# Governance

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INTRODUCTION TO GOVERNANCE

As Jaguar Land Rover continues to grow, effective governance is needed to deliver our core values. It is the foundation on which we manage and control our business and provides the platform for sustainable profitability.

LEADERSHIP

The Jaguar Land Rover Automotive plc Board (‘JLR plc Board’) rigorously challenges strategy, performance, responsibility and accountability so that every decision we make is of the highest quality.

In this section, you will find information about the JLR plc Board and Board of Management, the areas of focus for the JLR plc Board, and the structure and role of our committees.

See page 87

EFFECTIVENESS

We continuously evaluate the balance of skills, experience, knowledge and independence of the directors.

In this section, you will find information about the induction and development of our directors, as well as what we believe to be the key considerations when measuring the effectiveness of the JLR plc Board and its committees.

See page 92

ACCOUNTABILITY

Effective risk management is central to achieving our strategic objectives and is a core responsibility of the JLR plc Board and its committees.

In this section, you will find information about the responsibilities and focus of the Audit, Remuneration and Disclosure Committees.

See page 93

INVESTOR RELATIONS ENGAGEMENT

Maintaining strong relationships with our shareholder and bond investors is crucial to achieving our aims.

In this section, you will find information about how we engage with our shareholder and bond investors.

See page 95
LEADERSHIP

JAGUAR LAND ROVER AUTOMOTIVE PLC BOARD

PROF. DR. RALF D. SPETH (KBE, FREng)
CHIEF EXECUTIVE OFFICER
Appointed
February 2010
Jaguar Land Rover roles/committees
• Chief Executive Officer
• Board of Management
Experience
Prof. Dr. Ralf Speth joined Jaguar Land Rover as Chief Executive Officer on 18 February 2010. In the same month he was appointed to the Board of Tata Motors and in 2016, to the Board of Tata Sons.

Prior to joining Jaguar Land Rover, Prof. Dr. Speth was a director at The Linde Group, the international industrial gases and engineering company. Previously, he worked at BMW for 20 years before joining Ford Motor Company’s Premier Automotive Group (PAG) in 2007.

Prof. Dr. Speth has a doctorate in engineering and is a professor of the University of Warwick. The Royal Academy of Engineering invited him to join its Fellowship in 2014. In 2015, Prof. Dr. Speth was awarded an honorary Knight of the British Empire.

NATARAJAN CHANDRASEKARAN
NON-EXECUTIVE DIRECTOR AND CHAIRMAN
Appointed
February 2017
Jaguar Land Rover roles/committees
• Chairman
• Non-executive director
• Remuneration Committee member (appointed 26 April 2017)
Experience
Mr Chandrasekaran is Chairman of the Board of Tata Sons, the holding company and promoter of more than 100 Tata operating companies, including Tata Motors, Tata Power and Tata Consultancy Services (TCS) – of which he was Chief Executive from 2009–17. He joined the Tata Sons Board in October 2016 and was appointed Chairman in January 2017.

ANDREW M. ROBB
NON-EXECUTIVE INDEPENDENT DIRECTOR
Appointed
April 2009
Jaguar Land Rover roles/committees
• Non-executive director
• Chairman of the Audit Committee
• Chairman of the Remuneration Committee
Experience
Mr Robb is Chairman of Tata Steel Europe. He was a director of Pilkington Group plc until 2003, having held the position of Finance Director from 1989 to 2001. Prior to this, from 1983 he was Finance Director of the Peninsular and Oriental Steam Navigation Company. Mr Robb has served on a number of PLC boards as a non-executive director.

P. B. BALAJI
NON-EXECUTIVE DIRECTOR
Appointed
December 2017
Jaguar Land Rover roles/committees
• Non-executive director
• Audit Committee member
Experience
Mr Balaji was recently appointed as the Group Chief Financial Officer of Tata Motors Group. Prior to this, he was the Vice President Finance for South Asia and Chief Financial Officer of Hindustan Unilever Limited. Mr Balaji started as a management trainee at Unilever in May 1993.

