31 March 2026 (£ millions)	Amortised cost	Fair value through profit and loss			Total carrying value	Total fair value
		Financial assets	Derivatives other than in hedging relationship	Derivatives in hedging relationship		
Cash and cash equivalents	2,750	-	-	-	2,750	2,750
Short-term deposits and other investments	-	-	-	-	-	-
Trade receivables	982	-	-	-	982	982
Other non-current investments	-	56	-	-	56	56
Other financial assets - current	367	-	38	378	783	783
Other financial assets - non-current	175	-	2	221	398	398
<b>Total financial assets</b>	<b>4,274</b>	<b>56</b>	<b>40</b>	<b>599</b>	<b>4,969</b>	<b>4,969</b>
Accounts payable	6,840	-	-	-	6,840	6,840
Short-term borrowings	1,678	-	-	-	1,678	1,679
Long-term borrowings*	3,048	-	-	-	3,048	3,041
Other financial liabilities - current	640	-	16	10	666	666
Other financial liabilities - non-current	573	-	1	148	722	784
<b>Total financial liabilities</b>	<b>12,779</b>	<b>-</b>	<b>17</b>	<b>158</b>	<b>12,954</b>	<b>13,010</b>

\*Included in the long-term borrowings is £(9) million of fair value adjustments which relate to hedge relationships that have been discontinued. Included in the long-term borrowings is £1,108 million that is designated as a hedging instrument in a cash flow hedge relationship.

As at 31 March 2025 (£ millions)	Amortised cost	Fair value through profit and loss			Total carrying value	Total fair value
		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
Other non-current investments	-	55	-	-	55	55
Other financial assets - current	398	-	7	347	752	752
Other financial assets - non-current	184	-	2	334	520	520
<b>Total financial assets</b>	<b>6,138</b>	<b>55</b>	<b>9</b>	<b>681</b>	<b>6,883</b>	<b>6,883</b>
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
<b>Total financial liabilities</b>	<b>12,070</b>	<b>-</b>	<b>68</b>	<b>149</b>	<b>12,287</b>	<b>12,480</b>

\*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.

As at 31 March 2024 (£ millions)	Amortised cost	Fair value through profit and loss			Total carrying value	Total fair value
		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
Other non-current investments	-	52	-	-	52	52
Other financial assets - current	304	-	52	187	543	543
Other financial assets - non-current	132	-	4	219	355	355
<b>Total financial assets</b>	<b>5,826</b>	<b>52</b>	<b>56</b>	<b>406</b>	<b>6,340</b>	<b>6,340</b>
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
<b>Total financial liabilities</b>	<b>12,547</b>	<b>-</b>	<b>123</b>	<b>278</b>	<b>12,948</b>	<b>13,157</b>

\*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 during the year. Included in long-term borrowings is £952 million that is designated as a hedging instrument in a cash flow hedge relationship.

## Offsetting

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. The Group conducts net settlements within its multi-currency cash pooling arrangement, where a legal right of offset is in place. All accounts are swept into individual header accounts at each period end. Any overdrawn accounts are rebalanced at the start of the following period using funds from other accounts within the pool.

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. As there is presently not a legally enforceable right of offset, these amounts have not been offset in the balance sheet.

The following tables disclose 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 2026 (£ 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
<b>Financial assets</b>						
Derivative financial assets	639	-	639	(161)	-	478
Cash and cash equivalents	2,750	-	2,750	-	-	2,750
	<b>3,389</b>	<b>-</b>	<b>3,389</b>	<b>(161)</b>	<b>-</b>	<b>3,228</b>
<b>Financial liabilities</b>						
Derivative financial liabilities	175	-	175	(161)	-	14
Short-term borrowings	1,678	-	1,678	-	-	1,678
	<b>1,853</b>	<b>-</b>	<b>1,853</b>	<b>(161)</b>	<b>-</b>	<b>1,692</b>

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
<b>Financial assets</b>						
Derivative financial assets	690	-	690	(213)	-	477
Cash and cash equivalents	4,746	(135)	4,611	-	-	4,611
	<b>5,436</b>	<b>(135)</b>	<b>5,301</b>	<b>(213)</b>	<b>-</b>	<b>5,088</b>
<b>Financial liabilities</b>						
Derivative financial liabilities	217	-	217	(213)	-	4
Short-term borrowings	1,421	(135)	1,286	-	-	1,286
	<b>1,638</b>	<b>(135)</b>	<b>1,503</b>	<b>(213)</b>	<b>-</b>	<b>1,290</b>

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
<b>Financial assets</b>						
Derivative financial assets	462	-	462	(315)	-	147
Cash and cash equivalents	4,346	(295)	4,051	-	-	4,051
	<b>4,808</b>	<b>(295)</b>	<b>4,513</b>	<b>(315)</b>	<b>-</b>	<b>4,198</b>
<b>Financial liabilities</b>						
Derivative financial liabilities	401	-	401	(315)	-	86
Short-term borrowings	1,551	(295)	1,256	-	-	1,256
	<b>1,952</b>	<b>(295)</b>	<b>1,657</b>	<b>(315)</b>	<b>-</b>	<b>1,342</b>

## 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 2026 (£ millions)	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Investments	-	-	56	56
Derivative assets	-	639	-	639
<b>Total financial assets measured at fair value</b>	<b>-</b>	<b>639</b>	<b>56</b>	<b>695</b>
<b>Financial liabilities measured at fair value</b>				
Derivative liabilities	-	175	-	175
<b>Total financial liabilities measured at fair value</b>	<b>-</b>	<b>175</b>	<b>-</b>	<b>175</b>
<b>Financial liabilities not measured at fair value</b>				
Borrowings	1,782	2,938	-	4,720
<b>Total financial liabilities not measured at fair value</b>	<b>1,782</b>	<b>2,938</b>	<b>-</b>	<b>4,720</b>

As at 31 March 2025 (£ millions)	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Investments	-	-	55	55
Derivative assets	-	690	-	690
<b>Total financial assets measured at fair value</b>	<b>-</b>	<b>690</b>	<b>55</b>	<b>745</b>
<b>Financial liabilities measured at fair value</b>				
Derivative liabilities	-	217	-	217
<b>Total financial liabilities measured at fair value</b>	<b>-</b>	<b>217</b>	<b>-</b>	<b>217</b>
<b>Financial liabilities not measured at fair value</b>				
Borrowings	2,742	1,076	-	3,818
<b>Total financial liabilities not measured at fair value</b>	<b>2,742</b>	<b>1,076</b>	<b>-</b>	<b>3,818</b>

As at 31 March 2024 (£ millions)	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Investments	-	-	52	52
Derivative assets	-	462	-	462
<b>Total financial assets measured at fair value</b>	<b>-</b>	<b>462</b>	<b>52</b>	<b>514</b>
<b>Financial liabilities measured at fair value</b>				
Derivative liabilities	-	401	-	401
<b>Total financial liabilities measured at fair value</b>	<b>-</b>	<b>401</b>	<b>-</b>	<b>401</b>
<b>Financial liabilities not measured at fair value</b>				
Borrowings	3,243	1,086	-	4,329
<b>Total financial liabilities not measured at fair value</b>	<b>3,243</b>	<b>1,086</b>	<b>-</b>	<b>4,329</b>

## 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)	2026	2025	2024
Balance at beginning of the year	55	52	43
Originated/purchased during the year	8	7	7
Fair value changes recognised in consolidated income statement	(7)	(3)	1
Foreign currency translation	-	(1)	1
<b>Balance at end of the year</b>	<b>56</b>	<b>55</b>	<b>52</b>

## Valuation methodologies

The fair value of assets and liabilities has been determined using the approaches set out below.

### Derivate financial assets and liabilities

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.

### Borrowings

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 2026, on the Luxembourg Stock Exchange multilateral trading facility ("EURO MTF") market, for unsecured listed bonds. For bank loans, Level 2 valuation techniques are used.

**Cash, cash equivalents and short-term assets and liabilities**

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.

**Investments**

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 2026 is £56 million (2025: £55 million, 2024: £52 million).

Of the financial assets held at 31 March 2026 and classified as Level 3, 100 per cent (2025: 100 per cent, 2024: 99 per cent) were valued using recent transaction values and nil per cent (2025: nil per cent, 2024: 1 per cent) were valued using an alternative technique. The alternative valuation technique used in 2024 was net asset value.

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 values represent the most reliable observable inputs.

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 2026, 2025 and 2024 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.

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 2026, 2025 and 2024.

**(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 2026:

As at 31 March 2026 (£ millions)	US Dollar	Chinese Yuan	Euro	Others
Financial assets	1,186	450	925	351
Financial liabilities	(2,442)	(940)	(1,088)	(237)
<b>Net exposure (liability)/asset</b>	<b>(1,256)</b>	<b>(490)</b>	<b>(163)</b>	<b>114</b>
10% appreciation/depreciation of the currency would result in additional gain/(loss):				
Impact on net income before tax for financial assets	119/(119)	45/(45)	93/(93)	n/a
Impact on net income before tax for financial liabilities	(244)/244	(94)/94	(109)/109	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 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)
<b>Net exposure liability</b>	<b>(1,712)</b>	<b>(137)</b>	<b>(2,394)</b>	<b>(54)</b>
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)
<b>Net exposure (liability)/asset</b>	<b>(1,130)</b>	<b>(310)</b>	<b>(2,484)</b>	<b>26</b>
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

**Commodity price risk**

The Group is exposed to commodity price risk arising from the purchase of certain raw materials such as aluminium, copper, platinum, palladium, nickel and cobalt. This risk is mitigated through the use of derivative contracts and fixed-price contracts with suppliers. The Group has applied cash flow hedge accounting to Aluminium and Copper contracts since 1 January 2025 as detailed in section (C). 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 £53 million (2025: gain of £8 million, 2024: loss of £133 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 used cross-currency interest rate swaps to convert some of its issued bonds from foreign currency denominated fixed-rate borrowings to GBP floating-rate borrowings. The derivative instruments and the foreign currency fixed-rate borrowings may be designated in a hedging relationship.

As at 31 March 2026, short-term borrowings of £1,094 million (2025: £125 million, 2024: £831 million) and long-term borrowings of £1,492 million (2025: £595 million, 2024: £219 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 £26 million (2025: £7 million, 2024: £11 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 2026 (£ millions)	Carrying amount	Contractual cash flows	1 year or less	1 to <2 years	2 to <5 years	5 years and over
Accounts payable	6,840	6,840	6,840	-	-	-
Long-term borrowings and accrued interest	3,077	3,575	141	927	1,381	1,126
Short-term borrowings and accrued interest	1,683	1,718	1,718	-	-	-
Lease obligations	662	1,024	135	110	231	548
Other financial liabilities	515	515	515	-	-	-
Derivative financial instruments	175	146	24	(24)	146	-
<b>Total contractual maturities</b>	<b>12,952</b>	<b>13,818</b>	<b>9,373</b>	<b>1,013</b>	<b>1,758</b>	<b>1,674</b>

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)	-
<b>Total contractual maturities</b>	<b>12,288</b>	<b>13,204</b>	<b>9,543</b>	<b>600</b>	<b>2,356</b>	<b>705</b>

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	-
<b>Total contractual maturities</b>	<b>12,948</b>	<b>14,247</b>	<b>9,502</b>	<b>1,542</b>	<b>2,106</b>	<b>1,097</b>

#### 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 2026 (2025 and 2024: 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)	2026			2025			2024		
	Gross	Impairment	Net carrying value	Gross	Impairment	Net carrying value	Gross	Impairment	Net carrying value
Not yet due	932	(4)	928	874	(5)	869	1,160	(4)	1,156
Overdue <3 months	48	-	48	50	-	50	74	-	74
Overdue 3-6 months	-	-	-	-	-	-	1	-	1
Overdue >6 months	7	(1)	6	3	-	3	7	(2)	5
<b>Total</b>	<b>987</b>	<b>(5)</b>	<b>982</b>	<b>927</b>	<b>(5)</b>	<b>922</b>	<b>1,242</b>	<b>(6)</b>	<b>1,236</b>

#### Off-balance sheet financial arrangements

At 31 March 2026, Jaguar Land Rover Limited (a subsidiary of the Company) had sold £471 million (2025: £562 million, 2024: £588 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 used 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 foreign exchange swaps. The Group utilises foreign exchange spot and foreign exchange swap contracts to manage operational requirements.

The gain/(loss) 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)	2026	2025	2024
Commodity derivative contracts	44	(8)	(133)
Foreign currency derivative contracts	10	(47)	(138)
Interest rate derivative contracts	-	-	-
<b>Total gain/(loss)</b>	<b>54</b>	<b>(55)</b>	<b>(271)</b>

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 Pound 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)	2026	2025	2024
10% depreciation in Pound Sterling against the foreign currency:			
In other comprehensive income	(1,431)	(1,729)	(1,618)
In the consolidated income statement	3	322	395
10% appreciation in Pound Sterling against the foreign currency:			
In other comprehensive income	1,195	1,371	1,248
In the consolidated income statement	(2)	(262)	(324)

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		
	%	%	%	%	%	%
	2026	2025	2024	2026	2025	2024
Cross-currency interest rate swaps						
<1 year	-	4.500%	-	-	SONIA +5.971	-
Between 1-5 years	-	-	4.500%	-	-	SONIA +5.587
>5 years	-	-	-	-	-	-

During the year ended 31 March 2026, the Group repaid the €500 million Senior Notes and as a result the related fair value hedge relationship was discontinued, and the associated cross currency interest rate swaps were settled.

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 in the table below:

As at 31 March (£ millions)	2026	2025	2024
10% appreciation/depreciation in all commodity prices			
In other comprehensive income	(58)	70	-
In the consolidated income statement	(13)	22	91

#### 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.

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 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		
	2026	2025	2024	2026	2025	2024	2026	2025	2024
				£ millions	£ millions	£ millions	£ millions	£ millions	£ millions
Cash flow hedges of foreign exchange risk on forecast transactions									
<b>Derivative instruments</b>									
Sell - USD									
<1 year	0.7804	0.7807	0.7699	3,052	3,018	3,862	93	26	(95)
Between 1-5 years	0.7760	0.7814	0.7777	4,119	6,326	4,731	61	33	(45)
Sell - Chinese Yuan									
<1 year	0.1167	0.1161	0.1150	1,714	2,420	2,815	80	167	116
Between 1-5 years	0.1149	0.1155	0.1164	4,800	5,461	4,583	(121)	133	122
Buy - Euro									
<1 year	1.0903	1.0955	0.9274	2,354	2,705	2,907	4	(19)	(14)
Between 1-5 years	-	1.0822	0.9453	-	895	1,149	-	(1)	(6)
Other currencies									
<1 year				1,064	970	956	101	103	45
Between 1-5 years				1,494	2,034	1,660	100	126	60
<b>Debt instruments denominated in foreign currency</b>									
Sell - USD									
<1 year	-	0.8920	-	-	624	-	-	(540)	-
Between 1-5 years	-	0.8845	0.8889	1,188	1,188	1,067	(1,108)	(1,128)	(952)
<b>Total cash flow hedges of foreign exchange risk on forecast transactions</b>				<b>19,785</b>	<b>25,641</b>	<b>23,730</b>	<b>(790)</b>	<b>(1,100)</b>	<b>(769)</b>

Outstanding contracts As at 31 March (£ millions)	Nominal amounts			FV asset/liabilities					
	2026	2025	2024	2026	2025	2024			
Cash flow hedges of commodity price risk on forecast transactions									
<b>Derivative instruments</b>									
Commodities									
<1 year	391	536	-	90	9	-			
Between 1-5 years	305	469	-	33	-	-			
<b>Total cash flow hedges of commodity price risk on forecast transactions</b>				<b>696</b>	<b>1,005</b>	<b>-</b>	<b>123</b>	<b>9</b>	<b>-</b>

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)	2026	2025	2024
Fair value gain of foreign currency derivative contracts recognised in hedging reserves	252	545	844
Fair value gain/(loss) of foreign currency borrowings recognised in hedging reserves	24	(19)	-
Fair value gain of derivatives hedging foreign currency borrowings recognised in hedging reserves	3	4	-
Fair value gain of commodity swap derivative contracts recognised in hedging reserves	151	17	-
<b>Gain recognised in other comprehensive income in the year</b>	<b>430</b>	<b>547</b>	<b>844</b>
Gain/(loss) reclassified from cash flow hedging reserve and recognised in 'Revenue' in the income statement	494	192	(54)
Gain reclassified from of cash flow hedging reserve and recognised in 'Material and other cost of sales' in the income statement	44	5	-
Gain 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	21	-	3
Gain reclassified from cost of 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	2	-	-
<b>Gain/(loss) reclassified to profit and loss in the year</b>	<b>561</b>	<b>197</b>	<b>(51)</b>
Net change in the hedged item used for assessing hedge effectiveness	(135)	383	801
Ineffectiveness recognised in the income statement in 'Exchange (loss)/gain and fair value adjustments'	(1)	(5)	-
Gain/(Loss) on derivatives not hedge accounted, recognised in 'Foreign exchange (loss)/gain and fair value adjustments' in the income statement	54	(55)	(138)

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)	2026	2025	2024
Net loss in the hedged item used for assessing hedge effectiveness	(24)	(31)	(50)
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'	82	143	117
<b>Ineffectiveness recognised in the consolidated income statement in 'Foreign exchange (loss)/gain and fair value adjustments'</b>	<b>58</b>	<b>112</b>	<b>67</b>

#### Fair value hedges

During the years ended 31 March 2026, 2025, and 2024 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 borrowings. The derivatives converted USD and EUR fixed-rate borrowings to GBP floating-rate borrowings.

During the year ended 31 March 2026, the Group repaid the €500 million Senior Notes and as a result the related fair value hedge relationship was discontinued, and the associated cross currency interest rate swaps were settled.

Upon discontinuation of the hedge relationships, the cumulative fair value hedge adjustments previously recognised in the carrying amounts of the hedged borrowings were recognised immediately in profit or loss, as the hedged items were derecognised on repayment. At the reporting date, the Group has no outstanding cross-currency interest rate swaps designated as fair value hedges, following the settlement of these instruments during the year. Changes in the fair value of foreign currency contracts that are designated in fair value hedging relationships are recognised in the consolidated income statement. Changes in the fair value of the underlying hedged item (long-term borrowings) for the hedged risks are recognised in the same income statement line.

The fair value of the cross-currency interest rate swaps, included in "Derivatives in hedging relationship" in section (A), are as follows:

Year ended 31 March (£ millions)	2026	2025	2024
Other financial assets - non-current	-	-	-
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other financial liabilities - current	-	43	55
Other financial liabilities - non-current	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>43</b>	<b>55</b>

The following amounts have been recognised in relation to fair value hedges in the consolidated income statement:

Year ended 31 March (£ millions)	2026	2025	2024
Net (loss)/gain in the hedged item used for assessing hedge effectiveness, taken to the consolidated income statement in 'Foreign exchange (loss)/gain and fair value adjustments'	(9)	12	19
Fair value changes in the derivative instruments used in assessing hedge effectiveness, taken to the consolidated income statement in 'Foreign exchange (loss)/gain and fair value adjustments'	35	7	(3)
<b>Ineffectiveness recognised in the consolidated income statement in 'Foreign exchange (loss)/gain and fair value adjustments'</b>	<b>26</b>	<b>19</b>	<b>16</b>
Net (loss) on settlement and discontinuation of hedges recognised in the consolidated income statement in 'Foreign exchange gain/(loss) and fair value adjustments'	(120)	-	-

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		
	2026	2025	2024	2026	2025	2024	2026	2025	2024
				£ millions	£ millions	£ millions	£ millions	£ millions	£ millions
Hedges of foreign exchange risk on recognised debt									
<b>Cross currency interest rate swaps</b>									
EUR									
< 1 year	-	0.8912	-	-	446	-	-	(43)	-
Between 1-5 years	-	-	0.8912	-	-	446	-	-	(55)
<b>Total fair value hedges of foreign exchange risk on recognised debt</b>				<b>-</b>	<b>446</b>	<b>446</b>	<b>-</b>	<b>(43)</b>	<b>(55)</b>

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	MENA*	Rest of World	Total
<b>31 March 2026</b>							
Revenue	4,424	5,777	3,647	4,035	1,515	3,513	22,911
Non-current assets	13,767	47	80	706	17	152	14,769
<b>31 March 2025</b>							
Revenue	4,811	8,549	5,112	4,802	1,789	3,898	28,961
Non-current assets	12,138	47	99	740	20	152	13,196
<b>31 March 2024</b>							
Revenue	5,066	6,530	5,477	5,396	2,365	4,161	28,995
Non-current assets	10,582	49	105	826	22	154	11,738

\*The comparatives for the years ended 31 March 2025 and 31 March 2024 have been re-presented to align with presentation changes made during the year ended 31 March 2026. Amounts disclosed as 'MENA' have been disaggregated from amounts previously disclosed as 'Rest of World'. This has not resulted in any change to the reported 'Total revenue' and 'Total non-current assets'.

