

JAGUAR LAND ROVER

# SUSTAINABILITY

13<sup>th</sup> DECEMBER 2022



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Director, Group Sustainability



# Disclaimer

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# JLR Sustainability

Agenda topics:

- JLR Sustainability strategy and journey overview
- Deep dive Planet Regenerate
- Deep dive Responsible Business



# R E I M A G I N E

A sustainability-rich reimagination of modern luxury, unique customer experiences, and positive societal impact

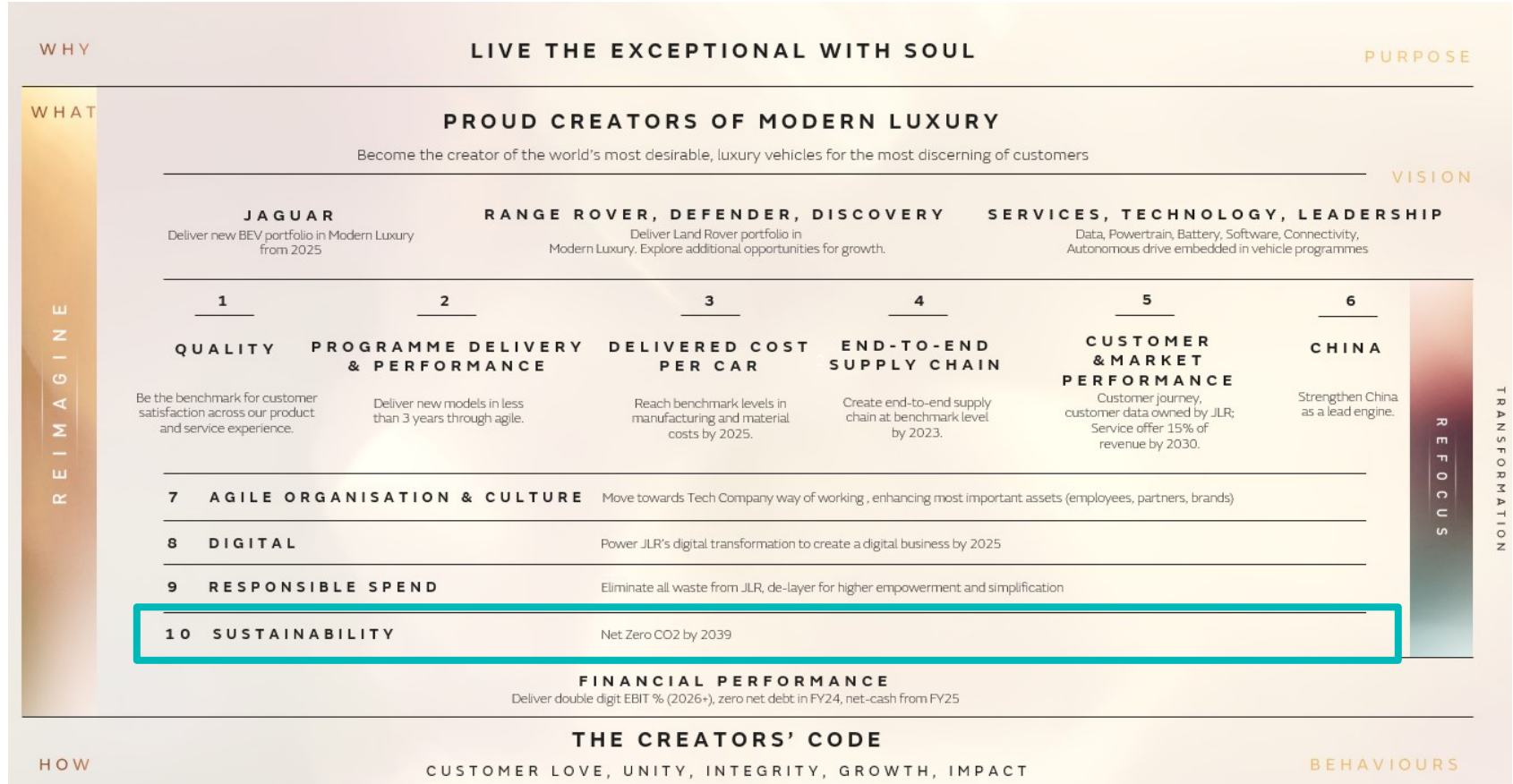
Thierry Bolloré

CHIEF EXECUTIVE OFFICER - JAGUAR LAND ROVER (February 2021)





# Purpose, vision and Refocus transformation



**REFOCUS**  
TRANSFORMATION



# SUSTAINABILITY: WHAT IT MEANS FOR JAGUAR LAND ROVER



## PLANET REGENERATE

Transforming our business across the full value chain for net-zero, circular economy and biodiversity



## ENGAGE FOR GOOD

Acting as a Global Corporate Citizen to take care of the communities and environments we operate in and make a positive, lasting impact for the world