NASSER MUKHTAR MUNJEE
NON-EXECUTIVE INDEPENDENT DIRECTOR
Appointed
February 2012
Jaguar Land Rover roles/committees
• Non-executive director
• Audit Committee member
Experience
Mr Munjee was appointed to the Board of Tata Motors Limited in June 2008. He is also on the Board of Tata Chemicals and several international companies operating in India, including ABB, HDFC and Cummins. Mr Munjee is Chairman of Tata Motor Finance, Tata Motors Limited Audit Committee, DCB Bank and the Aga Khan Foundation (India). Prior to this, he was president of the Bombay Chamber of Commerce and Industry. He established the Infrastructure Development Finance Company in India and was its CEO for seven years.
BOARD OF MANAGEMENT

The Board of Management drives the Group’s strategy and goals and makes decisions concerning operational planning issues.

Responsibilities
Mr. Gregor leads the financial management of the business to deliver shareholder value and growth ambitions. Responsibilities include corporate finance, treasury, financial reporting, accounting, tax, internal control and business support.

Responsibilities
Mr. Harnett is responsible for human resources, global purchasing and all property matters worldwide.

Responsibilities
Mr. Kirner oversees the development of corporate and product strategy, global financial services, IT, royal and diplomatic affairs and the Special Operations division: Special Vehicle Operations and Classic.

Responsibilities
Mr. McPherson is responsible for the manufacturing operations side of the business, ensuring optimum efficiency to deliver world-class safety, quality, cost and environmental standards.

Responsibilities
Mr. Pan leads the continued expansion of the Jaguar Land Rover business in China, including our joint venture, Chery Jaguar Land Rover Automotive Company Ltd. He is responsible for the Integrated Marketing Sales and Service and Corporate functions in the market.

Responsibilities
Mr. Rogers oversees all aspects of research and engineering operations and ensures the development and delivery of new product technology across Jaguar and Land Rover.
FIRST LINE OF LEADERSHIP

The Board of Management together with the leaders of product creation, quality, legal and corporate affairs comprise the First Line of Leadership. They lead all activities and oversee delivery of strategic objectives for the Jaguar Land Rover businesses.

KEITH BENJAMIN
GLOBAL LEGAL DIRECTOR

Responsibilities
Mr Benjamin is responsible for all global legal matters, secretarial, compliance and ethics, Corporate Audit, security and investigations.

NIGEL BLENKINSOP
DIRECTOR OF QUALITY AND AUTOMOTIVE SAFETY

Responsibilities
Mr Blenkinsop is responsible for leading significant improvement in quality in all aspects of our vehicles. He builds, leads, inspires and empowers his team to deliver the best solutions.

HELEN McLINTOCK
GLOBAL CORPORATE AFFAIRS DIRECTOR

Responsibilities
Ms McLintock leads corporate affairs, internal communications, CSR and government affairs.

IAN CALLUM
DIRECTOR OF DESIGN, JAGUAR

Responsibilities
Mr Callum is positioning Jaguar as a modern and relevant brand while respecting heritage and values through his visionary leadership in design.

GERRY McGOVERN
LAND ROVER CHIEF DESIGN OFFICER

Responsibilities
Instrumental in the success of the Land Rover brand, Mr McGovern is leading his team in the creation of a new generation of Land Rovers.
THE ROLE OF THE JAGUAR LAND ROVER AUTOMOTIVE PLC BOARD AND THE BOARD OF MANAGEMENT

**Governance structure and flow of information**

**Audit Committee**
Reviews the integrity of the financial statements, relationship with the external auditors and effectiveness of internal financial controls.
For more information see page 93

**The Jaguar Land Rover Automotive plc Board**
The JLR plc Board provides supervision and guidance to our management, particularly with respect to corporate governance, business strategies and growth plans. It also considers the identification of risks and their mitigation strategies, entry into new businesses, product launches, demand fulfilment and capital expenditure requirements, as well as the review of our business plans and targets.
For more information see page 87

**Remuneration Committee**
Determines the overall remuneration policy and strategy to ensure transparency and alignment with the Group’s short- and long-term strategic goals.
For more information see page 94

**Board of Management**
The work of the Board of Management complements, enhances and supports the work of the JLR plc Board, with the Board of Management operating under the direction and authority of the Chief Executive Officer. The JLR plc Board delegates to the Board of Management the execution of the Group’s strategy and the day-to-day management and operation of the Group’s business.
Examples of actions taken by the Board of Management are:
• Reviewing and making decisions concerning operational planning associated with the latest five-year business plan of the Group;
• Evaluating the performance of the Group against budget and forecast; and
• Reviewing and approving potential investments.
The Board of Management is also responsible for overseeing the implementation of appropriate risk assessment processes and controls to identify, manage and mitigate the principal risks to the Group. This includes the review, approval and communication of the risk management policy and framework.
For more information see page 88

**Disclosure Committee**
Supports the JLR plc Board and Audit Committee in reviewing and approving the final form of quarterly and annual announcements and statements relating to the performance of the Group.
For more information see page 94

**Other examples of management committees**
• Risk Management Committee
• Product Committee
• Health and Safety Committee
• Security Committee
• Unusual Events Committee
• Financial Risk and Assurance Committee
• Financial Risk Committee
## STRATEGY

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<tr>
<th>TOPIC/ACTIVITY</th>
<th>ACTIONS</th>
<th>PROGRESS</th>
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<tr>
<td>Review of the business and operating model</td>
<td>Analysed the automotive industry trends and retail outlook and assessed the potential impact on the Group. Reviewed the Group’s performance against its competitors.</td>
<td>New manufacturing facility in Slovakia is on track to start production during 2018. As uncertainty around diesel cars grows and adherence to emissions compliance increases, the Group has continued its focus on and commitment to electrification, with the I-PACE being launched in the year. Continued investment in connected and autonomous technologies and services.</td>
</tr>
<tr>
<td>Monitoring of opportunities for acquisitions and new revenue streams</td>
<td>Supported continued investment to promote sustainable business growth over the long term. Used cash to implement ongoing programmes to support business growth. Considered and approved the Group’s debt funding arrangements.</td>
<td>Issuance of $500 million 10-year 4.5 per cent bond.</td>
</tr>
<tr>
<td>Discussion of the Group’s capital structure and financial strategy</td>
<td>Reviewed a number of opportunities in the fiscal year. Reviewed and approved, where appropriate, the business cases for internally developed future business. Approved changes to the Defined Benefit Scheme effective from April 2017.</td>
<td>$25 million investment in Lyft and other strategic investments in autonomous companies.</td>
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## RISK MANAGEMENT AND INTERNAL CONTROL

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<tr>
<td>Review the Group’s principal risks and the effectiveness of the systems of internal control and risk management</td>
<td>Clearly articulated the Group’s approach to risk. Reviewed and updated approach to identify and manage principal risks. Continuing assessment of significant and emerging risks, including geopolitical uncertainty and the impact of Brexit.</td>
<td>Agreed Group-level risks and a robust set of mitigating activities, which are regularly monitored. Further developed the Group’s approach to risk. Considered movements in key risks resulting from changes to likelihood or business impact. Actively monitored events arising from the Brexit referendum decision, including scenario planning. We are enhancing our approach to GDPR, the forthcoming data protection regulation, and cyber security.</td>
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## LEADERSHIP AND PEOPLE

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<th>TOPIC/ACTIVITY</th>
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<tbody>
<tr>
<td>Review composition of the JLR plc Board and its committees</td>
<td>Discussed the composition of the JLR plc Board and its committees, including succession planning.</td>
<td>The Board of Management and Senior Director’s Forum is in place and well established.</td>
</tr>
<tr>
<td>Review the development of people and talent in the Group, including succession planning for senior roles</td>
<td>Ongoing commitment to maintaining a balance of appropriate skills and experience among the Board of Management and associated committees.</td>
<td>Appointment of new members to the senior leadership team in the fiscal year.</td>
</tr>
<tr>
<td>Discuss the results of the employee engagement survey and devise strategic actions arising from it</td>
<td>Conducted a thorough review of Pulse surveys to identify areas for improvement. Encouraged interaction between employees across the Group.</td>
<td>Proposed new approaches to pay and pensions, and initiated a period of consultation with employees. Increased engagement with employees across all areas of the business.</td>
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## GOVERNANCE, STAKEHOLDERS AND SHAREHOLDERS

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<tr>
<td>Review the Group’s purpose, goal, vision and values</td>
<td>Considered sustainability, including the Group’s impact on the community and the environment. Monitored and addressed regular Health and Safety updates.</td>
<td>Reviewed developments in corporate governance and received key legal and regulatory updates.</td>
</tr>
<tr>
<td>Encourage strong engagement with investors and stakeholders</td>
<td>Actively supported engagement opportunities. Regularly reviewed and acted upon feedback from key stakeholders.</td>
<td>Ongoing discussions at all levels of the business with shareholders. Engagement with other stakeholders based on feedback.</td>
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## FINANCIAL PERFORMANCE

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<tr>
<td>Assessment of the Group’s financial performance</td>
<td>Evaluated the Group’s performance against budget and forecast. Reviewed the quarterly and annual results and associated presentations to investors.</td>
<td>Reviewed and approved the latest five-year business plan for the Group. Approved the Annual Report.</td>
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EFFECTIVENESS

THE JLR PLC BOARD
The JLR plc Board will continue to consider the core areas described previously, but in particular will focus on:
• Continued development of our product pipeline;
• The efficiency and quality of the Slovakia plant and the contract manufacturing through our agreement with Magna Steyr;
• Expanding the product development facilities and the ongoing investment in UK manufacturing facilities;
• Leading innovation in powertrain technology, driver assistance, connectivity and mobility solutions;
• Developing our people and the workforce of tomorrow; and
• Ongoing review and monitoring of external risk factors, considering their impact on growth, particularly in international markets.

HOW WE DIVIDE UP OUR RESPONSIBILITIES

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

Non-executive directors
Constructively challenge the Chief Executive Officer and monitor the delivery of the Group strategy within the risk and controls environment set by the JLR plc Board.

Chief Executive Officer
Responsible for the day-to-day leadership, management and control of the Group, for recommending the Group strategy to the JLR plc Board, and implementing the Group strategy and decisions of the JLR plc Board.

INDUCTION, DEVELOPMENT AND SUPPORT
All new directors receive a full, formal and tailored induction upon joining the JLR plc Board. We also plan the JLR plc Board calendar so that directors are able to visit the increasing number of Jaguar Land Rover geographic locations and are briefed on a wide range of topics throughout the year.

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

EVALUATION
The JLR plc Board continuously assesses its effectiveness in the following areas:
• The flow and quality of information to the JLR plc Board;
• The decision-making process and culture; and
• The outcome of the decisions made by the JLR plc Board.

The JLR plc Board and Audit Committee also provided direct feedback to management committees during the year.
ACCOUNTABILITY

AUDIT COMMITTEE

Composition of the Audit Committee:
Andrew Robb, Chairman
Nasser Munjee
P. B. Balaji

Role of the Audit Committee
• Monitors the integrity of the financial statements, including the review of significant financial reporting issues and judgements alongside the findings of the external auditor.
• Oversees the relationship with the external auditor, external audit process, nature and scope of the external audit and the appointment, effectiveness, independence and fees of the external auditor.
• Monitors and reviews the effectiveness of Corporate Audit, ensuring coordination with the activities of the external auditor.
• Reviews the effectiveness of the Group’s systems for internal financial control, financial reporting and risk management.