### 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)	Note	2026	2025	2024
<b>(Loss)/profit for the year</b>		<b>(244)</b>	<b>1,800</b>	<b>2,578</b>
Adjustments for:				
Depreciation and amortisation		1,374	1,677	2,175
Write-down of tangible assets		(2)	-	3
Fair value adjustments in relation to assets held for sale		-	(3)	6
Gain on disposal of fixed assets and assets held for sale		15	17	20
Income tax (credit)/expense		(64)	674	(413)
Finance expense (net)	14	178	287	469
Finance income	14	(99)	(136)	(164)
Foreign exchange on debt, derivatives and balance sheet revaluation		140	(126)	(60)
Unrealised (loss)/gain on commodities		(75)	(46)	59
Share of (profit)/loss of equity accounted investments	17	(9)	3	(23)
Fair value gain/(loss) on equity investments	13	7	3	(1)
Exceptional items	4	322	15	-
Other non-cash adjustments		(6)	(1)	(1)
<b>Cash flows from operating activities before changes in assets and liabilities</b>		<b>1,537</b>	<b>4,164</b>	<b>4,648</b>
Trade receivables and other assets		(87)	231	(305)
Other financial assets		24	(93)	(96)
Inventories		(136)	118	(510)
Accounts payable, other liabilities and retirement benefit obligation		(320)	100	1,396
Other financial liabilities		6	(45)	47
Provisions		(46)	434	116
<b>Cash generated from operations</b>		<b>978</b>	<b>4,909</b>	<b>5,296</b>

Cash outflows relating to exceptional items amounted to £200 million (2025: £14 million, 2024: £nil) during the year. An adjustment of £322 million (2025: £15 million, 2024: £nil) has been added to the movements in accounts payables to offset the exceptional items adjustment above.

**(B) Reconciliation of movements of liabilities to cash flows arising from financing activities**

£ millions	Borrowings	Lease obligations	Interest accrued	Repurchase arrangements*	Total
<b>Balance at 1 April 2023</b>	<b>6,078</b>	<b>710</b>	<b>95</b>	<b>-</b>	<b>6,883</b>
<b>Cash flows</b>					
Repayment of financing	(1,752)	(74)	-	-	(1,826)
Interest paid	-	(56)	(356)	-	(412)
<b>Non-cash movements</b>					
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 loans	(1)	-	-	-	(1)
Gain on early repayment of borrowings	(14)	-	-	-	(14)
<b>Balance at 31 March 2024</b>	<b>4,192</b>	<b>694</b>	<b>84</b>	<b>-</b>	<b>4,970</b>
<b>Cash flows</b>					
Proceeds from issue of financing	844	-	-	-	844
Repayment of financing	(1,252)	(86)	-	-	(1,338)
Interest paid	-	(55)	(284)	-	(339)
<b>Non-cash movements</b>					
Issue of new leases	-	69	-	-	69
Interest accrued	-	55	266	-	321
Other lease modification	-	14	-	-	14
Foreign currency translation	(127)	(7)	-	-	(134)
Lease terminations	-	(17)	-	-	(17)
Fee amortisation	7	-	-	-	7
Long-term borrowings revaluation in hedge reserve	19	-	-	-	19
Acquisition of subsidiary	2	25	-	-	27
Disposal of subsidiary	-	(21)	-	-	(21)
<b>Balance at 31 March 2025</b>	<b>3,685</b>	<b>671</b>	<b>66</b>	<b>341</b>	<b>4,763</b>
<b>Cash flows</b>					
Proceeds from issue of financing	2,000	-	-	37	2,037
Repayment of financing	(1,089)	(92)	-	(46)	(1,227)
Arrangement fees paid	(14)	-	-	-	(14)
Interest paid	-	(51)	(271)	-	(322)
<b>Non-cash movements</b>					
Issue of new leases	-	70	-	-	70
Interest accrued	-	51	235	-	286
Other lease modification	-	13	-	-	13
Foreign currency translation	8	2	30	-	40
Lease terminations	-	(2)	-	-	(2)
Fee amortisation	9	-	-	-	9
Long-term borrowings revaluation in hedge reserve	7	-	-	-	7
Fair value adjustment on loans	120	-	-	-	120
<b>Balance at 31 March 2026</b>	<b>4,726</b>	<b>662</b>	<b>60</b>	<b>332</b>	<b>5,780</b>

\*For the years ending 31 March 2024 and 31 March 2025, cash flows arising from repurchase arrangements were presented within operating activities rather than financing activities. Comparative information has not been restated as the amounts involved were not material.

In addition to the cash flows outlined in the table above, £240 million of repurchase arrangements\* were terminated and simultaneously replaced with new repurchase arrangements during the year. These transactions were net settled, involved no cash flows and resulted in no change in financing liabilities.

Included within 'Finance expenses and fees paid' in the consolidated cash flow statement is £69 million (2025: £85 million, 2024: £82 million) of cash interest paid relating to other assets and liabilities.

**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.

There were no acquisitions or disposals of subsidiaries in the year ended 31 March 2026.

**42 RELATED PARTY TRANSACTIONS**

Tata Sons Private Limited is a company with significant influence over the Group's ultimate Parent Company Tata Motors Passenger Vehicles 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 Passenger Vehicles 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, consultancy and shared 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
<b>31 March 2026</b>				
Sale of products	207	101	1	138
Purchase of goods	50	59	-	270
Services received	-	4	636	184
Services rendered	16	-	8	1
Dividend paid	-	-	-	448
Dividends received	5	-	-	-
Trade and other receivables	14	21	2	90
Accounts payable	5	10	65	65
<b>31 March 2025</b>				
Sale of products	186	-	-	161
Purchase of goods	73	170	-	307
Services received	-	1	410	176
Services rendered	70	-	-	3
Dividend paid	-	-	-	387
Dividends received	2	-	-	-
Sale of property, plant and equipment	28	-	-	-
Proceeds on disposal of subsidiaries	-	-	-	77
Deferred contingent consideration receivable	-	-	-	7
Trade and other receivables	50	-	-	96
Accounts payable	6	78	94	65
<b>31 March 2024</b>				
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

**Compensation of key management personnel**

Year ended 31 March (£ millions)	2026	2025	2024
Short-term benefits	21	19	24
Other long-term employee benefits	3	1	-
Compensation for loss of office	3	-	-
<b>Total compensation of key management personnel</b>	<b>27</b>	<b>20</b>	<b>24</b>

**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 Passenger Vehicles Limited, India, which is the parent of the largest group to consolidate these financial statements.

During the year, Tata Motors Limited changed its name to Tata Motors Passenger Vehicles Limited. The name change was effective in October 2025 and does not impact the ownership structure or operations of the Group.

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 Passenger Vehicles Limited, India consolidated financial statements can be obtained from the Company Secretary, Tata Motors Passenger Vehicles Limited, Bombay House, 24, Homi Mody Street, Mumbai-400001, India.

**44 SUBSEQUENT EVENTS**

In May 2026, the Group entered into a new financing arrangement for £2 billion to refinance the existing £2 billion RCF, the draw down of which has not yet occurred.

