Our business blueprint is founded on firm values. It connects the dots between creating new solutions, exploring the future and growing a sustainable business. It is the visualisation of our business goals and execution strategies that drive us to create growth opportunities as well as delivering the products and services our customers desire.
Our blueprint is the framework for this strategic report, showcasing and measuring our achievements this year against that plan.
OUR PASSIONS
GREAT PRODUCTS

OUR PHILOSOPHY
Jaguar Land Rover is at the cutting-edge of automotive design, technology and innovation to create the world’s best products and services for our customers.

NEW PRODUCTS
This has been one of our biggest launch years and we have continued to invest in our portfolio of products and services with breakthrough new vehicles and significant model year upgrades across our range, as well as the launch of Special Vehicle Operations and the most advanced and connected infotainment technologies. Our aim is to meet every customer need and to enable them to do more through our products and how we support them across our services. The transformation of our portfolio included the launch of two vehicles across both brands, increasing our offering and as a result creating new growth opportunities: the Range Rover Evoque Convertible – the most capable convertible ever and the Jaguar F-PACE – the ultimate practical sports car.

NEW SERVICES
Our connected car services have enjoyed a year of rapid global growth. Now 80 per cent of our customer base benefits from services including the Remote App that allows you to see the status of your vehicle as well as pre-heat, cool or start the car from a smartphone or watch. Our InControl Secure service also offers a fully integrated stolen vehicle tracking system. Our customers can rest assured their cars are protected.

OUR 2015/16 FOCUS
We know that the automotive industry stands on the precipice of revolutionary change. This year we have demonstrated that we are ready to face these challenges with a number of advanced research projects including:
• A remote control Range Rover Sport which can be operated through the user’s smartphone, useful for getting our customers out of tight parking spaces
• A steering wheel and seat that can detect the well-being and concentration levels of the driver, technology that could be used as the autonomy of vehicles increases
• The Evoque_e project, exploring all aspects of future hybrid and battery electric vehicle technology

To maintain our position as leaders in technology and research this year, we also started construction on the £150 million National Automotive Innovation Centre which will become the hub for Jaguar Land Rover’s global advanced research and engineering capability.

KEY 2015/16 SUCCESSES
• Successfully launched three all-new products and derivatives to now offer a bigger range to more customers
• 150 awards won across the Company and entire range of our products
• Getting more connected through the delivery of wearable technology and the introduction of Android Wear app that allows remote control of key car features
• Record Fiscal 2016 with over half a million vehicles sold
• Launched a new technology start-up ‘InMotion’ to create apps and services to overcome modern travel and transport challenges
CASE STUDY: SHOWCASING OUR SPECIAL VEHICLE OPERATIONS

As a business, we are continuously looking for new growth opportunities. That is why we set up Special Vehicle Operations. SVO in its first year has engineered a number of bespoke vehicles and has been a growing area for Jaguar Land Rover as we look to target the demand for bespoke services.

Key highlights of SVO’s first year include a hybrid-powered State Review Vehicle for Her Majesty The Queen, a line-up of vehicles in the 24th James Bond adventure film, Spectre, and the fastest Jaguar ever – the F-TYPE SVR.

Jaguar Land Rover also rebranded its Heritage business to Jaguar Land Rover Classic, with the aim of better celebrating and nurturing Jaguar and Land Rover’s past. The rebranded division will continue to deliver its beautiful heritage cars as well as services, parts and experiences for Classic Jaguars, Land Rovers and their owners.

FUTURE PLANS

• Deliver to our customers the new Range Rover Evoque Convertible and the Jaguar F-PACE
• Special Vehicle Operations will be launching a high-tech facility with bespoke paintshop, offering our customers the opportunity to have any colour and any finish
2015 has been a breakthrough year for Jaguar as it continues to grow, building on its design leadership and performance credentials. Delivering on the strategy, Jaguar has been dominant in winning awards. The two new products launched this year – Jaguar XE and Jaguar XF – have significantly contributed to the brand’s continued sales success. 2015 – the year of the Cat.
THE ALL-NEW JAGUAR XF

104 g/km CO₂, lowest CO₂ emissions of any non-hybrid in the segment

50 per cent of which is scrap from the Jaguar Land Rover press shops

> 5000-series RC5754 aluminium alloy is unique to Jaguar Land Rover and is made predominantly from recycled material

The engine car is 190 kg lighter

Up to 28% increase in torsional stiffness

Using your smartphone, scan this code to access enriched content.