Main activities of the Audit Committee during the year
Financial reporting
During the year, we as the Audit Committee met with the external auditor and management as part of the Fiscal 2017/18 annual and quarterly reporting approval process a total of five times. We reviewed the draft financial statements and considered a number of supporting papers. This included reviewing information presented by management on significant accounting judgements to ensure all issues raised have been properly dealt with; reviewing presentation and disclosure to ensure adequacy, clarity and completeness; reviewing the documentation prepared to support the going concern statement given on page 109; and reviewing external audit reports. The key matters considered in the year were: review of the Group’s impairment assessment for Fiscal 2017/18; review of the Group’s transition projects for IFRS 9 and IFRS 16; the issuance of debt; accounting for the changes in the Group’s Defined Benefit pension scheme; and contractual and regulatory provision requirements.

Internal controls
We reviewed the effectiveness of financial reporting, internal control over financial reporting and risk management procedures within the Group, with particular regard given to compliance with the provisions of section 404 of the Sarbanes-Oxley Act and other relevant regulations. The reviews also considered any potential material weaknesses or significant deficiencies in the design or operation of the Group’s internal control over financial reporting, which are reasonably likely to adversely affect the Group’s ability to record, process and report financial data. We receive reports from the external auditor, Business Assurance and Corporate Audit with respect to these matters.

External audit
We reviewed the significant audit issues with the external auditor and how they have been addressed in the financial statements. We also evaluated the external auditor by reviewing the firm’s independence, its internal quality control procedures and any material issues raised by the most recent quality control or peer review of the audit firms. This included the findings of any enquiry or investigation carried out by government or professional bodies with respect to one or more independent audits performed by the external auditor within the last five years.

As disclosed in last year’s report, the external audit was put out to a competitive tender. KPMG LLP were appointed as Group auditors following a robust tender process during 2017. The transition from Deloitte to KPMG went smoothly. We thank Deloitte for their services over the last nine years. John Leech, KPMG’s Audit Partner, is currently in his first year of office as auditor. Section 139(2) of the Indian Companies Act, 2013, mandates that all listed companies rotate their auditors once the auditor has served as an auditor for a period of 10 or more consecutive years. Under these regulations, the Group will be required to re-tender the audit by no later than 2027 and the Committee will keep the external auditor tender under review and act in accordance with any changes in regulations and best practice relating to the tenure of the external auditor.

To help safeguard KPMG’s objectivity, independence and effectiveness, the Group has a non-audit services policy which sets out the circumstances and financial limits within which the external auditor may be permitted to provide certain non-audit services. This policy sets a presumption that KPMG should only be engaged for non-audit services where there is an obvious and compelling reason to do so (for example, their skills and experience or ability to provide the services) and provided such work does not impair their independence or objectivity and has no impact on the audited financial statements. It prohibits KPMG from providing certain services, including legal, valuation, actuarial and internal audit. The Audit Committee approves all non-audit services before they are performed.

Non-audit fees paid to KPMG (2017: Deloitte) in the year totalled £0.8 million (2017: £1.0 million), representing 19 per cent (2017: 19 per cent) of the fees paid for audit and audit-related assurance services.

Corporate Audit
During the year, we regularly reviewed the adequacy of the Corporate Audit function, the Corporate Audit charter, staffing and seniority of the official heading the function, reporting structure, budget, coverage and the frequency of corporate audits, the structure of Corporate Audit and approval of the audit plan.

We also met with Corporate Audit and the external auditor on a one-to-one basis twice during the year. This forms an important part of our consideration and control, ensuring that they have an open and direct forum with the Audit Committee.
Composition of the Remuneration Committee:
Andrew Robb, Chairman
Natarajan Chandrasekaran
(appointed 26 April 2017)

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

Role of the Remuneration Committee
- Sets and monitors the strategy and policy for the remuneration of the Board of Management and other senior executives (‘the executives’)
- Determines the design and eligibility for annual and long-term incentive plans (LTIPs) for executives and approves payments under the plans
- Determines performance measures and targets for any performance-related incentive plans
- Oversees any major changes in remuneration

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 Jaguar Land Rover’s strategy and the objective of delivering long-term sustainable growth in value.

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 (such as other UK engineering companies and European automotive companies).
- Retirement benefits. The Group has a number of defined benefit pension schemes that are closed to new employees. Executives who are members of these schemes will continue to accrue benefits, but most executives now either have defined contribution provisions or elect 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:
- Annual bonus. The Global Bonus Plan is designed to reward achievement of short-term financial and strategic measures to support the Group’s strategy. Performance is measured against quantifiable one-year financial and operational targets.
- Long-term incentive. The new LTIP introduced in 2016 is designed to reward and encourage alignment with the Group’s long-term sustainable growth strategy. Performance is measured over a three-year period against a balanced scorecard of quantifiable financial and operational targets aligned to long-term growth. The previous LTIP was a phantom share plan with a three-year vesting period based on the Group’s financial performance and linked to the share price of Tata Motors Limited.
EXECUTIVE REMUNERATION

There is clear linkage between Jaguar Land Rover 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 and a heavier weighting on long-term performance compared to short term.

INVESTOR RELATIONS ENGAGEMENT

SOLE SHAREHOLDER

Jaguar Land Rover Automotive plc (and its subsidiaries) is a wholly owned subsidiary of Tata Motors Limited (held through TML Holdings Pte. Ltd. (Singapore)) and the majority of the JLR plc Board also reside as directors on the board of Tata Motors Limited. Although we operate on a stand-alone, arm’s length basis, we maintain an open and collaborative strategic relationship with Tata Motors Limited and cooperate in numerous areas, including engineering, research and development, and sourcing and procurement.

CREDIT RATING AGENCIES

As at 31 March 2018, Jaguar Land Rover Automotive plc had a credit rating of BB+ (Stable Outlook) from S&P and Ba1 (Stable Outlook) from Moody’s. On 18 July 2018 Moody’s downgraded Jaguar Land Rover plc’s credit rating to Ba2 (Stable Outlook). We maintain regular and open dialogue with both agencies, including an in-depth annual review of our long-term business plans, so that an independent assessment of our credit profile can be represented in the market for the benefit of current and prospective investors as well as supporting any future debt issuance.

BOND INVESTORS

As at 31 March 2018, we had approximately £3.7 billion of listed bonds outstanding (2017: £3.4 billion, 2016: £2.4 billion). We maintain regular dialogue with our bond investors through the quarterly publication of operational and financial results on the Group’s website (www.jaguarlandrover.com) supported by live broadcasts via teleconference calls. The investor relations team also attends various bond conferences, held throughout the year, where investors have the opportunity to meet with Jaguar Land Rover representatives in person to discuss recent results and other matters.

1 Please see note 3 of the financial statements on page 122 for the definition of EBIT.
The directors present their report and the audited consolidated financial statements of the Group for the year ended 31 March 2018. 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 Abbey Road, Whitley, Coventry, CV3 4LF, England, United Kingdom.

Future developments
Future developments impacting the Group are disclosed in the Strategic report on pages 3 to 83.

Dividends
The directors proposed a dividend of £225 million (approximately £0.15 per ordinary share) in May 2018, which was paid in June 2018. (For the year ended 31 March 2017, £60 million was paid in June 2017 and £90 million was paid in September 2017. For the year ended 31 March 2016, £150 million was paid in June 2016.)

Directors
Biographies of the directors currently serving on the JLR plc Board are set out on page 87.

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

Material interests in shares
Jaguar Land Rover Automotive plc is a wholly owned subsidiary of Tata Motors Limited, held through TML Holdings Pte. Ltd. (Singapore).