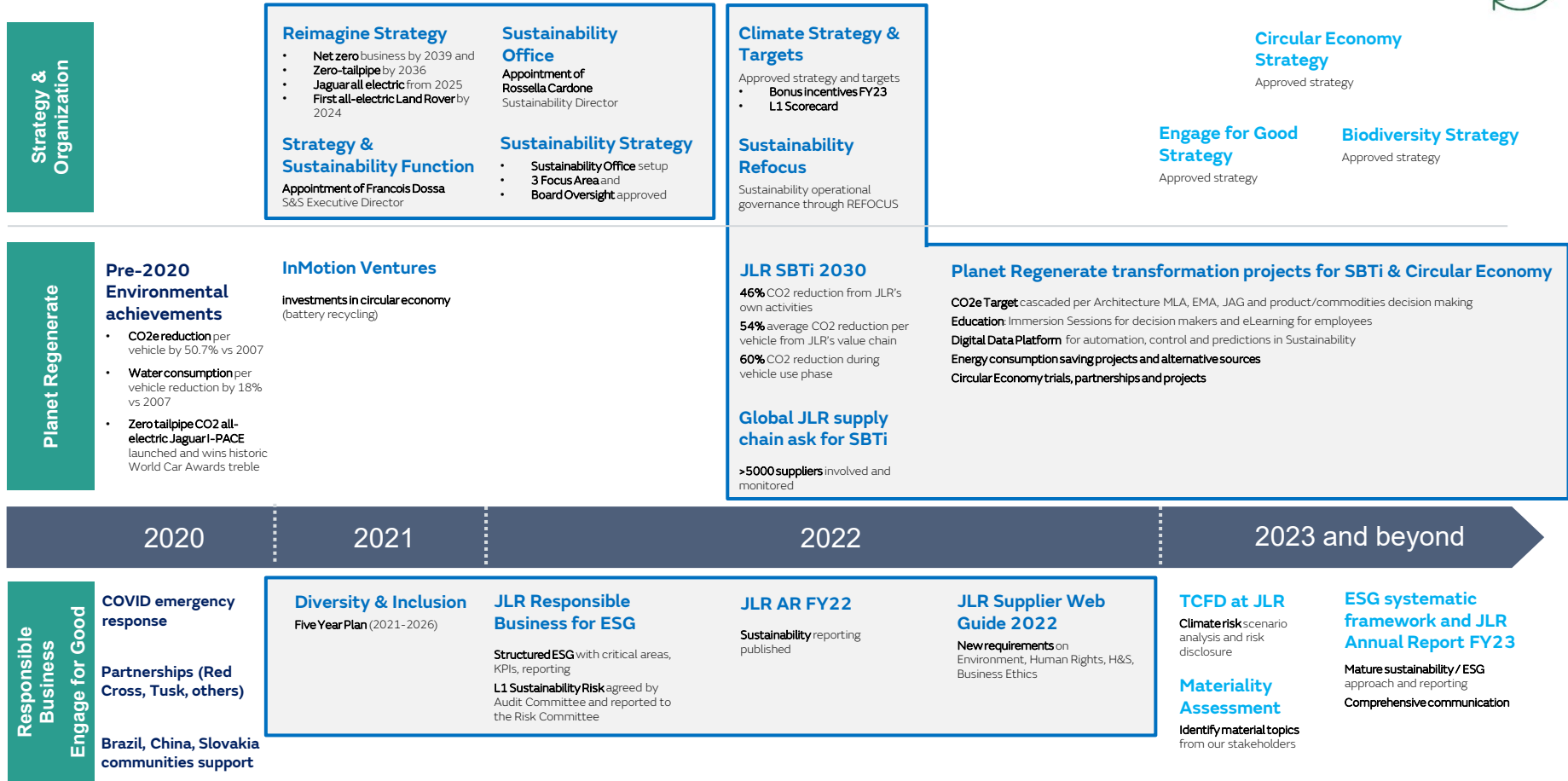


## RESPONSIBLE BUSINESS

Proactively minimising risks embedded in our business beyond legal compliance, transparently reporting performance, openly aligning with policy









# Sustainability Journey at Jaguar Land Rover





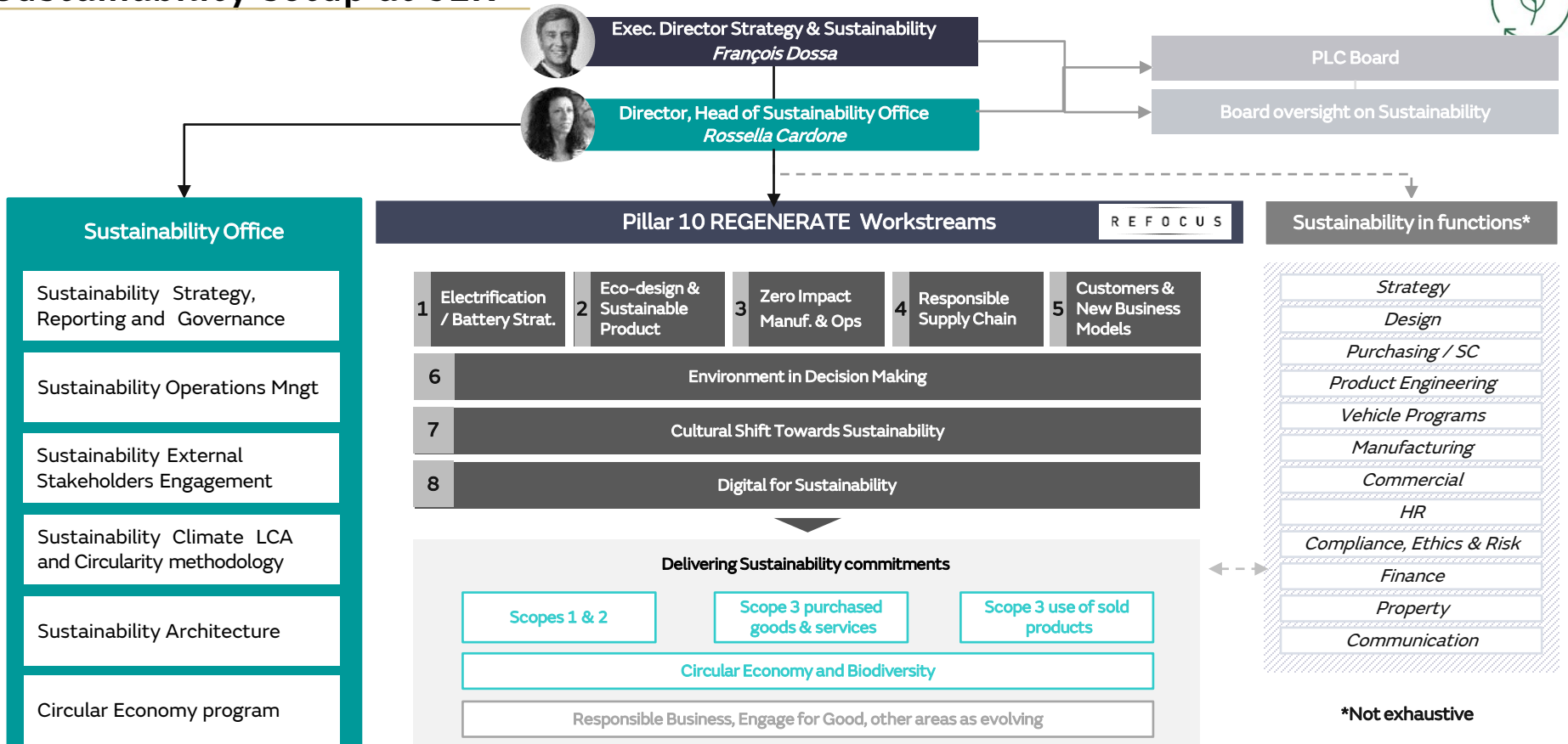
## JLR ESG goals, performance and alignment with TATA targets

ESG area	Topic	Metric	JLR target	TATA Group target
 	Climate Change	% reduction of absolute CO <sub>2</sub> e from our manufacturing and operations (SBTi Scope 1&2) from FY2020 baseline	46% reduction by 2030 (SBTi 1.5C scenario)	All TATA companies are expected to have approved SBTi 2030
		% reduction of CO <sub>2</sub> e per vehicle from our Supply Chain (SBTi Scope 3 Upstream) and Use phase (Scope 3 Downstream) from FY2020 baseline	54% reduction by 2030 (SBTi Well-below 2C scenario)	
	Circular Economy	Year to achieve double the content of renewable or recycled resources in products from 2020 baseline	<b>Circular Economy and Biodiversity strategy planned within 2023</b>	2025
		Year to replenish freshwater used across group operations		2030
		Year to achieve zero-waste to landfill (excluding hazardous materials)		2030
Nature & biodiversity	Year for action plans for net positive impact to be implemented across group	2024		
  	Diversity & Inclusion	Globally, % of all senior leadership positions held by females – we will aim to at least mirror this representation at all levels of our business.	30% by 2026	No specified expectation on TATA companies
		In the UK, % of all senior leadership positions held by those from Black, Asian, and minority ethnic backgrounds - we will aim to at least mirror this representation at all levels of our business.	15% by 2026	
		% score in our Inclusion Index, measuring the percentage of people who would recommend Jaguar Land Rover as an inclusive employer.	80% by 2026	
	Volunteering	Volunteering hours granted per capita (Target to be revised in '23)	16 hours offered to employees yearly	Aver. 4 hours/year per employee
	Board oversight	Number of board sustainability meetings per year	4 (recently agreed)	1
	ESG reporting	Reports produced to global frameworks	1	





# Sustainability setup at JLR



From PCDS / Product Development to Use Phase, End-of-Life Vehicle and Disposal  
 Sustainability strategy, attributes, targets, performances, risk management, compliance and governance, visibility activations, partnerships

JAGUAR LAND ROVER

# PLANET REGENERATE

Transforming our business across the full value chain to support our journey to carbon net zero by 2039, circular economy and biodiversity





# Planet Regenerate strategy

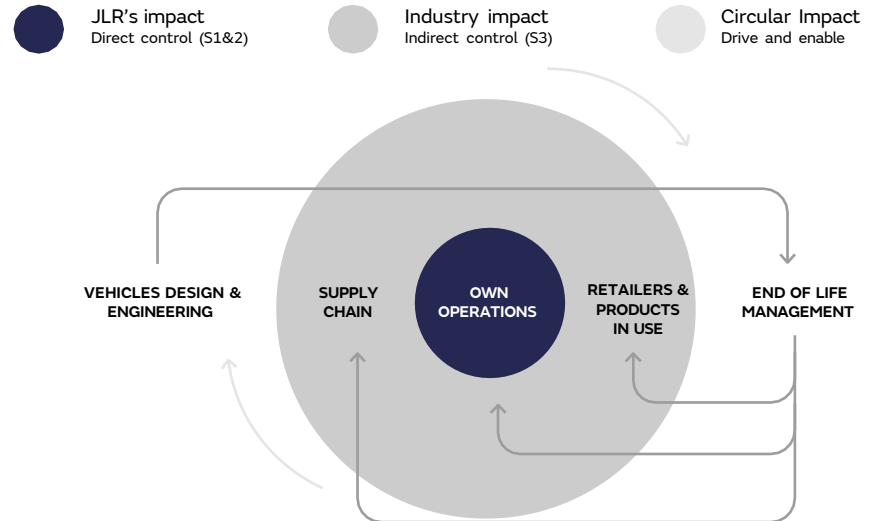
## PLANET REGENERATE

- CLIMATE NET ZERO
- CIRCULAR ECONOMY
- BIODIVERSITY

## JLR's value chain impact approach

Circular economy encapsulates JLR's approach to environmental sustainability. From design, manufacturing and the use phase through reuse, recycling, reselling and end of life, JLR continuously strives to minimize the negative impacts of its own operations, as well as to improve the environmental performance of its products through electrification

JLR's climate targets are in line with the UN climate agenda to reach a 1.5°C trajectory







# Planet Regenerate: Ambitions and targets



SBTI TARGETS BY  
**2030**



TARGETS MADE PUBLIC

1.5C scenario

SCOPE 1 & 2 TARGET

**46%**

REDUCTION CO<sub>2</sub>e  
EMISSIONS ABSOLUTE  
VALUE FROM JLR'S OWN  
ACTIVITIES  
(BASELINE FY20)

VEHICLE MANUFACTURE, LOGISTICS  
(JLR 1% OF TOTAL CO<sub>2</sub>e)

Well below 2C scenario

SCOPE 3 TARGET

**54%**

AVERAGE REDUCTION CO<sub>2</sub>e INTENSITY  
PER VEHICLE FROM JLR'S VALUE CHAIN  
(BASELINE FY20)

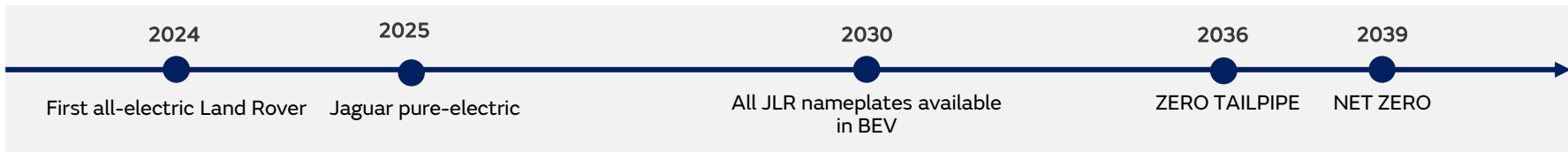
TAILPIPE, FUEL PRODUCTION, ELECTRICITY  
GENERATION (JLR 74.6% OF TOTAL CO<sub>2</sub>e)

USE PHASE OF PRODUCTS

PURCHASED GOODS AND SERVICES

EXTRACTION, MATERIAL PRODUCTION, COMPONENT  
MANUFACTURE (JLR 19.2% OF TOTAL CO<sub>2</sub>e)

## Product milestones



NET ZERO BY  
**2039**



A **SUSTAINABILITY RICH** REIMAGINATION OF MODERN LUXURY, UNIQUE CUSTOMER EXPERIENCES, AND **POSITIVE SOCIETAL IMPACT**. OUR AIM IS TO ACHIEVE **NET ZERO CARBON EMISSIONS** ACROSS OUR SUPPLY CHAIN, PRODUCTS AND OPERATIONS BY 2039



# Destination 2039 and our SBTi CO<sub>2</sub>e reduction targets 2030

## Scope 1 & 2 roadmap 2030

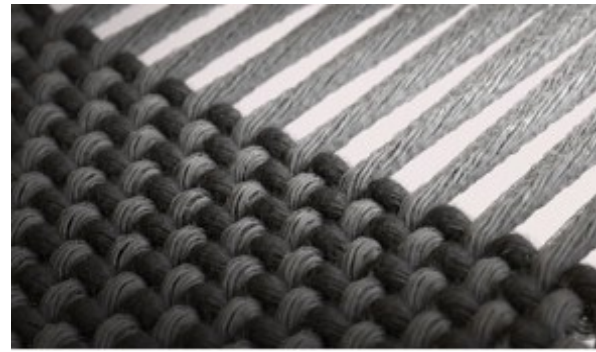
- ✓ Energy Consumption efficiency
- ✓ Renewable use
- ✓ Water collected and recycled



Our Own Operations

## Scope 3 roadmap 2030

- ✓ Suppliers net-zero and SBTi 2030
- ✓ Recycled materials
- ✓ Circular Economy Design-to-EOL
- ✓ Circular Economy partners ecosystem
- ✓ EVs roadmap & market adoption
- ✓ Sustainability for brand, info and new services to customers
- ✓ Circular Economy business models



Purchased Goods & Services



Use of Sold Products



# Driving sustainability transformation through refocus pillar 10

10

## REFOCUS Pillar 10 : REGENERATE

<p><b>10.1</b> Electrification / Battery Strategy</p>	<p><b>10.2</b> Eco-design &amp; Sustainable Product</p>	<p><b>10.3</b> Zero Impact Manufacturing &amp; Ops</p>	<p><b>10.4</b> Responsible Supply Chain</p>	<p><b>10.5</b> Customers &amp; New Business Models</p>
<p>Accelerate <b>BEV roll-out</b> and build an <b>EV sustainable ecosystem</b></p>	<p>Create new <b>sustainable luxury standard</b> leveraging design and engineering innovation</p>	<p>Transform operations to <b>minimize impact</b> and <b>lead circular</b> car industry transformation</p>	<p>Collaborate with business partners to build a <b>sustainable</b> and <b>zero carbon</b> supply chain</p>	<p>Support <b>customers</b> and <b>network</b> in their sustainability journey</p>
<p><b>10.6</b> Environment in Decision Making</p>	<p>Enable environmental impact to be at the heart of all <b>decision making</b></p>			
<p><b>10.7</b> Cultural shift towards sustainability</p>	<p>“Mindset shift” and training programs to transform JLR into a <b>sustainable by design</b> organisation</p>			
<p><b>10.8</b> Digital for Sustainability</p>	<p>Digital data-driven sustainable transformation through <b>automation, control, simulation and predictions for sustainability decision making</b></p>			
<p><b>Sustainability Office</b></p>	<p>Lead the organization towards a <b>north star</b> with cross-functional projects and metrics</p>			





# Circular Economy Program: Achievements to-date

## Resource efficiency and regenerative content

### Achieved 7% average recycled polymer content

Performance achieved in 2022

### Closed loop aluminium

REALCAR and REALITY projects for segregated aluminium from production in to closed loop recycling with supplier

### Closed loop approach for materials

Program for polymers, glass, rubber, batteries, etc.

## Increase longevity of our products

### Engines and batteries for 2<sup>nd</sup> life application

Repurposed batteries and engines generate value in a secondary application (wrt initiative with Pramac)

## Use phase business models

### Shared ownership and subscription models

New models through JLR schemes Pivotal and 'The Out'

**We have developed experience and projects per commodity across the circular economy “material and value” flow**



### **A systematic strategy aligned to TATA Project Alingana targets:**

- Zero-waste to landfill, and renewable / recycled resources
- Value generation through reuse/recycle across the vehicle life-cycle
- Partners ecosystem for resilient supply chain in decarbonized and low prime content materials



# How we are driving the mindset shift

## INTRODUCTION TO SUSTAINABILITY (video) NET ZERO MODULE (eLearning)

# 4956

 completed to date

Ambition:  
100% employees

Follow up in Team Talk and system generated reminders into individuals emails from next week

## SUSTAINABILITY TRAINING HUB

# +1300

 visitors to page to-date

## IMMERSION SESSIONS

Ambition:  
100% leaders

Continue to evolve and refresh content

Series of Sustainability sessions to present the detailed transformation steps and expectations per each functional areas

Engineering, Design, Vehicle Programs, Supply Chain/Procurement, Manufacturing, Commercial are involved

### Waste & Recycling

Awareness and change behaviour about recycling and waste segregation

### Diet & Nutrition

Focus on nutrition and subsidising healthy/sustainable food choices in JLR outlets

### Energy Usage

Encouraging employees to adopt energy saving practices in JLR premises

## SUSTAINABILITY TEN MINUTE TALKS

# +1250

 views to date post event
 

Continue to drive adoption through Team Talk and other comms channels.

Add direct links from Sustainability Training Hub

JAGUAR LAND ROVER

# RESPONSIBLE BUSINESS

Proactively minimising risks embedded in our business beyond legal compliance,  
transparently reporting performance, openly aligning with policy





# Responsible Business at JLR

## AREAS OF FOCUS

- ESG Reporting
- Anti-corruption
- Respect for human rights
- Health, safety and well-being
- Information security
- Privacy protection
- Responsible management of suppliers
- Diversity and inclusion



## Doing business the right way

Doing  
Business  
**RIGHT**



CODE OF CONDUCT  
JAGUAR LAND ROVER

The JLR Code of Conduct is based on the Tata Code of Conduct. It articulates the standards of behaviour expected of JLR personnel and is applicable to all personnel working for and on behalf of JLR globally

All JLR direct employees are required to sign up to the Code on joining the business

The JLR Annual Compliance Declaration process requires all JLR salaried staff globally and selected other personnel to confirm that they are aware of the Code and acknowledge that they are bound by it

For the January 2022 declaration process, 100% of this population of 16,069 people have completed their declaration

If JLR Personnel identify any potential violations of the Code, or applicable laws, regulations or policies, they are encouraged to report this to JLR management directly or through our externally run “Speak Up” confidential reporting facility

The status of Jaguar Land Rover’s Compliance and Ethics programmes is overseen by the Audit Committee and Compliance Committee of Jaguar Land Rover Automotive plc

[Code of Conduct | JLR Corporate Website \(jaguarlandrover.com\)](https://www.jaguarlandrover.com)





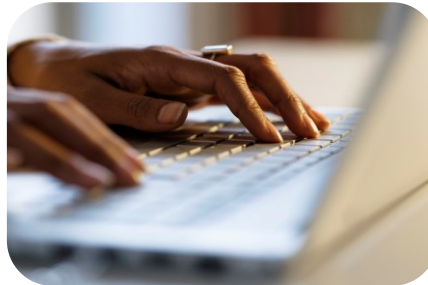
## Code of Conduct & Supporting Policies

The CoC requirements are further supported by Corporate Policies on topics that include, but are not limited to:

- ENVIRONMENTAL & SOCIETY POLICY 2021 [DOWNLOAD](#)
- ANTI-BRIBERY & CORRUPTION POLICY [DOWNLOAD](#)
- HUMAN RIGHTS POLICY [DOWNLOAD](#)
- JLR SLAVERY & HUMAN TRAFFICKING STATEMENT 2022 [DOWNLOAD](#)
- GIFTS & HOSPITALITY POLICY [DOWNLOAD](#)



Training



Reporting Concerns



Governance & Oversight

### PUBLIC STATEMENTS

In pursuance of its legal obligations Jaguar Land Rover may be required to publish statements and reports on selected topics, including a Slavery and Human Trafficking Statement and a Gender Pay Gap Report. Such documents can be found below.

- JLR SLAVERY & HUMAN TRAFFICKING STATEMENT 2022 [DOWNLOAD](#)
- GENDER PAY GAP REPORT 2021 [DOWNLOAD](#)





# Diversity and inclusion

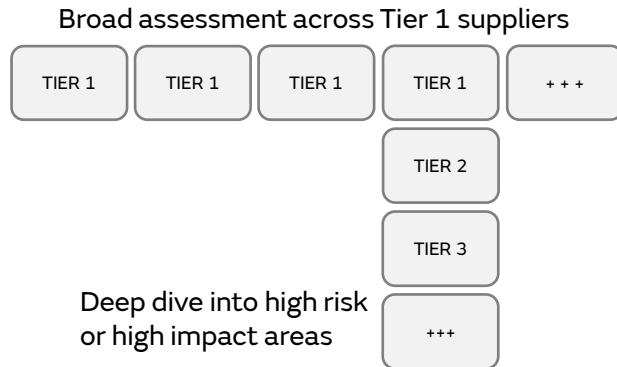
<p><b>OUR ASPIRATION</b></p>	<p>We are committed to fostering a more diverse, inclusive and unified culture that is representative of our customers and the society in which we live; a culture where every one of our employees can bring their authentic self to work and feel empowered to reach their full potential</p>		
<p><b>OUR STRATEGIC PILLARS</b></p>	<p>We have identified three strategic pillars to achieve our goal, which will shape our global D&amp;I activity over the next five years. How they are implemented around the globe will vary and will be driven by the needs of the countries we operate in.</p>		
	<p><b>SHAPE A CULTURE OF UNITY, BELONGING, INCLUSION &amp; RESPECT</b>  <i>Educate, communicate and measure inclusive behaviours regularly and systematically, improving the employee experience for all</i></p>	<p><b>IMPLEMENT PROGRESSIVE POLICIES, PRACTICES, BENEFITS &amp; SUPPORT</b>  <i>Review and improve practices and policies to remove barriers, enable inclusion and realise equity</i></p>	<p><b>ENGAGE OUR EMPLOYEES &amp; EXPERTS TO ACCELERATE PROGRESS</b>  <i>Collaborate with our networks, colleagues and experts to create real, positive change</i></p>
<p><b>OUR TARGETS</b></p>	<p>By 2026 we aim to have:</p> <ul style="list-style-type: none"> <li>• Globally, <b>at least 30%</b> of all senior leadership positions held by females – we will aim to at least mirror this representation at all levels of our business.</li> <li>• In the UK <b>at least 15%</b> of all senior leadership positions held by those from Black, Asian, and minority ethnic backgrounds- we will aim to at least mirror this representation at all levels of our business.</li> <li>• Our Inclusion Index measures the percentage of people who would recommend Jaguar Land Rover as an inclusive employer. We are aiming for a score of <b>&gt;80%</b>.</li> </ul>		



# Responsible Supply Chain Management

The Jaguar Land Rover Supplier Sustainability Web Guide outlines our expectations and requirements to suppliers, in line with the Automotive Industry Guiding Principles to enhance sustainability performance in the supply chain, covering the following topics:

- Business Ethics
- Environment
- Human Rights and Working Conditions
- Health and Safety
- Responsible Supply Chain Management



## Approach

- Tier 1s self-assessments through sustainability questionnaires (e.g. Drive Sustainability SAQ)
- Managing banned/restricted substances (such as conflict minerals) by gathering full material disclosure through IMDS
- Developing traceability capability, trialled blockchain tech on leather supply chain
- Use of recognised schemes such as CDP, SBTi, RMI Conflict Mineral Reporting template (CMRT), ISO Standard 14001, OECD Due Diligence Guidance, etc.
- Social audits based on SA8000 standard on high risk suppliers

# ESG Supply Chain Management of our Tier 1 suppliers



## NQC Questionnaires Completion Status:

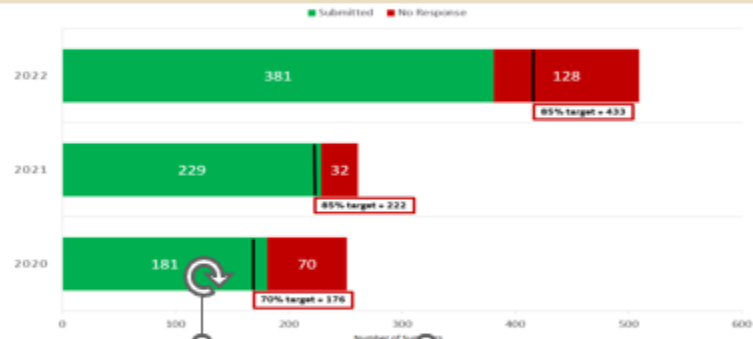
**80%** target set for suppliers completion to SAQ and JLR Specific questionnaire (JLR S)



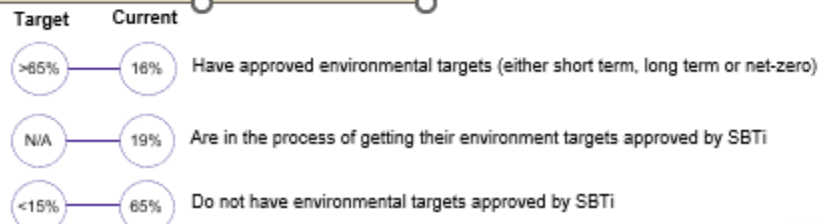
Current status is **40%** for suppliers completion to JLR S.

**64%** is current status for suppliers completion to SAQ 4.0.

## CDP Supplier Averaged Response Rate Across Engaged Questionnaires:

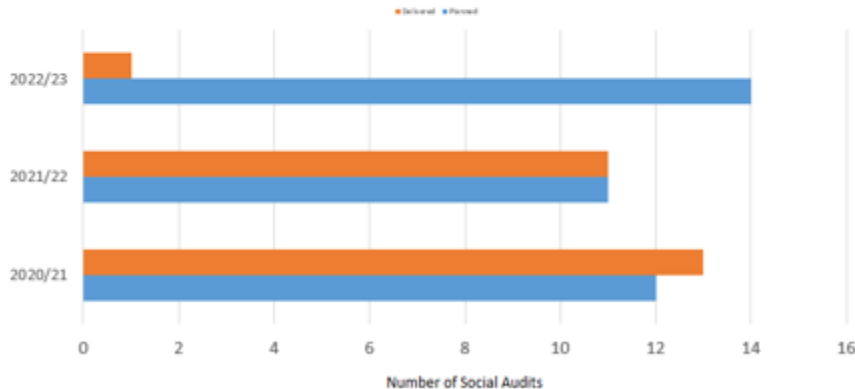


## SBTi Status Across Top Suppliers:



## Supplier Social Audits:

Audit Scope Covered



# ZERO HARM

Our Safety Journey



Based around 3 Pillars



ZERO HARM - Our Safety Journey

THE FOLLOWING OUTLINES THE GUIDING PRINCIPLES THAT WILL ASSIST IN THE JOURNEY TO ZERO HARM. DOING ALL THESE WILL SIGNIFICANTLY CONTRIBUTE TOWARDS THAT AMBITION.

<p><b>Safe Facilities and Equipment</b> Ensure facilities and equipment meet agreed standards of performance and statutory checks. Report any defects or unsafe conditions. Ensure change is managed and documented accordingly.</p>	<p><b>Substitution and Familiarisation</b> Ensure all your teams are inducted to the ways of working at the business and specifying the area or location in which they are working, covering any special requirements or rules.</p>
<p><b>Contractors and Agency Workers</b> When engaging contractors ensure they are inducted to the working area, with the correct authorisations, training that they are supervised and engaged and that all tasks are risk assessed with appropriate method statements or permits of working as appropriate. Safe systems of work, the JLR Contractor Job Registration process will need to be followed for all contractors. Audit regularly to ensure compliance with the arrangements above.</p>	<p><b>Process and Safe Systems of Work</b> Our processes and safe systems of work are a framework for the management of safety. Some processes, identified during a control and audit as part of task induction, training and familiarisation, safe systems of work should be developed where a formal process does not exist. Audit against these written processes.</p>
<p><b>Planning Change</b> Manage change in a controlled manner, including all relevant observation and instructions to ensure that those who are affected are aware of changes and the effects of change. Document compliance.</p>	<p><b>Supervision and Monitoring</b> Supervision should be assigned and lead by example. Supervise and monitor your teams to ensure that they are working to process and are equipped to do the job.</p>
<p><b>Competence and Training</b> Ensure those working for you have the appropriate competence. Training, information, knowledge and experience to conduct the tasks they are assigned and that this is appropriately recorded.</p>	<p><b>Suitable and Sufficient Risk Assessment</b> In all activity, identify all situations with the potential to cause harm must be assessed and control measures identified in line with the hierarchy of controls. Risk assessments must be reviewed and commensurate to those involved. Review and update as required by procedure, but particularly after process change or accident. Personal Protective Equipment (PPE) may be prescribed by the risk assessment. This should fit to the approved standard and quality.</p>
<p><b>Auditing and Process Confirmation</b> Regularly audit and monitor the tasks and those conducting them for conformance to the requirements laid down via risk assessment. Use the tools available to do this and record and act on findings. Use safety data to define targeted activities to improve safety performance.</p>	<p><b>Communication and Instructions</b> Conduct regular briefings with teams on safety and ensure relevant information in terms of instruction and information are available in the areas in which they work and areas in which they operate.</p>

## Underpinned by 10 Principles

1. Safe facilities & equipment
2. Induction & familiarisation
3. Contractors & agency workers
4. Process & safe systems of work
5. Managing change
6. Supervision & monitoring
7. Competence & training
8. Suitable & sufficient risk assessment
9. Auditing & process confirmation
10. Communication & instructions



- JLR certified to the externally accredited International Standard ISO45001 at all UK locations and CJLR (China). In progress at Nitra and Brazil
- **Ambition of zero harm** is measured by YOY continuous improvement
- The Zero Harm metric data is **based on First Aid and Lost Time incidents**, where an injury has occurred regardless of fault
- **Trend Apr' 2020-2022 is positive, with 30% improvement** – ongoing



# ESG and Climate Related Risk Management

June 2022  
Enterprise Risk Management **Level 1 Sustainability Risk** agreed by Audit Committee

November 2022  
**TCFD climate related material risk** scenario analysis and financial quantification



July 2022  
Board approves governance to dedicated **quarterly Board oversight for sustainability**  
  
**6 monthly report to the PLC Board**

May 2023  
**JLR Annual report** published aligned to TCFD Framework  
  
**Materiality Assessment** with key stakeholders



# Current reporting frameworks



### CDP

JLR discloses sustainability data to CDP, recognising the business' work in effective management of carbon and climate change risk & water security.



Dow Jones Sustainability Indexes

### DOW JONES SUSTAINABILITY INDEXES

The Dow Jones Sustainability Index (DJSI) evaluates the performance of publicly trading companies selected based on long-term ESG plans



### ECOVADIS

Provider of business sustainability ratings, intelligence and collaborative performance improvement tools for global supply chains. JLR is assessed using Ecovadis by some large fleet customers on its ESG performance. Scorecards provide detailed insight into environmental, social and ethical risks across 190 purchasing categories and 155 countries



### DRIVE SUSTAINABILITY

Ten leading automotive companies including Jaguar Land Rover launched an initiative to identify and address sustainability issues in raw materials sourcing (including human rights, environment, working conditions and business ethics.)



### ROYAL WARRANT

A mark of recognition of those supplying goods or services to the Households of HM The Queen, HRH The Duke of Edinburgh or HRH The Prince of Wales, and who have an ongoing trading arrangement, and who meet defined ethical and sustainability standards



### SUPPLY CHAIN MAPPING AND REPORTING

Supply Chain transparency, resilience and risk; Modern Slavery; Cobalt and 3TG





## Third party verification of standards



### ISO 14001

Accreditation awarded for our effective environmental management systems



### IATF 16949

Accreditation awarded for the management of quality specific to the automotive industry based on ISO 9001



### ISO 9001

Accreditation awarded for the management and monitoring of quality across our operations



### ISO 45001

Accreditation awarded for our occupational health and safety management systems

**BREEAM**<sup>®</sup>  
delivered by bre

### BREEAM

A world standard award for sustainability in buildings. Jaguar Land Rover has achieved 'very good' and 'excellent' levels for a number of its facilities



### LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN

The most widely used green building rating system in the world. Jaguar Land Rover has achieved 'gold' standard for a number of its facilities

**NQC**

### NQC Supplier Assurance

Used by Jaguar Land Rover to collect and validate supplier data and mitigate risks globally



# Transparency of reporting



## JLR Automotive plc (Annual Report)

**Target group: Shareholders, investors and ESG analysts**

- Sustainability Strategy
- Our governance and approach to risk
- Targets, performance and results
- BoD approved and externally assured



## TML Integrated Report

The TML IR is integral to our annual sustainability reporting

## Tata Group Reports

**Target group: Employees, governments, NGOs and society**

- The Circular Economy in Action – REAL Car (REcycled ALuminium Car)
- We Dream of A Better World – ‘Inspiring Tomorrow’s Engineers’, Closed Loop Value Chain and Natural Capital Protocol
- ‘Making Waves’ Water Compendium – Navigating Water Risks & Value
- Ecosystem Restoration Compendium – Sustainability at Gaydon Design Centre



## Other reporting and filings

**Target group: Investors and ESG analysts**

- SECR – Annual report 2022 page 21
- CDP Climate Change 2022 – Jaguar Land Rover Automotive plc
- Slavery & Human Trafficking Statement 2022
- