

# GOVERNANCE

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## INTRODUCTION TO GOVERNANCE



At Jaguar Land Rover, strong effective governance is at the heart of everything we do. It is an integral part of the way we manage and control our business, from strategic Board decisions to the finest detail on our cars.”

**Cyrus Mistry,**  
Chairman



### LEADERSHIP

Our Board rigorously challenge strategy, performance, responsibility and accountability to ensure that every decision we make is of the highest quality.

In this section you will find information about the Board and Executive Committee Members, the structure and role of our Committees and the areas of focus for the Board.

### EFFECTIVENESS

We continuously evaluate the balance of skills, experience, knowledge and independence of the directors. This includes ensuring that we have the right structure for our globally evolving business.

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 on measuring the effectiveness of our Board and Committees.

### ACCOUNTABILITY

All of our decisions are considered within the context of the risks involved. Effective Risk Management is central to achieving our strategic objectives, which is embedded in individual responsibility through to oversight from the Committees and Board.

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

### RELATIONS WITH STAKEHOLDERS

Maintaining strong relationships with our shareholders and investors is crucial to achieving our aims. We hold events throughout the year to maintain an open dialogue with these important stakeholders.

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

## LEADERSHIP

### OUR BOARD



**CYRUS MISTRY**

NON-EXECUTIVE DIRECTOR AND CHAIRMAN

**APPOINTED:**

October 2013

**JAGUAR LAND ROVER ROLES/COMMITTEES:**

- Group Chairman
- Non-Executive Director
- Remuneration Committee member

**EXPERIENCE:**

Mr. Mistry is the Chairman of Tata Sons. He has been a director of Tata Sons since 2006. Mr. Mistry is also Chairman of other major Tata companies, including Tata Industries, Tata Motors, Tata Consultancy Services, Tata Power, Tata Teleservices, Indian Hotels, Tata Global Beverages and Tata Chemicals.



**DR. RALF D. SPETH**

CHIEF EXECUTIVE OFFICER

**APPOINTED:**

February 2010

**JAGUAR LAND ROVER ROLES/COMMITTEES:**

- Chief Executive Officer

**EXPERIENCE:**

See next page.



**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 Directors of Tata Motors Limited with effect from 27 June 2008 and was appointed to the Board of Directors of Jaguar Land Rover on 2 February 2012. He is also Chairman of the Aga Khan Rural Support Programme, Muniwar-Abad Charitable Trust and other Aga Khan institutions. He was the President of the Bombay Chamber of Commerce and Industry and has also served on numerous Government Task Forces on Housing and Urban Development.



**CHANDRASEKARAN RAMAKRISHNAN**

NON-EXECUTIVE DIRECTOR

**APPOINTED:**

June 2013

**JAGUAR LAND ROVER ROLES/COMMITTEES:**

- Non-Executive Director

**EXPERIENCE:**

Mr. Ramakrishnan has been the Chief Financial Officer of Tata Motors Limited since 18 September 2007 and serves as its President. He is responsible for Finance, Accounts, Taxation, Business Planning, Investor Relations, Treasury and IT. He has also served as a Vice President of the Chairman's Office and he is also on the Board of many Tata Motors Group Companies in India and overseas.



**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 was appointed to the Board of Directors of Jaguar Land Rover in 2009. Prior to joining, Mr. Robb was a director of Pilkington Group plc until 2003, having held the position of Finance Director from 1989 to 2001. He was previously Finance Director of the Peninsular and Oriental Steam Navigation Company from 1983.

## LEADERSHIP

### EXECUTIVE COMMITTEE MEMBERS (ECM)



**DR. RALF SPETH**  
CHIEF EXECUTIVE OFFICER

**KEY EXPERIENCE:** Dr. Ralf Speth was appointed to the post of Chief Executive Officer at Jaguar Land Rover on 18 February 2010. Prior to this appointment, Dr. Speth was Head of Global Operations at the international industrial gases and engineering company, The Linde Group. Dr. Speth started his business career at BMW, leaving after 20 years to join Ford Motor Company's Premier Automotive Group (PAG). Dr. Speth earned a Doctorate of Engineering and is an Industrial Professor at the University of Warwick. He has also been awarded a Fellowship of the Royal Academy of Engineering. Born in Roth, Germany, he is married with two daughters.