Share capital
Share capital remains unchanged. See note 29 to the consolidated financial statements on page 145 for further details.

Corporate Governance Statement
The Corporate Governance Statement is set out on pages 86 to 97 and is incorporated by reference into this report.

Branches
The Group has 11 branches that exist and operate outside of the UK, based in Singapore, China and the United Arab Emirates.

Research and development
The Group is committed to an ongoing programme of expenditure on research and development activities as disclosed in note 11 to the consolidated financial statements on page 127.

Financial instruments
The disclosures required in relation to the use of financial instruments by the Group and Company, together with details of the Group’s and Company’s treasury policy and management, are set out in note 35 to the consolidated financial statements on pages 152 to 160 and in note 53 on pages 175 to 179 of the parent company financial statements.

Employee information
The average number of employees within the Group is disclosed in note 7 to the consolidated financial statements on page 125.

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

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

Going concern
The Group’s business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic report. The financial position of the Group is described on pages 72 to 75. In addition, note 35 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. Details of the Group’s financial instruments and hedging activities are also provided in note 35 to the consolidated financial statements. The JLR plc Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements set out on pages 104 to 180 have been prepared on the going concern basis.

Events after the balance sheet date
Full details of significant events since the balance sheet date are disclosed in note 42 on page 167 to the consolidated financial statements.

Code of Conduct
Directors and employees are required to comply with the Jaguar Land Rover Code of Conduct, which is intended to help them put the Group’s ethical principles into practice. The Code of Conduct clarifies the basic principles and standards they are required to follow and the behaviour expected of them. The Code of Conduct can be found at www.jaguarlandrover.com.

Employees, contract staff, third parties with whom the Group has a business relationship (such as retailers, suppliers and agents), and any member of the public may raise ethical and compliance concerns to the Group’s global helpline or via group.compliance@jaguarlandrover.com.

Slavery and human trafficking statement
Pursuant to section 54 of the Modern Slavery Act 2015, the Group has published a slavery and human trafficking statement for the
year ended 31 March 2018. 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.

Whistle-blowing policy
The Group’s whistle-blowing policy encourages employees to report, in confidence and anonymously if preferred, concerns about suspected impropriety or wrongdoing in any matters affecting the business. An independent hotline exists to facilitate this process. Any matters reported are thoroughly investigated and escalated to the Committee.

Diversity policy
Diversity management continues to form a core part of the Group’s business strategy. We rely on the diversity of our employees to form the foundation of a strong and dynamic company. See pages 44 to 45 for further details.

Greenhouse gas emissions
The Group is committed to reducing greenhouse gas emissions and continues to invest heavily in this activity. See page 42 for further details.

Statement of directors’ responsibilities in respect of the directors’ 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. Under that law the directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs as adopted by the EU) and applicable law, and have elected to prepare the parent company financial statements on the same basis.

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 their 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 IFRSs as adopted by the EU;
- Assess the Group and parent company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

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

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

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

Statement of disclosure of information to auditors
In the case of each of the persons who are directors at the time when the report is approved under section 418 of the Companies Act 2006, the following applies: so far as the directors are aware, there is no relevant audit information of which the Group’s auditor is aware; and the directors have taken necessary actions in order to make themselves aware of any relevant audit information and to establish that the Group’s auditor is aware of that information.

Auditor
A resolution to reappoint KPMG LLP as auditor of the Group is to be proposed at the 2018 Tata Motors Limited Annual General Meeting.

Acknowledgement
The directors wish to convey their appreciation to all employees for their continued commitment, effort and contribution in supporting the delivery of the Group’s record 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 on pages 1 to 83 was approved by the JLR plc Board and authorised for issue on 24 July 2018 and signed on its behalf by:

[Signature]

PROF. DR. RALF D. SPETH
CHIEF EXECUTIVE OFFICER
JAGUAR LAND ROVER AUTOMOTIVE PLC
24 JULY 2018