## PARENT COMPANY FINANCIAL STATEMENTS

### PARENT COMPANY BALANCE SHEET

As at 31 March (£ millions)	Note	2026	2025	2024
<b>Non-current assets</b>				
Investments	45	1,655	1,655	1,655
Other financial assets	46	3,034	2,389	3,042
Other non-current assets	47	4	9	7
<b>Total non-current assets</b>		<b>4,693</b>	<b>4,053</b>	<b>4,704</b>
<b>Current assets</b>				
Other financial assets	46	3,200	2,285	1,830
<b>Total current assets</b>		<b>3,200</b>	<b>2,285</b>	<b>1,830</b>
<b>Total assets</b>		<b>7,893</b>	<b>6,338</b>	<b>6,534</b>
<b>Current liabilities</b>				
Accounts payable		38	20	16
Other financial liabilities	48	49	54	75
Deferred finance income		1	1	3
Short-term borrowings	49	1,351	1,081	1,256
<b>Total current liabilities</b>		<b>1,439</b>	<b>1,156</b>	<b>1,350</b>
<b>Non-current liabilities</b>				
Long-term borrowings	49	3,023	2,382	3,034
Deferred finance income		13	13	20
<b>Total non-current liabilities</b>		<b>3,036</b>	<b>2,395</b>	<b>3,054</b>
<b>Total liabilities</b>		<b>4,475</b>	<b>3,551</b>	<b>4,404</b>
<b>Equity attributable to shareholder of the parent</b>				
Ordinary share capital	50	1,501	1,501	1,501
Capital redemption reserve	50	167	167	167
Retained earnings		1,750	1,119	462
<b>Total equity attributable to shareholder of the parent</b>		<b>3,418</b>	<b>2,787</b>	<b>2,130</b>
<b>Total liabilities and equity</b>		<b>7,893</b>	<b>6,338</b>	<b>6,534</b>

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 £1,079 million (2025: £1,044 million, 2024: £64 million).

The notes on pages 228 to 235 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 21 May 2026.

They were signed on its behalf by:



**P B BALAJI**  
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
<b>Balance at 1 April 2023</b>	<b>1,501</b>	<b>167</b>	<b>398</b>	<b>2,066</b>
Profit for the year	-	-	64	64
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>64</b>	<b>64</b>
<b>Balance at 31 March 2024</b>	<b>1,501</b>	<b>167</b>	<b>462</b>	<b>2,130</b>
Profit for the year	-	-	1,044	1,044
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>1,044</b>	<b>1,044</b>
Dividend paid	-	-	(387)	(387)
<b>Balance at 31 March 2025</b>	<b>1,501</b>	<b>167</b>	<b>1,119</b>	<b>2,787</b>
Profit for the year	-	-	1,079	1,079
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>1,079</b>	<b>1,079</b>
Dividend paid	-	-	(448)	(448)
<b>Balance at 31 March 2026</b>	<b>1,501</b>	<b>167</b>	<b>1,750</b>	<b>3,418</b>

The notes on pages 228 to 235 are an integral part of these financial statements.

### PARENT COMPANY CASH FLOW STATEMENT

Year ended 31 March (£ millions)	2026	2025	2024
<b>Cash flows from operating activities</b>			
<b>Profit for the year</b>	<b>1,079</b>	<b>1,044</b>	<b>64</b>
Adjustments for:			
Income tax expense	4	13	5
Allowances for other financial assets	-	(4)	(37)
Finance income	(1,312)	(1,314)	(353)
Finance expense	241	266	311
<b>Cash flows generated from/(used in) operating activities before changes in assets and liabilities</b>	<b>12</b>	<b>5</b>	<b>(10)</b>
Financial assets	(19)	(3)	(3)
Financial liabilities	16	(2)	10
<b>Net cash generated from/(used in) operating activities</b>	<b>9</b>	<b>-</b>	<b>(3)</b>
<b>Cash flows from investing activities</b>			
Finance income received	238	287	325
Loans issued to subsidiaries	(3,000)	(1,518)	-
Repayments of loans by subsidiaries	1,536	1,639	1,143
Dividends received	1,000	1,000	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(226)</b>	<b>1,408</b>	<b>1,468</b>
<b>Cash flows from financing activities</b>			
Finance expenses and fees paid	(246)	(287)	(336)
Proceeds from issuance of borrowings	2,000	518	-
Repayment of borrowings	(1,089)	(1,252)	(1,129)
Dividends paid	(448)	(387)	-
<b>Net cash generated from/(used in) financing activities</b>	<b>217</b>	<b>(1,408)</b>	<b>(1,465)</b>
<b>Net change in cash and cash equivalents</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of year	-	-	-
<b>Cash and cash equivalents at end of year</b>	<b>-</b>	<b>-</b>	<b>-</b>

The notes on pages 228 to 235 are an integral part of these financial statements.

**45 INVESTMENTS**

Investments consist of the following:

As at 31 March (£ millions)	2026	2025	2024
Cost of unquoted equity investments at beginning and end of year	1,655	1,655	1,655

The Company has not made any investments in the year. Dormant investments of the Company that were struck off during the year ended 31 March 2026 are as follows:

Name of company	Shareholding	Principal place of business and country of incorporation	Registered office address
Daimler Transport Vehicles Limited	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
S.S. Cars Limited	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
The Lanchester Motor Company Limited	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
The Daimler Motor Company Limited	100%	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
Jaguar Cars South Africa (Pty) Ltd	100%	South Africa	28 Victoria Link Route 21 Corporate Park Nellmapius Drive Irene X30, South Africa

The Company has the following 100 per cent direct interest in the ordinary shares of a subsidiary undertaking:

Subsidiary undertaking	Principal 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	Principal 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
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 1 - 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

Name of company	Shareholding	Principal place of business and country of incorporation	Registered office address
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
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%	The Netherlands	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	88 Harcourt Street, Dublin 2, D02 DK18, Ireland
Jaguar Land Rover Ireland (Services) Limited	100%	Ireland	88 Harcourt Street, Dublin 2, D02 DK18, 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	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 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 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)	2026	2025	2024
<b>Non-current</b>			
Receivables from subsidiaries	3,034	2,389	3,042
<b>Current</b>			
Receivables from subsidiaries	3,200	2,285	1,830

£3,034 million (2025: £2,389 million, 2024: £3,042 million) of non-current receivables from subsidiaries and £1,353 million (2025: £1,083 million, 2024: £1,258 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 £1,847 million (2025: £1,204 million, 2024: £574 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)	2026	2025	2024
<b>Non-current</b>			
Prepaid expenses	4	9	7

#### 48 OTHER FINANCIAL LIABILITIES

As at 31 March (£ millions)	2026	2025	2024
<b>Current</b>			
Interest accrued*	49	54	75
<b>Total current other financial liabilities</b>	<b>49</b>	<b>54</b>	<b>75</b>

\*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)	2026	2025	2024
Current portion of EURO MTF listed debt	264	956	427
Current portion of bank loans	1,087	125	829
<b>Short-term borrowings</b>	<b>1,351</b>	<b>1,081</b>	<b>1,256</b>
EURO MTF listed debt	1,538	1,788	2,817
Bank loans	1,485	594	217
<b>Long-term borrowings</b>	<b>3,023</b>	<b>2,382</b>	<b>3,034</b>
<b>Total interest-bearing loans and borrowings</b>	<b>4,374</b>	<b>3,463</b>	<b>4,290</b>

##### 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 2026 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 2028  
\$700 million Senior Notes due 2028 at a coupon of 7.750 per cent per annum - issued October 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 2026, the Company repaid its \$700 million Senior Notes due 2025 at a coupon of 7.750 per cent per annum - issued October 2019 and €500 million Senior Notes due 2026 at a coupon of 4.500 per cent per annum - issued September 2018.