**KEITH BENJAMIN**  
GLOBAL LEGAL DIRECTOR

**KEY EXPERIENCE:** 30 years' international experience as a lawyer within the automotive industry covering business and legal matters.

**RESPONSIBILITIES:** Keith is an English Solicitor and Member of the New York State Bar Association responsible for all Global Legal matters: Secretarial, Compliance and Ethics, Internal Audit, Security and Investigations.



**IAN CALLUM**  
DIRECTOR OF DESIGN, JAGUAR

**KEY EXPERIENCE:** Designing award-winning vehicles for 40 years, Ian is acknowledged as one of the world's foremost design talents.

**RESPONSIBILITIES:** Repositioning Jaguar as a modern and relevant brand whilst respecting heritage and values through his visionary leadership in design.



**JOHN EDWARDS**  
MANAGING DIRECTOR, SPECIAL OPERATIONS

**KEY EXPERIENCE:** 25 years in a variety of commercial director roles responsible for driving profitable growth.

**RESPONSIBILITIES:** John has global responsibility for Special Operations including; bespoke performance and luxury products, vehicle personalisation, Classic cars and branded goods.



**DR. WOLFGANG EPPLE**  
DIRECTOR, RESEARCH AND TECHNOLOGY

**KEY EXPERIENCE:** 33 years' experience in automotive Research and Development, purchasing, production and quality assurance.

**RESPONSIBILITIES:** Leading Jaguar Land Rover's innovation and advanced research initiatives including the early development of The National Automotive Innovation Centre in Warwick.



**ANDY GOSS**  
GROUP SALES OPERATIONS DIRECTOR

**KEY EXPERIENCE:** A senior automotive industry executive with leadership credentials across the distribution chain at both international and national level.

**RESPONSIBILITIES:** Responsible for Jaguar Land Rover's global markets, including sales, network development, customer service, as well as the China joint venture operation at Board level.



**KENNETH GREGOR**  
CHIEF FINANCIAL OFFICER

**KEY EXPERIENCE:** With almost 25 years' experience, Ken has held senior positions at Jaguar Land Rover and HSBC Investment Banking.

**RESPONSIBILITIES:** Leads the financial management of the business to deliver shareholder value and the Company's growth ambitions. Responsibilities include corporate finance, treasury, financial reporting, accounting, tax, internal control and business support.



**ADRIAN HALLMARK**  
GROUP STRATEGY DIRECTOR

**KEY EXPERIENCE:** A strategic leader with proven ability to deliver sustainable growth.

**RESPONSIBILITIES:** Adrian is responsible for corporate, product, industrial and business strategy, in Europe, US and Asia, with specific emphasis on brand and financial management.



**IAN HARNETT**  
EXECUTIVE DIRECTOR, HUMAN RESOURCES AND GLOBAL PURCHASING

**KEY EXPERIENCE:** 33 years' experience of Jaguar Land Rover and the industry in a number of roles across the Company.

**RESPONSIBILITIES:** Ian is Executive Director of Human Resources and Global Purchasing, and is also responsible for all Jaguar Land Rover Property matters globally.



**PHIL HODGKINSON**  
GLOBAL PRODUCT AND ARCHITECTURE  
STRATEGY DIRECTOR

**KEY EXPERIENCE:** 40 years' automotive experience in a variety of roles including Product Development Director and, most recently, Global Business Expansion Director.

**RESPONSIBILITIES:** Responsible for the development of future Product and Architecture strategies that underpin Jaguar Land Rover's ambitious growth plans.



**BOB JOYCE**  
DIRECTOR PRODUCT CREATION AND DELIVERY

**KEY EXPERIENCE:** Proven leader of Technology, and Product Delivery Programmes with over 30 years' experience in the automotive industry.

**RESPONSIBILITIES:** Responsible for the end-to-end delivery of all-new product programmes including strengthening processes and ensuring cross-functional alignment across the Company.



**HANNO KIRNER**  
EXECUTIVE DIRECTOR, CORPORATE  
AND STRATEGY

**KEY EXPERIENCE:** Hanno has been in financial and strategic management roles for the last 15 years.

**RESPONSIBILITIES:** Hanno's focus is on the development of corporate strategies involving the global leadership of Corporate and Product Strategy, Global Financial Services, IT, Royal & Diplomatic Affairs and Special Operations division.