Or visit: http://www.jaguar.co.uk/jaguar

104 50

g/km CO₂
lowest CO₂ emissions of any non-hybrid in the segment

50 per cent of which is scrap from the Jaguar Land Rover press shops

> 5000-series RC5754 aluminium alloy is unique to Jaguar Land Rover and is made predominantly from recycled material

The engine car is 190 kg lighter

Up to 28% increase in torsional stiffness

Using your smartphone, scan this code to access enriched content.

Or visit: http://www.jaguar.co.uk/jaguar

104 50

g/km CO₂
lowest CO₂ emissions of any non-hybrid in the segment

50 per cent of which is scrap from the Jaguar Land Rover press shops

> 5000-series RC5754 aluminium alloy is unique to Jaguar Land Rover and is made predominantly from recycled material

The engine car is 190 kg lighter

Up to 28% increase in torsional stiffness

Using your smartphone, scan this code to access enriched content.

Or visit: http://www.jaguar.co.uk/jaguar
This was an iconic year for the Land Rover Discovery Sport with the 100,000th sold, and produced and launched in China and India. Winning a host of awards, particularly in the prestigious safety category, has confirmed the excellence of the vehicle’s design, versatility and capability. With a Discovery Sport rolling off the production line every three minutes, strong demand continues to fill the order books. 2016 looks set to continue this successful run.
Targeting the high customer expectations of the global premium market who are seeking custom-made vehicles, SVO has developed a bespoke Range Rover Sport model designed to provide the very best of the brand for the most discerning and enthusiastic consumer. Range Rover Sport SVR delivers exemplary levels of capability and performance through its strong, all aluminium, lightweight bodyshell technology and its supercharged 5.0-litre V8 engine. The SVR will do 0-62mph in 4.7 seconds. The Range Rover Sport SVR is the most powerful and fastest Land Rover in our history.
Our customers – present and future – are at the heart of everything we do. We are constantly investigating their current and potential needs to feed fresh ideas into our product planning cycle. We are always restless to be better and aim to continuously improve the customer experience at every touchpoint. Always putting the Customer First.

**OUR PHILOSOPHY**

Jaguar Land Rover seeks to exceed the expectations of our customers through greater focus on understanding and fulfilling their needs. Putting the Customer First.

Our future success can only be achieved if we truly place them at the heart of our business and centre of our attentions.

**LISTENING TO OUR CUSTOMERS**

We seek to develop deep, unique insights into what our customers need and what their ambitions are. And not just our existing ones.

Young people between the ages of 18 and 25 will decide how cars are bought over the next two decades.

We need to deliver cars which are, quite simply, the finest in the world, leading the way in design and engineering excellence.

Our mission is to delight our customers not just with our vehicles but at every point at which we make contact with them.

**CULTURE AND VALUES**

Customer First is much more than a set of initiatives, it is a culture of driving business excellence to achieve our ambitious goals.

It is a key foundation of creating best-in-class Jaguar and Land Rover products and experiences that our growing base of global customers will love, for life.

True value and customer service is borne of excellence in every action of every employee.

Customer First demands that everyone in the Jaguar Land Rover enterprise shares this passion to satisfy customers, both internal and external, with a relentless desire to understand and exceed their needs.

**OUR 2015/16 FOCUS**

- Bringing the voice of the customer into the business by asking more customers than ever before
- We have sold the highest number of cars in our history, asked more customers than ever before to give us their feedback and implemented a record number of new developments as a result of their input
- Customer Advisory Boards have allowed us to communicate with some of the first owners of vehicles, such as Land Rover Discovery Sport and Jaguar XE, in private online communities. They have shared with us their opinions and insights of their vehicles and brand experience
- It has also enabled us to provide customers with YouTube videos to provide easily accessible answers to frequently asked questions
- Customers are engaged throughout the Product Creation and Development process to ensure that all our products meet their needs and expectations

**KEY 2015/16 SUCCESSES**

- Created an ‘always on’, real-time customer insight listening panel where we hear directly from our consumers for feedback and insights. We have now received 19,757 contributions that have been incorporated into the planning cycle, ensuring the voice of the customer is front and centre of everything we do
- We have enhanced the Fleet and Business consumer experience through all points of the customer journey
- Implementing the ARCH corporate identity programme that will significantly improve the customer retail environment and deliver a consistent premium brand experience
CASE STUDY: CUSTOMER FIRST; 100,000TH DISCOVERY SPORT

Surprise and delight are sensations our Customer First passion seeks to inspire. This was especially true when Land Rover marked the production of the 100,000th Discovery Sport this year with a special surprise for one mum, Natalie Lipton, on Mother’s Day. The Lipton family had unwittingly purchased that particular vehicle that was built at Jaguar Land Rover’s Halewood manufacturing plant, just 10 miles from their family home. To celebrate the milestone, which was reached just days before Mother’s Day in the UK, Land Rover went undercover with her sons Jacob, 7, and Noah, 5, to find out just how this car could be made even more special for their mum. To bring the boys’ ideas to life, a team of designers, suppliers and experts from Jaguar Land Rover’s Special Vehicle Operations worked to create special touches in the car during production. Like her boys, we put mother first.

FUTURE PLANS

• Increase the number of consumer interactions across more advisory boards and products, growing the voice of the consumer and our Customer First passion in Jaguar Land Rover
• Implementing consumer reviews onto our brand websites to amplify customer advocacy
• Increase transparency of our customer experience through reviews at the retailer level to help develop the overall retail experience
OUR PASSIONS
ENVIRONMENTAL INNOVATION

OUR PHILOSOPHY
Reducing emissions is one of the biggest challenges for the automotive industry today. As the UK’s biggest investor in automotive R&D, we are developing a range of solutions to reduce the carbon footprint of our vehicles and improve air quality while maintaining the luxury, performance and refinement that our customers expect.

Environmental Innovation lies at the centre of our business vision. It is a wide-ranging plan that will see us dramatically reduce real-world emissions up to 2020 and beyond.

OUR 2015/16 FOCUS
This year we have invested more than £3.1 billion in new products and facilities as part of the programme.

The electrification of powertrains is essential to reduce the carbon footprint of vehicles and meet future climate change mitigation targets. This is why over the last seven years we have been researching and developing a range of advanced plug-in hybrid (PHEV), mild hybrid (MHEV) and battery electric vehicle (BEV) propulsion systems.

The biggest single project is a £16.2 million collaborative research programme, part-funded by Innovate UK, called Evoque_e.

This project looks beyond 2020 to explore all aspects of future hybrid and battery electric vehicle technology and has so far produced three Concept_e demonstrators.

Jaguar is also returning to the racetrack through Formula E. This is an exciting opportunity to support our extensive multi-billion pound hybrid and battery electric propulsion research and test bed activity.

As well as hybridisation and electrification, we are working to make our vehicles lighter while improving our internal combustion engines to make them cleaner and more energy efficient.

Our highly efficient diesel Ingenium engine achieves just 109g/km CO₂ in our new Evoque. At the same time, the all-new Jaguar XE with just 99g/km of CO₂, is the most efficient Jaguar ever built.

To enable us to include the Ingenium engine in even more new models, we are investing £450 million to double the size of our Engine Manufacturing Centre near Wolverhampton.

Our leadership in lightweight aluminium vehicle architecture has been extended to include the Jaguar XE, Jaguar F-PACE and all-new Jaguar XF, significantly reducing the weight of the body.

In the last year alone, 1,480 of Jaguar Land Rover’s 9,000 engineers and designers spent 293,550 hours at universities studying Masters level modules, including hybrid vehicles, sustainable design and lightweight vehicles. Today, we are collaborating with more than 30 leading universities working on in excess of 100 projects.

Recognising the importance of investing in skills and talent for the future, since 2008 we have doubled the number of powertrain engineers.

KEY 2015/16 SUCCESSES
• Our UK manufacturing sites have achieved more than 38 per cent reduction in energy per car produced since 2007
• 60 energy saving projects delivered, totalling £23 million and more than 57,000 tonnes of annualised CO₂ equivalent savings, thanks to a mix of measures including roof-mounted solar panels, LED lighting, combined heat and power and heat distribution optimisation, building management systems, voltage optimisation, insulation and energy mapping
CASE STUDY: REALCAR; ALUMINIUM WASTE REDUCTION

REALCAR (Recycled Aluminium Car) is a partnership between Jaguar Land Rover and Novelis which has enabled 50,000 tonnes of press shop aluminium scrap – equivalent to saving approximately 500,000 tonnes of CO₂ – to be recovered over the last year.

The project, part-funded by Innovate UK, has seen 10 UK press shops implement a unique closed loop process, segregating waste aluminium scrap, so that it can be sent back to Novelis to be re-melted into recycled aluminium sheets for use in our cars. Aluminium recycling requires up to 95 per cent less energy than primary aluminium production, making our operations more sustainable.

REALCAR has also seen the development of a new aluminium alloy – RC5754 – which accepts increasing amounts of recycled aluminium automotive scrap, currently by up to 50 per cent.