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.

##### Syndicated loan

The Group has a \$650 million syndicate loan facility, maturing in January 2029.

##### UK Export Finance facility

During the year ended 31 March 2026, the Company repaid £125 million (2025: £125 million, 2024: £125 million) of the remaining balance of the £625 million five-year amortising loan facility from UK Export Finance, ending December 2026. As at 31 March 2026, the remaining balance on the facility is £94 million (2025: £219 million, 2024: £344 million).

During the year ended 31 March 2025 the Company fully repaid the £625 million five-year amortising loan facility from UK Export Finance that ended in October 2024 (2025: £73 million; 2024: £125 million).

During the year ended 31 March 2026, the Company entered into two new UK Export Finance backed loan facilities. In August 2025, the Company entered and drawn in full a £1,000 million loan facility, maturing in July 2032. Amortisation starts in 2027 with 50% of the loan amortising over five years and the remaining 50% being payable at maturity.

In October 2025, the Company entered into an further £1,500 million UK Export Finance backed loan facility, which matures in October 2030. This facility has a two year availability period and is undrawn as at 31 March 2026.

These loans include a covenant requiring the Group to maintain a minimum quarter-end liquidity of £1 billion.

##### Revolving Credit Facilities

As at 31 March 2026, the Company has a total undrawn revolving credit facility of £2,660 million (2025: £1,660 million, 2024: £1,520 million). The Company entered into a £2,000 million RCF bridge facility in September 2025 maturing in September 2026 (with a six month extension option) of which £1,000 million remains undrawn.

This includes 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)	2026	2025	2024
<b>Due in</b>			
1 year or less	1,562	1,261	1,532
2nd and 3rd years	1,933	1,335	1,743
4th and 5th years	368	1,285	1,367
More than 5 years	1,018	-	332
<b>Total contractual cash flows</b>	<b>4,881</b>	<b>3,881</b>	<b>4,974</b>

#### 50 CAPITAL AND RESERVES

As at 31 March (£ millions)	2026	2025	2024
<b>Authorised, called up and fully paid</b>			
1,500,642,163 ordinary shares of £1 each	1,501	1,501	1,501
<b>Total ordinary share capital</b>	<b>1,501</b>	<b>1,501</b>	<b>1,501</b>

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 (2025: £167 million, 2024: £167 million) was created in March 2011 on the cancellation of share capital.

#### 51 DIVIDENDS

During the year ended 31 March 2026 the Company proposed and paid an ordinary dividend of £448 million to its immediate parent company TML Holdings Pte. Ltd. (Singapore) (2025: £387 million, 2024: £nil).

#### 52 COMMITMENTS AND CONTINGENCIES

The Company had no commitments or contingencies at 31 March 2026, 2025 or 2024.

#### 53 CAPITAL MANAGEMENT

As at 31 March (£ millions)	2026	2025	2024
Short-term debt	1,351	1,081	1,256
Long-term debt	3,023	2,382	3,034
<b>Total debt</b>	<b>4,374</b>	<b>3,463</b>	<b>4,290</b>
Equity attributable to shareholder	3,418	2,787	2,130
<b>Total capital</b>	<b>7,792</b>	<b>6,250</b>	<b>6,420</b>

#### 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 tables show the carrying amounts and fair value of each category of financial assets and liabilities:

As at 31 March 2026 (£ millions)	Amortised cost	Total carrying value	Total fair value
Other financial assets - current	3,200	3,200	3,204
Other financial assets - non-current	3,034	3,034	3,025
<b>Total financial assets</b>	<b>6,234</b>	<b>6,234</b>	<b>6,229</b>
Accounts payable	38	38	38
Other financial liabilities - current	49	49	49
Short-term borrowings	1,351	1,351	1,355
Long-term borrowings	3,023	3,023	3,014
<b>Total financial liabilities</b>	<b>4,461</b>	<b>4,461</b>	<b>4,456</b>

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
<b>Total financial assets</b>	<b>4,674</b>	<b>4,674</b>	<b>4,642</b>
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
<b>Total financial liabilities</b>	<b>3,537</b>	<b>3,537</b>	<b>3,505</b>

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
<b>Total financial assets</b>	<b>4,872</b>	<b>4,872</b>	<b>4,875</b>
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
<b>Total financial liabilities</b>	<b>4,381</b>	<b>4,381</b>	<b>4,384</b>

#### 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 2026, 2025 and 2024 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 2026, 2025 and 2024, 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 Pound 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)	2026		2025		2024	
	US Dollar	Euro	US Dollar	Euro	US Dollar	Euro
Financial assets	1,607	704	2,207	1,098	2,394	1,564
Financial liabilities	(1,634)	(702)	(2,212)	(1,096)	(2,394)	(1,564)
<b>Net exposure (liability)/asset</b>	<b>(27)</b>	<b>2</b>	<b>(5)</b>	<b>2</b>	<b>-</b>	<b>-</b>

As at 31 March 2026, 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 £3 million and £nil respectively (2025: £nil and £1 million respectively, 2024: £nil 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 2026, net financial assets of £1,767 million (2025: £1,180 million, 2024: £494 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 £18 million (2025: £12 million, 2024: £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 2026 (£ millions)	Carrying amount	Contractual cash flows	1 year or less	1 to 2 years	2 to 5 years	5 years and over
Accounts payable	38	38	38	-	-	-
Short-term borrowings and accrued interest	1,360	1,384	1,384	-	-	-
Long-term borrowings and accrued interest	3,097	3,460	140	926	1,376	1,018
<b>Total contractual maturities</b>	<b>4,495</b>	<b>4,882</b>	<b>1,562</b>	<b>926</b>	<b>1,376</b>	<b>1,018</b>

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	-
<b>Total contractual maturities</b>	<b>3,540</b>	<b>3,902</b>	<b>1,281</b>	<b>449</b>	<b>2,172</b>	<b>-</b>

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	-	-
<b>Total contractual maturities</b>	<b>4,381</b>	<b>4,990</b>	<b>1,548</b>	<b>1,294</b>	<b>1,816</b>	<b>332</b>

#### 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 2026 (2025, 2024: 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)	2026			2025			2024		
	Gross	Impairment	Net carrying value	Gross	Impairment	Net carrying value	Gross	Impairment	Net carrying value
Other financial assets - current	3,200	-	3,200	2,285	-	2,285	1,831	(1)	1,830
Other financial assets - non-current	3,034	-	3,034	2,389	-	2,389	3,045	(3)	3,042
<b>Total</b>	<b>6,234</b>	<b>-</b>	<b>6,234</b>	<b>4,674</b>	<b>-</b>	<b>4,674</b>	<b>4,876</b>	<b>(4)</b>	<b>4,872</b>