**GERD E. MÄUSER**  
CHIEF MARKETING OFFICER

**KEY EXPERIENCE:** 30 years' experience developing and executing some of the biggest marketing strategies and campaigns for several global brands.

**RESPONSIBILITIES:** Responsible for global marketing activity including brand positioning, current and future product planning, marketing communications including CRM and brand experience strategies.



**GERRY MCGOVERN**  
LAND ROVER CHIEF DESIGN OFFICER

**KEY EXPERIENCE:** Proven track record for creating highly desirable vehicles has positioned Gerry as one of the world's most accomplished design leaders.

**RESPONSIBILITIES:** Instrumental in the success of the Land Rover brand, Gerry is leading his team in the creation of a new generation of Land Rovers.



**GRANT MCPHERSON**  
DIRECTOR OF QUALITY AND  
AUTOMOTIVE SAFETY

**KEY EXPERIENCE:** A wealth of manufacturing experience from within the UK manufacturing industry.

**RESPONSIBILITIES:** Responsible for leading significant improvement in quality in all aspects of our vehicles. Grant builds, leads, inspires and empowers his team to deliver the best solutions.



**FIONA PARGETER**  
GLOBAL PR COMMUNICATIONS DIRECTOR

**KEY EXPERIENCE:** An expert in unlocking the secret of customer-led growth through leading innovative PR and communication strategies over the last 20 years.

**RESPONSIBILITIES:** Lead product PR corporate PR, internal communications, CSR and government affairs promoting Jaguar Land Rover as a responsible, innovative and sustainable global company.



**NICK ROGERS**  
DIRECTOR, GROUP ENGINEERING

**KEY EXPERIENCE:** Nick has worked for Jaguar Land Rover for more than 30 years and has broad experience across engineering, manufacturing and product delivery.

**RESPONSIBILITIES:** Responsible for all aspects of the business's global engineering operations and ensuring the development and delivery of new product technology across Jaguar and Land Rover.



**WOLFGANG STADLER**  
EXECUTIVE DIRECTOR, MANUFACTURING

**KEY EXPERIENCE:** 30 years' experience in the automotive sector building a profitable, global production based on a continuous improvement philosophy.

**RESPONSIBILITIES:** Responsible for delivering the manufacturing operations side of the business ensuring optimum efficiency to deliver world-class safety, quality, cost and environmental standards.



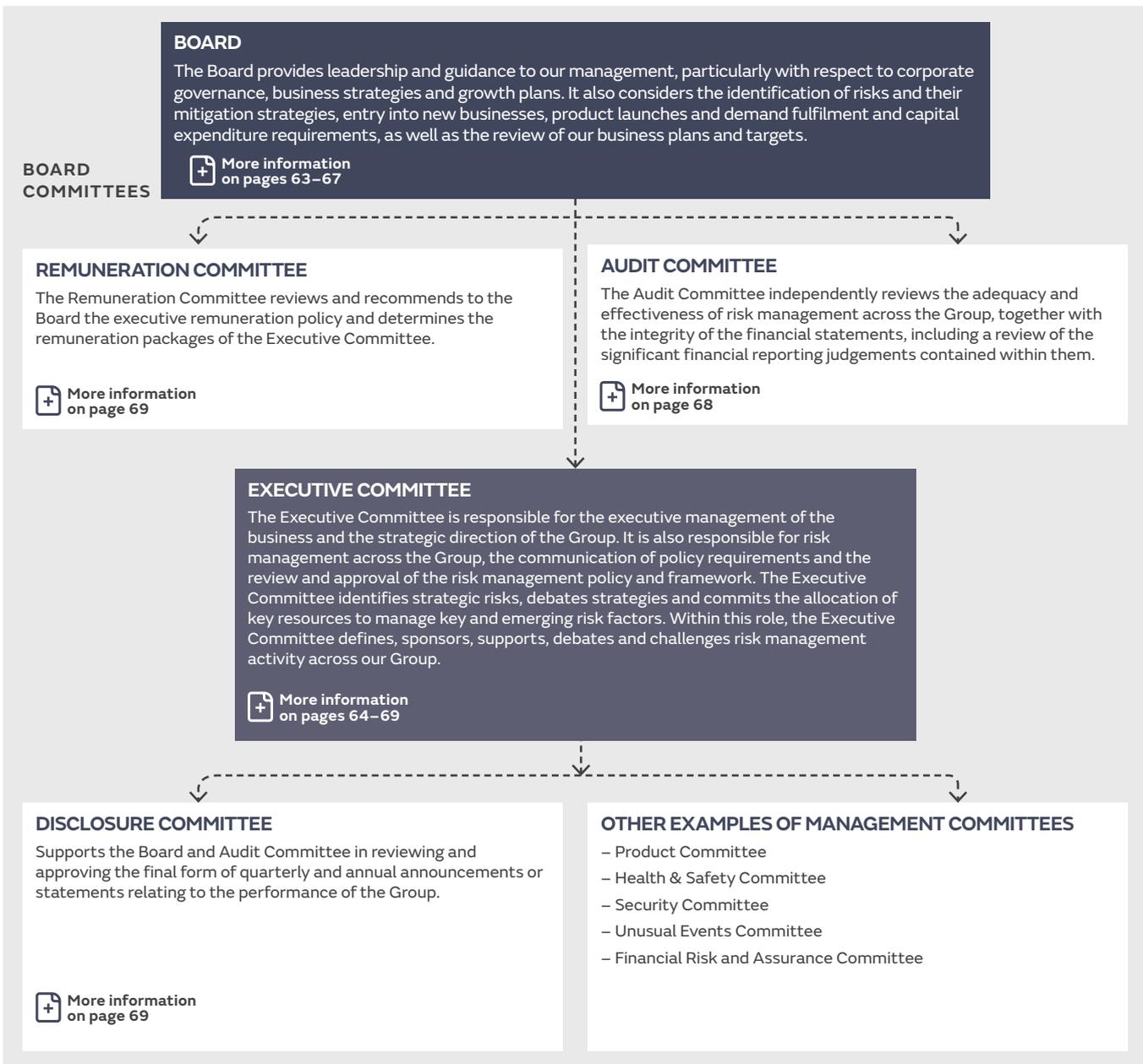
**JEREMY VINCENT**  
CHIEF INFORMATION OFFICER

**KEY EXPERIENCE:** More than 25 years of delivering large scale, business transformation and mission critical technologies across a range of sectors.

**RESPONSIBILITIES:** Responsible for Jaguar Land Rover's Information Technology ensuring best-practice IT Management across the global business.

**LEADERSHIP**

## THE ROLE OF THE BOARD AND ITS COMMITTEES

**HOW WE DIVIDE UP OUR RESPONSIBILITIES:**

<b>CHAIRMAN OF THE BOARD</b>	Responsible for leading the Board, its effectiveness and governance. Setting the agenda to take full account of the issues and concerns of the directors and ensuring the links between the shareholders, Board and management are effective.
<b>CHIEF EXECUTIVE OFFICER</b>	Responsible for the day-to-day leadership, management and control of the Group, for recommending the Group strategy to the Board and ensuring that the strategy and decisions of the Board are implemented.
<b>NON-EXECUTIVE DIRECTORS</b>	Constructively challenge the Chief Executive Officer and the ECM and monitor the delivery of the Group strategy within the risk and control environment set by the Board.
<b>CHIEF FINANCIAL OFFICER</b>	Supports the Chief Executive Officer in devising and implementing strategy in relation to the financial and operational performance of the Group.
<b>EXECUTIVE COMMITTEE MEMBERS</b>	Support the Chief Executive Officer in relation to devising and implementing strategy in relation to their specified functional area.

# LEADERSHIP

## BOARD FOCUS AND ACTION

### THE KEY MATTERS CONSIDERED BY THE BOARD DURING FISCAL 2016 WERE:

#### STRATEGY AND FUNDING

- Analysed the automotive industry trends, retail outlook and potential impact on Jaguar Land Rover
- Reviewed the Group's performance against its competitors
- Approved projects and developments such as the new manufacturing facility in Slovakia, new vehicle programmes and the creation of the new Jaguar Formula E racing team
- Considered and approved the Group's debt funding arrangements and a new revolving credit facility

#### GOVERNANCE, STAKEHOLDERS AND SHAREHOLDERS

- Considered sustainability, including the Group's impact on the community and the environment
- Reviewed and implemented regular health and safety updates
- Reviewed developments in corporate governance and received key legal and regulatory updates
- Regularly reviewed and acted upon feedback from key stakeholders
- Reviewed the Group's purpose, goal, vision and values

#### FINANCIAL PERFORMANCE

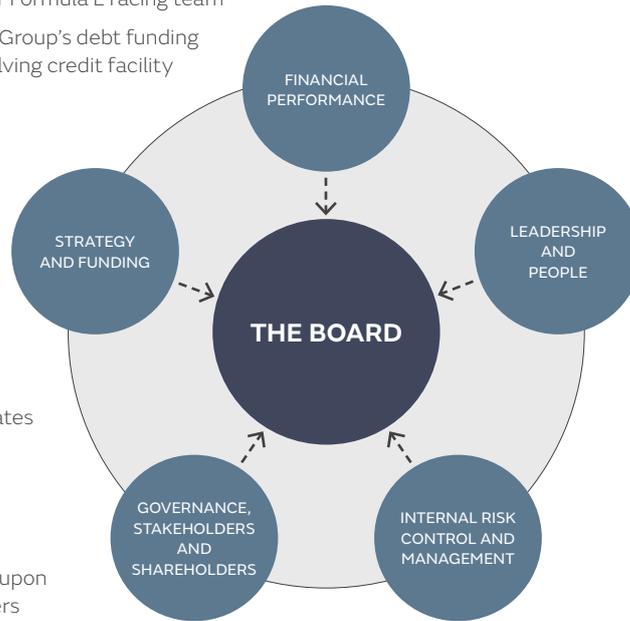
- Considered the financial performance of the business and approved the budget, key performance targets and five-year business plan
- Reviewed the quarterly and annual results, associated presentations to investors and approved the Annual Report

#### LEADERSHIP AND PEOPLE

- Discussed the composition of the Board and its Committees, including succession planning
- Reviewed the development of people and talent in the Group, including succession planning for senior roles
- Discussed the results of the employee engagement survey and devised strategic actions arising from it

#### INTERNAL RISK CONTROL AND MANAGEMENT

- Reviewed the Group's principal risks and the effectiveness of the systems of internal control and risk management
- Debated significant and emerging risks, including political uncertainty with the UK's position in Europe



### BOARD PRIORITIES FOR FISCAL 2017

The Board will continue to consider the core areas as above, but in particular the next year will focus on:

- A successful start to manufacturing in our Brazil plant and through our agreement with Magna Steyr;
- A continued focus on the efficiency and quality of the Slovakia plant build;
- Reviewing the control environment considering the nature and type of our growth, particularly into international markets; and
- Continued development of our product pipeline.

## EFFECTIVENESS

#### INDUCTION, DEVELOPMENT AND SUPPORT

We make sure that all new directors receive a full, formal and tailored induction upon joining the Board. We also plan our Board calendar to ensure 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 diverse range of experience, and so we encourage them to attend external seminars and briefings that will assist them individually.

#### EVALUATION

Our Board continuously assess their effectiveness in the following areas:

- The flow and quality of information to the Board;
- The decision-making process and culture; and
- The outcome of the decisions made by the Board.

The Board and Audit Committee also provide direct feedback to the management Committees, such as the Executive Committee, during the year.

## ACCOUNTABILITY

### OUR COMMITTEES

#### AUDIT COMMITTEE

##### MEMBERS OF THE AUDIT COMMITTEE:

Composed of two independent Non-Executive Directors as detailed in the table below:

##### Name

Andrew Robb Chairman

Nasser Munjee



This year the Audit Committee have focused on ensuring the internal control environment evolves and underpins the continued growth of the business.”

**Andrew M. Robb,**  
Chairman of the Audit Committee



#### 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 our external auditor
- Advises the Board on the effectiveness of the fair, balanced and understandable review of the Annual Report
- Oversees the relationship with the external auditor, external audit process, nature and scope of the external audit, including their appointment, effectiveness, independence and fees
- Monitors and reviews the effectiveness of corporate audit, ensuring co-ordination with the activities of our 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 course of the year, the Audit Committee met with the external auditor and management as part of the Fiscal 2016 annual and quarterly reporting approval process. We reviewed the draft financial statements and considered a number of supporting papers, including information presented by management on significant accounting judgements to ensure all issues raised have been properly dealt with, key points of disclosure and presentation to ensure adequacy, clarity and completeness, documentation prepared to support the going concern statement given on page 70 and external audit reports were reviewed. Key matters considered include the recognition and disclosure of the Tianjin incident and the measurement and disclosure of legal claims for and against the Group.

#### INTERNAL CONTROLS

We reviewed the effectiveness of financial reporting, internal control over financial reporting and risk management procedures within the Group (which extends to all trade investments and joint venture companies), with particular regard given to compliance with the provisions of section 404 of the Sarbanes-Oxley Act and other relevant regulations. The review 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 and to receive reports from the external and internal auditors 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, 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 carried out by our external auditor within the last five years.

#### CORPORATE AUDIT

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

We have 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.

**REMUNERATION  
COMMITTEE****MEMBERS OF THE  
REMUNERATION COMMITTEE:**

Composed of two independent Non-Executive Directors as detailed in the table below:

**Name**

Andrew Robb	Chairman
Cyrus Mistry	

**EXECUTIVE  
COMMITTEE****MEMBERS OF THE  
EXECUTIVE COMMITTEE:**

Composed of Chief Executive Officer and Executive Committee Members

**DISCLOSURE  
COMMITTEE****MEMBERS OF THE  
DISCLOSURE COMMITTEE:**

Composed of Chief Financial Officer and his direct reports

**MATTERS CONSIDERED  
DURING THE YEAR**

- Considered and approved the salary proposals for the ECM for the financial year ended 31 March 2016;
- Monitored the level and structure of remuneration, benefits and pensions for the most senior executives below Board level;
- Considered and approved all bonus plans at senior management level and above for the year ended 31 March 2016;
- Assessed the satisfaction of the performance conditions for the Group's Long-Term Incentive Plan ('LTIP'); and
- Reviewed options for a new LTIP to be introduced in 2016, with performance metrics aligned to sustainable profitable growth.

**MATTERS CONSIDERED  
DURING THE YEAR**

- Reviewed and approved the latest five-year Business Plan for the Group;
- Considered Group performance against budget and forecast;
- Reviewed potential investments;
- Assessed the risks to the achievement of the Group strategy;
- Considered and debated the principal risks and uncertainties which could impact the Group; and
- Considered Health and Safety matters and performance throughout the Group.

**MATTERS CONSIDERED  
DURING THE YEAR**

- Reviewed and updated the Terms of Reference of the Committee;
- Reviewed the audit and control findings from the external auditor;
- Reviewed areas of key management judgement and significant transactions in both the quarterly and annual financial statements;
- Reviewed new disclosures in both the quarterly and annual financial statements for appropriateness; and
- Considered the input of new accounting standards impacting the Group.

**RELATIONS WITH STAKEHOLDERS****SHAREHOLDER ENGAGEMENT**

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

**BOND INVESTOR ENGAGEMENT**

As at 31 March 2016, we had approximately £2.5 billion of listed bonds outstanding. We maintain regular dialogue with our bond investors through quarterly publication of operational and financial results on the Company's website ([www.jaguarlandrover.com](http://www.jaguarlandrover.com)) supported by live broadcast via teleconference calls. The Investor Relations team also attends various bond conferences, held throughout the year, where investors get to meet Jaguar Land Rover representatives in person to discuss recent results and other matters. Procedures are in place to ensure that discussions in such meetings are always limited to non-material

information or information already available in the public domain, to ensure that all key stakeholders have equal and simultaneous access to the same information.

**CREDIT RATING AGENCY  
ENGAGEMENT**

As at 31 March 2016, Jaguar Land Rover Automotive plc had a credit rating of Ba2 (Positive Outlook) from Moody's and BB (Stable Outlook) from S&P. We maintain regular and open dialogue with both agencies 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.

## DIRECTORS' REPORT

The Directors present their report and the audited consolidated financial statements of the Group for the year ended 31 March 2016. Jaguar Land Rover Automotive plc (Jaguar Land Rover) is a public limited company incorporated under the laws of England and Wales. The business address of the directors and senior management of Jaguar Land Rover is Abbey Road, Whitley, Coventry, CV3 4LF, United Kingdom.

### FUTURE DEVELOPMENTS

Future developments impacting the Group are disclosed in the Strategic report on pages 22 to 59.

### DIVIDENDS

The directors proposed a dividend of £150 million (£0.10 per ordinary share) in May 2016 which was paid in June 2016 (note, for each of the years ended 31 March 2015 and 2014, £150 million was paid in June 2015 and June 2014 respectively).

### DIRECTORS

Biographies of the directors currently serving on the Board are set out on page 63.

### DIRECTORS' INDEMNITIES

The Group has made qualifying third-party indemnity provisions for the benefit of its directors, which were made during the year end and remain in force at the date of this report.

### MATERIAL INTERESTS IN SHARES

Jaguar Land Rover Automotive plc and its subsidiaries, is a wholly-owned subsidiary of Tata Motors Limited, held through TML Holdings Pte. Ltd. (Singapore).

### SHARE CAPITAL

Share capital remains unchanged. See note 28 to the consolidated financial statements for further details.

### CORPORATE GOVERNANCE STATEMENT

The Corporate Governance statement is set out on pages 62 to 69 and is incorporated by reference into this report.

### BRANCHES

The Group has 12 branches which exist and operate outside of the UK, namely 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 10 on page 91 to the consolidated financial statements.

### FINANCIAL INSTRUMENTS

The disclosures required in relation to the use of financial instruments by the Group, together with details of the Group's treasury policy and management, are set out in note 34 on page 114 to the consolidated financial statements.

### EMPLOYEE INFORMATION

The average number of employees within the Group is disclosed in note 6 to the consolidated financial statements on page 89.

Apart from ensuring 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.

### EMPLOYEE INVOLVEMENT

Details of how the Group involves its employees are contained in the Strategic report on pages 22 to 59, which are incorporated by reference into this report.

### CHARITABLE DONATIONS

The Group and those that work for it are involved in many charitable activities across the globe. It is the Group's strong belief that it should play an active role in the communities, both local and worldwide that the Group operates in. Given the number of charities and the need to assess the impact of any donations and potential tax consequences, the Group can only make contributions to a limited number of charitable causes that have been formally approved. As a result, no one is authorised to make any charitable contributions on behalf of the Group without the necessary approval.

### 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 Jaguar Land Rover) 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 75 to 78. In addition, note 34 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 34 to the consolidated financial statements.

The 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 75 to IBC 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 41 to the consolidated financial statements.

## CODE OF CONDUCT AND ETHICS

Directors and employees are required to comply with the Group's Code of Conduct, which is intended to help them put the Group's ethical principles into practice. The Code clarifies the basic principles and standards they are expected to follow and the behaviour expected of them. The Code of Conduct can be found at [www.jaguarlandrover.com/gl/en/](http://www.jaguarlandrover.com/gl/en/).

Employees, contract staff, third parties with whom the Group has a business relationship with (such as dealers, suppliers and agents), and any member of the public may raise ethical and compliance concerns to the Group's Global Helpline or via [legalcom@jaguarlandrover.com](mailto:legalcom@jaguarlandrover.com).

## SLAVERY AND HUMAN TRAFFICKING STATEMENT

Pursuant to Section 54 of the Modern Slavery Act 2015, Jaguar Land Rover has published a Slavery and Human Trafficking Statement for the year ended 31 March 2016. The Statement sets out the steps that Jaguar Land Rover 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 Jaguar Land Rover Corporate website at [www.jaguarlandrover.com/gl/en/](http://www.jaguarlandrover.com/gl/en/).

## 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 financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 of the profit or loss of the Group for that period.

In preparing these financial statements, International Accounting Standard 1 requires that directors:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance; and
- Make an assessment of the Group's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom 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 auditors are unaware; 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 auditors are aware of that information.

## AUDITOR

Deloitte LLP has indicated its willingness to continue as auditor and its re-appointment has been approved by the Audit Committee. A resolution to re-appoint them will be proposed at the 2016 Annual General Meeting.

## DIRECTORS' RESPONSIBILITY STATEMENT

The directors confirm to the best of their knowledge the financial statements, prepared in accordance with International Financial Reporting Standards as approved by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the undertakings included in the consolidation taken as a whole.

## 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 thanks to all other key stakeholders for the continued support of the Group and their confidence in its management.

By order of the Board,



**Dr. Ralf Speth**  
Chief Executive Officer  
Jaguar Land Rover Automotive plc

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