The Jaguar XE is the first car in the world to make volume use of this new structural grade of aluminium. It has also been tested and implemented in the lightweight aluminium body structures of the Jaguar XF and F-PACE models. Using it to build future Jaguar and Land Rover models will take us a significant step towards our goal of achieving 75 per cent recycled aluminium content in our vehicle body structures by 2020.

FUTURE PLANS
• By 2020, our environmental programme aims to achieve carbon neutral manufacturing operations, zero waste and to produce vehicles that will be amongst the leaders in their segments on tailpipe emissions
• By 2020, we aim to use up to 75 per cent recycled aluminium materials in our cars and, as a result, improve the recycling efficiency of our manufacturing cycle
OUR PHILOSOPHY
Environmental sustainability is not just about the final products but also how we make them. That’s why we measure the environmental impact not just of our cars but also of their manufacture from weld to wheel.

We continually assess every single aspect of our manufacturing processes – day by day – tirelessly seeking to improve them. It is this continuous aggregation of marginal gains which will have the biggest positive impact on our environment. It’s not just about being a good global citizen – it’s our planet too.

CASE STUDY: LAND ROVER DISCOVERY SPORT
VEHICLE LIFE CYCLE ASSESSMENT*

To achieve the breakthroughs we seek, we use the knowledge gained through life cycle assessment – independently verified scientific studies of vehicle life cycle impacts – in alignment with international standards.

It’s an integrated approach that provides the technically rigorous data we need to deliver step changes in sustainability. Jaguar Land Rover was one of the first UK vehicle manufacturers to complete such assessments.

Land Rover Discovery Sport has life cycle impacts in equivalent CO₂ terms which are more than 10 per cent lower than the previous model and is the lowest life cycle impact vehicle ever in the Discovery family of vehicles.

KEY 2015/16 SUCCESSES
• Our life cycle assessment has contributed to significant improvements in our fleet average tailpipe CO₂ emissions since 2007
• Our innovative Ingenium diesel engines already achieve just 99g/km CO₂ in the Jaguar XE
• XF is up to 190kg lighter than its predecessor

FUTURE PLANS
• By 2020 new technologies will help Jaguar Land Rover reduce its CO₂ emissions by a further 25 per cent

OUR FOCUS
LIFE CYCLE ASSESSMENT STAGES

VEHICLE DESIGN
Reducing life cycle impact means building sustainability into vehicle design from the beginning.

RAW MATERIALS AND COMPONENTS
We work with our suppliers on improvements that deliver sustainability win-wins.

TRANSPORTING COMPONENTS TO OUR FACTORIES
Truck fuel efficiency is one of the key ways our inbound transport suppliers can help us reduce CO₂e emissions.

* Discovery Sport LCA, will be third-party verified in line with all other vehicle LCAs completed to date.
IMPROVED FUEL EFFICIENCY
OUR NEW ENGINE RANGE IN DISCOVERY SPORT IMPROVES FUEL EFFICIENCY AND REDUCES CORRESPONDING CO2 EMISSIONS BY UP TO 14 PER CENT.

WHOLE LIFE DESIGN
DISCOVERY SPORT IS THE FIRST IN THE DISCOVERY FAMILY TO BENEFIT FROM BEING VIRTUALLY DISMANTLED BEFORE MANUFACTURE TO ENSURE THAT ITS MATERIALS CAN BE SAFELY RECYCLED AT END OF LIFE.

MATERIAL REUSE
RECYCLING OF MATERIALS IN COMPONENTS SUCH AS WHEEL ARCH LINERS, ENGINE COVERS, CARPETS AND SPEAKERS WILL CUT APPROXIMATELY 7,000 TONNES OF LANDFILL.

ADVANCED ENGINEERING
THE VEHICLE SWITCHES BETWEEN TWO- AND FOUR-WHEEL-DRIVE TO IMPROVE MPG PERFORMANCE.

INNOVATIVE THINKING
REUSE OF PLASTIC AND NATURAL COTTON IN THE REAR LOADSPACE REDUCES LIFE CYCLE IMPACTS BY OVER 50 PER CENT WHEN COMPARED WITH VIRGIN PLASTIC, KG FOR KG.

MANUFACTURING
Efficient factories that save energy, water and waste help drive down the life cycle impact of the vehicles we create.

OUR VEHICLES IN USE
From lighter, more efficient vehicles and investment in hybrid and electric vehicles, we're pursuing innovation on every front.

TRANSPORTING VEHICLES TO CUSTOMERS
We are switching from road to rail or sea where possible and supporting our service providers to obtain the precise data that will help drive even more efficient operations.

END
Before the vehicles exist in physical format, we can use virtual design to engineer and assess key systems for recycling and reuse – which could be 30 years before the vehicle actually reaches the end of its life.
OUR FOUNDATIONS FOR SUSTAINABLE GROWTH

GLOBAL GROWTH

OUR PHILOSOPHY
The strategic focus of Jaguar Land Rover is to invest in order to drive and secure long-term profitable growth. This plan is paying off with a solid financial performance this year as well as becoming the biggest car-making business in the UK with record sales.

OUR FOCUS
Strategic investment has ensured the future of Jaguar Land Rover as a stronger and increasingly agile business that will continue to profitably grow globally and will strengthen the UK operation that remains at the heart of Jaguar Land Rover’s business.

MANUFACTURING
The growth of our global manufacturing footprint through new facilities and international manufacturing continues to be a key focus of our strategy. Critically, this plan allows us to: increase production capacity, diversify risk, raise brand awareness, hedge foreign exchange exposure, create better economies of scale and improve access to the global supply chain.

This year, we have confirmed plans for a new plant in Slovakia, started production of the Range Rover Evoque and Discovery Sport in China and the local assembly of the Range Rover Evoque, Discovery Sport and Jaguar XE in India. We have also seen the completion of our plant in Brazil, and confirmed a new manufacturing partnership with Magna Steyr in Austria.

POWERTRAIN DEVELOPMENT AND CO2 SOLUTION
We have made significant investments in new technology and Environmental Innovation through our powertrain development plan. Environmental Innovation is at the heart of a wide-ranging business strategy and we are on a very positive trajectory to reduce vehicle emissions and improve fuel economy through more efficient and downsized engines, alternative powertrains, lighter vehicles and improved vehicle energy conservation.

We will comply with future legislation and maintain our position as a responsible business that is serious about a cleaner future.

With this focus, Jaguar Land Rover is committed to introducing electrification in the future and is currently pursuing a bold electrification research programme. We have also confirmed our electric future with entry into the innovative FIA Formula E Championship.

This investment will push the boundaries of electrification technology, a real-world, fast-track test bed for future Jaguar Land Rover electrification technology.

PRODUCT PORTFOLIO EXPANSION
This has been a significant year for Jaguar Land Rover, with updated models being introduced across the range, as well as the addition to our portfolio of completely new vehicles – the Jaguar XE and XF and Land Rover Discovery Sport.

Jaguar XE is a significant step for the Company into the medium sedan segment, against strong existing competition.

Announced this year, the F-PACE is Jaguar’s first crossover, targeting customers who need the practicality of an SUV but desire sports car design and performance.

Evoque Convertible creates a new segment delivering something exciting and different to the market.

TALENT MANAGEMENT
Not only has 2015 been about investing in infrastructure and innovation, but also making sure we invest in our people. We have supported our growth ambitions by welcoming almost 3,000 new people to our business to create a global workforce that is more than 38,000 strong.

With a continued focus on skills and research development, embedding new talent review processes and providing a framework to support career aspirations, we continue to lead engineering excellence and tackle future market challenges to drive sustainable growth and success.
RETAIL SALES AND DEVELOPMENT
Customer response has been extremely positive this year, resulting in record sales across UK, North America and Europe. We have continued to experience best-ever retails with 13 percent growth in 2015/16, continuing our run of year-on-year growth – every year – since 2010. This is in spite of economic volatility, particularly in some of the emerging markets, and the impact of economic slowdown in China. 2016 promises to be another exciting year, with the start of sales of the Range Rover Evoque Convertible and the Jaguar F-PACE, along with further all-new and refreshed vehicles.

CASE STUDY: IMPROVING OUR BRANDS IN RETAIL
Over the next few years the implementation of the new ARCH concept will transform Jaguar Land Rover’s retail brand identity into a crisp, modern retail design language, supporting the brand positioning for both Jaguar and Land Rover. Our Global Franchise Partners will invest several billion pounds in either totally new or redeveloped facilities throughout the world, delivering a world-class retail experience for our customers. We will continue to pursue our successful dual-brand franchise strategy, bringing both brands together under one roof. A number of ARCH Brand Statement Sites and Boutique locations will also be introduced into key geographical locations over the next 12 months or so. Our Customer First approach, augmented by increasing brand presence and customer accessibility, will enhance our Retailers’ profitability. The next 12 months will see the full global adoption of Jaguar Land Rover’s Customer First principles, embedding them throughout the Sales and Marketing community to support the Customer First philosophy.
Jaguar Land Rover retail sales hit record highs for the fifth consecutive year with 521,571 units sold in Fiscal 2016, up 13 per cent year-on-year. Higher retail sales in the UK, North America and Europe were offset by lower sales in China and sales volumes in Overseas markets were comparable to last year.

Higher sales in the UK and Europe reflect the success of the XE and Discovery Sport as well as continued demand for the Range Rover Evoque. Sales of the Range Rover and Range Rover Sport also performed well in Europe. Stronger sales in North America were primarily driven by the Discovery Sport, Discovery and Range Rover products as well as the Jaguar XF and F-TYPE with the XE not launched there until May 2016.

Sales in China were lower during the first nine months of the year, reflecting softer economic conditions and the timing of new model launches. However, sales have been improving and were higher in the final quarter, up 19 per cent year-on-year, reflecting the successful launch and strong demand for the locally produced Discovery Sport as well as improving sales of the Evoque from our China Joint Venture. Total retail sales from our China Joint Venture were 31,765 units for the year.

The new Jaguar XE and Land Rover Discovery Sport drove sales in Overseas markets but were slightly offset by softer sales of other models.

* Jaguar Land Rover retail sales represent vehicle sales made by dealers to end customers and include the sale of vehicles produced from our Chinese Joint Venture, Chery Jaguar Land Rover Automotive Co. Ltd.
OUR FOUNDATIONS FOR SUSTAINABLE GROWTH

RETAIL SALES BY MODEL

**JAGUAR:** 94,449 UNITS

<table>
<thead>
<tr>
<th>Model</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>XJ</td>
<td>11,735 (Fiscal 2015 16,566)</td>
</tr>
<tr>
<td>F-TYPE</td>
<td>11,839 (Fiscal 2015 12,130)</td>
</tr>
<tr>
<td>XF</td>
<td>34,182 (Fiscal 2015 45,669)</td>
</tr>
<tr>
<td>XE</td>
<td>36,452 (New Model Added at the Beginning of Fiscal 2016)</td>
</tr>
<tr>
<td>F-PACE</td>
<td>13 (New Model Added in the Last Month of Fiscal 2016)</td>
</tr>
<tr>
<td>XK (Discontinued)</td>
<td>228 (Fiscal 2015 2,563)</td>
</tr>
</tbody>
</table>

In Fiscal 2016, retail volumes for the Jaguar brand grew by 23 per cent year-on-year, driven by the introduction of the new Jaguar XE model in May 2015. Sales of the Jaguar XF and XJ were down overall for the year as a result of the transition to the all-new lightweight XF, which went on sale in September, and the refreshed XJ, which went on sale in December. F-TYPE sales remained solid throughout the year. Production of the Jaguar XK ceased in Fiscal 2015 and Jaguar’s new luxury performance SUV the F-PACE is due to go on general sale more widely this spring, with a healthy order book already established.

**LAND ROVER:** 427,122 UNITS**

<table>
<thead>
<tr>
<th>Model</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>RANGE ROVER</td>
<td>59,974 (Fiscal 2015 57,059)</td>
</tr>
<tr>
<td>RANGE ROVER SPORT</td>
<td>86,915 (Fiscal 2015 83,864)</td>
</tr>
<tr>
<td>RANGE ROVER EVOQUE</td>
<td>110,533 (Fiscal 2015 123,964)</td>
</tr>
<tr>
<td>DISCOVERY</td>
<td>51,072 (Fiscal 2015 49,489)</td>
</tr>
<tr>
<td>DEFENDER (Discontinued)</td>
<td>228 (Fiscal 2015 43,909)</td>
</tr>
<tr>
<td>DISCOVERY SPORT</td>
<td>95,889 (Fiscal 2015 7,975)</td>
</tr>
<tr>
<td>FREELANDER (Discontinued)</td>
<td>235 (Fiscal 2015 43,909)</td>
</tr>
<tr>
<td>FREELANDER (Discontinued)</td>
<td>22,504 (Fiscal 2015 19,019)</td>
</tr>
</tbody>
</table>

Retail volumes for Land Rover were up 11 per cent in Fiscal 2016 compared to last year, primarily driven by the continued success of the Discovery Sport which replaced the Freelander in Fiscal 2015. The more established Discovery, Range Rover and Range Rover Sport also maintained positive year-on-year sales growth in Fiscal 2016.

Retail sales of Evoque were up in Europe, the UK and in North America but down 11 per cent year-on-year overall primarily reflecting lower China volumes due to the transition of production to the China Joint Venture at the beginning of the year as well as the softer Chinese economy.

Finally, sales of the iconic Defender also performed strongly on run out as production ceased at the end of January 2016.

**CHINA JOINT VENTURE**

Retail sales from our China Joint Venture totalled 31,765 units in Fiscal 2016 with the Evoque on sale from February 2015 and the Discovery Sport on sale from November 2015. A total of 21,833 units of Evoque and 9,932 units of Discovery Sport were sold from the China Joint Venture in Fiscal 2016.

**Including 31,765 sales from our China joint venture.**
OUR FOUNDATIONS FOR SUSTAINABLE GROWTH
SUSTAINABLE BUSINESS THROUGH EFFICIENCY

OUR PHILOSOPHY
To deliver sustainable profitable long-term growth we must take the right steps to be well positioned financially. Ongoing initiatives on efficiency, productivity and cost management are maintaining our competitiveness, as well as strategic programmes to protect continued investment in new products. Alongside our business focus, we are also working to provide innovation for good and benefit the communities which we serve.

OUR FOCUS
A major business transformation programme is underway across Jaguar Land Rover to drive a step change in performance across a number of our activities. While driving down costs is an essential part of the programme, the emphasis is on increasing profitability to fund future investment plans and improving operations across the entire company.

SMARTER WORKING
Every employee has been asked to contribute and to generate ideas to improve how we work. Everyone is involved in eliminating waste, creating efficiencies and ensuring a more sustainable and profitable future for the business.

These ideas have ranged from simple measures, such as new ways of teleconferencing, to reducing the overall complexity of our business – challenging our existing processes and the assumptions which underpin them. Some of the ideas will drive ‘quick wins’ in our bottom line by 2018, while a second deadline of 2021 has been set for transformational change.

The programme is progressing towards the goal of employees thinking as ‘business owners’ for their part of the Company, improving each area and working with their colleagues in other functions as a single team, to make the right business decisions and ensure Jaguar Land Rover is best placed for the future.

CASE STUDY: STREAMLINING THE PROCESS
Listening to those who actually do the job is frequently the best way to increase efficiency and effectiveness in our manufacturing and business processes.

Team improvement circles use the experience and knowledge of our staff to propose, develop and implement ways of smarter working.

In our Engine Manufacturing Centre a team of production line employees identified and implemented an effective engine-part fitting process that has resulted in a 65 per cent improvement in efficiency. The team measured that on any given shift an employee who looked after the engine-parts trolley as it moved along the production line would walk up to 12km to return the trolley to the start.

By making one change to the production line process the staff have reduced the amount of time and distance an employee travels per shift resulting in a significant improvement in value added to the business.
BUILDING A SUSTAINABLE AND EFFICIENT BUSINESS

THE ENGINE MANUFACTURING CENTRE HAS A ZERO WASTE TO LANDFILL COMMITMENT, WITH 100 PER CENT OF WASTE RECYCLED OR REUSED

THE ENGINE MANUFACTURING CENTRE HAS 21,000 PHOTOVOLTAIC ROOF PANELS CAPABLE OF GENERATING UP TO 30 PER CENT OF THE FACILITY’S ENERGY, EQUIVALENT TO POWERING 1,600 HOMES

CLOSED LOOP RECYCLING CONTRIBUTES TO JAGUAR LAND ROVER REDUCING POTENTIAL GREENHOUSE GAS EMISSIONS BY 30 PER CENT OVER A VEHICLE’S LIFE CYCLE, COMPARED TO VEHICLES PRODUCED IN 2007

LEADERSHIP THROUGH BUSINESS EXCELLENCE

OUR PHILOSOPHY
We use the Tata Business Excellence Model (TBEM) which is based on the Malcolm Baldrige model of the US. TBEM is an integrated approach to performance management and is built on beliefs and behaviours found in high performing organisations.
This helps us to align our workforce, suppliers, partners and other components of the supply chain, and enables all to work towards improvement of overall organisational effectiveness, efficiency and capabilities.

The model is focused on strategy and process-driven results and is the basis of conducting organisational assessments. Jaguar Land Rover has participated in three assessments since 2011 to assess its maturity and progress on the excellence scale, and has used the feedback to focus on improvement actions.

OUR FOCUS
All of our processes have been organised into key work systems describing how work is accomplished and enables cross-functional engagement for operational effectiveness.

Our journey towards process maturity is enabled through a web-based resource called ‘The Jaguar Land Rover Way’ which captures the way we work, think and act.

Process excellence is the bedrock of our business and enables us to deliver leadership through our products and services with the core purpose of giving our customers experiences they will love, for life.
OUR FOUNDATIONS FOR SUSTAINABLE GROWTH
ENGAGING PASSIONATE PEOPLE

Our business equals people. Jaguar Land Rover is a family which prizes every relationship in it. As the UK’s largest automotive manufacturer, we have an obligation to advance the skills and capability of the industry, and in doing so, provide opportunities for passionate people to unleash their full potential. It is what drives us.

NEW SKILLS
The Jaguar Land Rover Learning Academy – the first in Britain – offers lifelong learning to all our people throughout their careers. This is one of the reasons why we have been voted the best employer in the United Kingdom. We believe in developing and nurturing the skills we need to drive sustainable growth. With the £100 million a year invested in the Jaguar Land Rover Learning Academy we provide a life-long learning platform to tackle market challenges and support changing business requirements. Employees can achieve any level of learning through the Academy and develop their careers, from apprentices and graduates to more experienced employees and ex-military personnel. As the UK’s largest investor in manufacturing research and development, we work with universities around the world to develop cutting-edge innovation.

OUR FOCUS
We know we need the next generation to help us. That is why our Inspiring Tomorrow’s Engineers programme has engaged 900,000 young people in the UK since 2013 – and we aim to engage 3 million young people globally by 2020. Jaguar Land Rover has recruited around 2,500 young people into our graduate and apprentice programmes in the last five years and we continue to invest in early careers and talent, welcoming nearly 600 new graduates to the business in 2015. Our future talent pool is bright.

CASE STUDY: NURTURING OUR NEXT GENERATION AND CELEBRATING OUR PEOPLE’S SUCCESS

1. Alex Tomlinson, Jaguar Land Rover apprentice since 2012 – Apprentice of the Year and Best of British Engineering at the Semta Skills Awards 2015.
2. Jaguar Land Rover Apprentice Manager Ian Eva – also a former apprentice – was made an MBE in the New Year’s Honours List in recognition of his services to vocational education.
3. Gaydon-based Jaguar Land Rover Audio Engineer, Orla Murphy, was crowned the Institution of Engineering and Technology Young Woman Engineer of the Year 2015 and will work with them to promote engineering careers and inspire girls and young people generally.

KEY 2015/2016 SUCCESSES
• Opened a new Education Business Partnership Centre at our Engine Manufacturing Centre near Wolverhampton, one of six centres in the UK which showcase cutting-edge manufacturing to inspire children from primary school age to 18+
• Building a new Education Partnership Business Centre at our new plant in Brazil, a first for our overseas operations
• Launched the China Youth Dream Fund in partnership with the Soong Ching Ling Foundation, which has already helped 60,000 children in its first year
• 77 per cent of volunteers supported Jaguar Land Rover’s Inspiring Tomorrow’s Engineers programme – 4,894 employees donated 102,280 hours

FUTURE PLANS
• We will create positive opportunities for millions of people
• 300,000 children in 375 schools in Bungoma, Kenya, will drink safe water over the next five years thanks to our LifeStraw water purifier project
CASE STUDIES: INNOVATION FOR GOOD

We believe in the power of engineering to improve lives. This is why we encourage our passionate workforce to share their expertise with our partners and communities. Jaguar Land Rover employees spend up to two days a year supporting projects focused on regeneration, education, young people, the environment, engineering and local charities. We are proud of our people who look to pioneer innovation that makes a real difference.

KEY 2015/2016 SUCCESSES

1. Improved the lives of over 4 million people since 2013 – equating to 100 people for every company employee, through our global CSR programme
2. 2,903 people benefited from award-winning HITZ programme, using rugby for social change. Through the Rugby World Cup, inspired other companies to get involved and support programme expansion into Brazil, Argentina and China
3. Celebrating 60th anniversary with the British Red Cross. Since 2007, provided significant funding, loaned 120 vehicles and reached over 900,000 vulnerable people
4. Working with ClimateCare to invest our resources in projects to build better futures for millions of people
5. Direct charitable contributions the International Federation of Red Cross, Royal Geographical Society, NSPCC, Born Free Foundation and BEN

FUTURE PLANS

1. Expand our recruitment programme for ex-service men and women into Jaguar Land Rover through the Learning Academy programme
2. Implement a relationship management tool from school age to senior executive to drive talent acquisition