#### Movement in allowances for expected credit losses of financial assets

Year ended 31 March (£ millions)	2026	2025	2024
At beginning of the year	-	4	41
Unused amounts reversed	-	(4)	(37)
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>4</b>

**55 RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES**

£ millions	Borrowings	Interest accrued	Total
<b>Balance at 1 April 2023</b>	<b>5,517</b>	<b>86</b>	<b>5,603</b>
<b>Cash flows</b>			
Repayment of financing	(1,129)	-	(1,129)
Interest paid	-	(312)	(312)
<b>Non-cash movements</b>			
Interest accrued	-	301	301
Foreign currency translation	(93)	-	(93)
Fee amortisation	9	-	9
Gain on early repayment of borrowings	(14)	-	(14)
<b>Balance at 31 March 2024</b>	<b>4,290</b>	<b>75</b>	<b>4,365</b>
<b>Cash flows</b>			
Proceeds from issue of financing	518	-	518
Repayment of financing	(1,252)	-	(1,252)
Interest paid	-	(287)	(287)
<b>Non-cash movements</b>			
Interest accrued	-	266	266
Foreign currency translation	(100)	-	(100)
Fee amortisation	7	-	7
<b>Balance at 31 March 2025</b>	<b>3,463</b>	<b>54</b>	<b>3,517</b>
<b>Cash flows</b>			
Proceeds from issue of financing	2,000	-	2,000
Repayment of financing	(1,089)	-	(1,089)
Arrangement fees paid	(14)	-	(14)
Interest paid	-	(246)	(246)
<b>Non-cash movements</b>			
Interest accrued	-	241	241
Foreign currency translation	5	-	5
Fee amortisation	9	-	9
<b>Balance at 31 March 2026</b>	<b>4,374</b>	<b>49</b>	<b>4,423</b>

**56 RELATED PARTY TRANSACTIONS**

Tata Sons Private Limited is a company with significant influence over the Company's ultimate Parent Company Tata Motors Passenger Vehicles 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 Passenger Vehicles 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
<b>31 March 2026</b>		
Loans to subsidiaries of the Company	6,234	-
Loans from subsidiaries of the Company	14	-
Accounts payable to subsidiaries of the Company	38	-
<b>31 March 2025</b>		
Loans to subsidiaries of the Company	4,674	-
Loans from subsidiaries of the Company	14	-
Accounts payable to subsidiaries of the Company	20	-
<b>31 March 2024</b>		
Loans to subsidiaries of the Company	4,872	-
Loans from subsidiaries of the Company	23	-
Accounts payable to subsidiaries of the Company	16	-

**Compensation of key management personnel**

Year ended 31 March (£ millions)	2026	2025	2024
Short-term benefits	6	4	5
Other long-term employee benefits	1	-	-
Compensation for loss of office	1	-	-
<b>Total compensation of key management personnel</b>	<b>8</b>	<b>4</b>	<b>5</b>

Apart from the directors, the Company did not have any employees and had no employee costs in the years ended 31 March 2026, 2025 and 2024. 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 Passenger Vehicles Limited, India, which is the parent of the largest group to consolidate these financial statements.

During the year, Tata Motors Limited changed its name to Tata Motors Passenger Vehicles Limited. The name change was effective in October 2025 and does not impact the ownership structure or operations of the Group.

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 Passenger Vehicles Limited, India consolidated financial statements can be obtained from the Company Secretary, Tata Motors Passenger Vehicles Limited, Bombay House, 24, Homi Mody Street, Mumbai-400001, India.

**59 SUBSEQUENT EVENTS**

In May 2026, the Company entered into a new financing arrangement for £2 billion to refinance the existing £2 billion RCF, the draw down of which has not yet occurred.



# APPENDIX

1

# APPENDIX 1: GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

<b>Statement of use</b>	Jaguar Land Rover Automotive plc has reported the information cited in this GRI content index for the period 1 April 2025 to 31 March 2026 with reference to the GRI Standards
<b>GRI 1 used</b>	GRI 1: Foundation 2021

## GRI 2: GENERAL DISCLOSURES 2021

The organisation and its reporting practices		
Disclosure	Detail	Location
2-1 Organisational details	<ul style="list-style-type: none"> <li>Legal name</li> <li>Nature of ownership and legal form</li> <li>Location of headquarters</li> <li>Countries of operation</li> </ul>	<a href="https://www.jlr.com/global-footprint">https://www.jlr.com/global-footprint</a>
2-2 Entities included in the organisation's sustainability reporting	<ul style="list-style-type: none"> <li>Entities included in the organisation's sustainability reporting</li> </ul>	KPMG limited assurance opinion > corporate website Energy, Carbon, Waste Generation and Water Withdrawal Reporting Methodology Statement > <a href="https://www.jlr.com/corporate-website">corporate website</a>
2-3 Reporting period, frequency and contact point	<ul style="list-style-type: none"> <li>Reporting period for, and the frequency of, sustainability reporting</li> <li>Reporting period for financial reporting</li> <li>Publication date of the report</li> <li>Contact point for questions about this report</li> </ul>	Sustainability reporting: 1 April 2025 - 31 March 2026, annually Financial reporting: 1 April 2025 - 31 March 2026, annually Publication date: 21 May 2026 For questions about this report: <a href="https://www.jlr.com/investor-relations">https://www.jlr.com/investor-relations</a>
2-4 Restatements of information	<ul style="list-style-type: none"> <li>Restatements of information made from previous reporting periods</li> </ul>	Performance Data Tables FY25/26 > pages 112-113
2-5 External assurance	<ul style="list-style-type: none"> <li>Policy and practice for seeking external assurance</li> <li>Link / reference to external assurance</li> </ul>	KPMG limited assurance opinion > <a href="https://www.jlr.com/corporate-website">corporate website</a> Energy, Carbon, Waste Generation and Water Withdrawal Reporting Methodology Statement > <a href="https://www.jlr.com/corporate-website">corporate website</a>
Activities and workers		
Disclosure	Detail	Location
2-6 Activities, value chain and other business relationships	<ul style="list-style-type: none"> <li>Sectors</li> <li>Value chain</li> <li>Other relevant business relationships</li> <li>Significant changes compared to the previous reporting period</li> </ul>	<i>Reimagine</i> > pages 20-21 Our year in review > page 22 Operational developments > page 32 <a href="https://www.jlr.com/brands">https://www.jlr.com/brands</a> <a href="https://www.jlr.com/reimagine">https://www.jlr.com/reimagine</a>
2-7 Employees	<ul style="list-style-type: none"> <li>Total number of employees, breakdown by gender and region</li> <li>Total number of permanent, temporary, non-guaranteed hours employees, full-time employees, and part-time employees, breakdown by gender and region</li> <li>Methodologies and assumptions used to compile the data</li> <li>Contextual information required to understand the data</li> <li>Significant fluctuations in number of employees</li> </ul>	Financial statements - Employee numbers and costs > page 180
2-8 Workers who are not employees	<ul style="list-style-type: none"> <li>Total number of workers who are not employees</li> <li>Methodologies and assumptions used to compile the data</li> <li>Significant fluctuations in number of workers who are not employees</li> </ul>	Financial statements - Employee numbers and costs > page 180

Governance		
Disclosure	Detail	Location
2-9 Governance structure and composition	<ul style="list-style-type: none"> <li>Governance structure including committees of the highest governance body</li> <li>Committees responsible for decision-making on and overseeing the management of the organisation's impact on the economy, environment and people</li> <li>Composition of the highest governance body</li> </ul>	Governance - Leadership > pages 123-125 Governance - Board composition > pages 126-128 Governance - Director responsibilities > page 129 Governance - Effectiveness > page 130 Climate Related Financial Disclosures > pages 104-110 <a href="https://www.jlr.com/leadership">https://www.jlr.com/leadership</a>
2-10 Nomination and selection of the highest governance body	<ul style="list-style-type: none"> <li>Nomination and selection process for the highest governance body and its committees</li> <li>Criteria used for nominating and selecting highest governance body members</li> </ul>	Governance - Nominations and remuneration committee > page 132 Governance - Remuneration > pages 135-136
2-11 Chair of the highest governance body	<ul style="list-style-type: none"> <li>Chair of the highest governance body</li> </ul>	Governance - Leadership > pages 123-125 <a href="https://www.jlr.com/leadership">https://www.jlr.com/leadership</a>
2-12 Role of the highest governance body in overseeing the management of impacts	<ul style="list-style-type: none"> <li>Role of the highest governance body in overseeing the management of impacts</li> </ul>	Governance - Board composition > pages 126-128 Governance - Director responsibilities > page 129 Governance - Effectiveness > page 130 Climate Related Financial Disclosures > pages 104-110
2-13 Delegation of responsibility for managing impacts	<ul style="list-style-type: none"> <li>Delegation of responsibility for managing impacts</li> <li>Process and frequency for reporting</li> </ul>	Governance - Board composition > pages 126-128 Governance - Director responsibilities > page 129 Governance - Effectiveness > page 130 Climate Related Financial Disclosures > pages 104-110
2-14 Role of the highest governance body in sustainability reporting	<ul style="list-style-type: none"> <li>Role of the highest governance body in sustainability reporting</li> </ul>	Climate Related Financial Disclosures > pages 104-110
2-15 Conflicts of interest	<ul style="list-style-type: none"> <li>Process for prevention and mitigation</li> <li>Disclosure to stakeholders</li> </ul>	Corporate Policy: CP1-023 Conflicts of Interest. Available to all employees, however it is not available publicly
2-16 Communication of critical concerns	<ul style="list-style-type: none"> <li>Communication of critical concerns to the highest governance body</li> <li>Total number and nature of critical concerns communicated</li> </ul>	Governance - Risk and Compliance Committee > page 133
2-17 Collective knowledge of the highest governance body	<ul style="list-style-type: none"> <li>Measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development</li> </ul>	Governance - Board composition > page 127
2-18 Evaluation of the performance of the highest governance body	<ul style="list-style-type: none"> <li>Process for evaluating performance</li> <li>Independence and frequency of evaluations</li> <li>Actions taken in response to evaluations</li> </ul>	Governance - Remuneration > pages 135-137
2-19 Remuneration policies	<ul style="list-style-type: none"> <li>Remuneration policies for members of the highest governance body and senior executives</li> <li>How the policies relate to objectives and performance in relation to management of impacts on the economy, environment and people</li> </ul>	Governance - Remuneration > pages 135-137
2-20 Process to determine remuneration	<ul style="list-style-type: none"> <li>Process for designing its remuneration policies and for determining remuneration</li> <li>Results of votes of stakeholders</li> </ul>	Governance - Remuneration > pages 135-137
2-21 Annual total compensation ratio	<ul style="list-style-type: none"> <li>Ratio of the annual total compensation for the organisation's highest-paid individual to the median annual total compensation for all employees</li> <li>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</li> <li>Contextual information necessary to understand the data</li> </ul>	This information is deemed to be confidential

Strategy, policies and practices		
Disclosure	Detail	Location
2-22 Statement on sustainable development strategy	<ul style="list-style-type: none"> <li>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</li> </ul>	Reimagine > pages 20-21 Sustainability and Community > page 37 Sustainability Strategic Report > pages 56-113
2-23 Policy commitments	<ul style="list-style-type: none"> <li>Policy commitments for responsible business conduct</li> <li>Specific policy commitment to respect human rights</li> <li>Links to the policy commitments</li> <li>Policy approval level</li> <li>Extent to which the policy commitments apply to the organisation's activities and business relationships</li> <li>Communication of policies</li> </ul>	Code of Conduct and supporting policies: <a href="https://www.jlr.com/code-conduct">https://www.jlr.com/code-conduct</a>
2-24 Embedding policy commitments	<ul style="list-style-type: none"> <li>How each policy commitment for responsible business conduct is embedded throughout activities and business relationships</li> </ul>	Code of Conduct and supporting policies: <a href="https://www.jlr.com/code-conduct">https://www.jlr.com/code-conduct</a> Risk and Compliance Committee > page 133
2-25 Processes to remediate negative impacts	<ul style="list-style-type: none"> <li>Commitments to provide for or cooperate in the remediation of negative impacts</li> <li>Approach to identify and address grievances</li> <li>Other processes by which the organisation provides for or cooperates in the remediation of negative impacts</li> <li>Stakeholder involvement</li> <li>Tracking and reporting</li> </ul>	Our Approach to Risk > pages 116-117 Principal Risks > pages 118-120 Climate Related Financial Disclosures > pages 104-110
2-26 Mechanisms for seeking advice and raising concerns	<ul style="list-style-type: none"> <li>Mechanisms for individuals to seek advice and raise concerns about the organisation's business conduct</li> </ul>	Code of Conduct (p.23 'Raising Concerns') <a href="https://www.jlr.com/code-conduct">https://www.jlr.com/code-conduct</a>
2-27 Compliance with laws and regulations	<ul style="list-style-type: none"> <li>Total number of significant instances of non-compliance with laws and regulations</li> <li>Total number and the monetary value of fines for instances of non-compliance with laws and regulations</li> <li>Significant instances of non-compliance</li> <li>How significant instances of non-compliance are determined</li> </ul>	This information is deemed to be confidential
2-28 Membership associations	<ul style="list-style-type: none"> <li>Industry associations, other membership associations, and national or international advocacy organisations</li> </ul>	Governance - Directors' report > pages 148-149 Sustainability - Engage for good > pages 75-83

Stakeholder engagement		
Disclosure	Detail	Location
2-29 Approach to stakeholder engagement	<ul style="list-style-type: none"> <li>Approach to engaging with stakeholders</li> </ul>	Governance - Stakeholder relationships and engagement - pages 138-140
2-30 Collective bargaining agreements	<ul style="list-style-type: none"> <li>Per centage of total employees covered by collective bargaining agreements</li> <li>Determination of working conditions and terms of employment for employees not covered by collective bargaining agreements</li> </ul>	This information is not publicly available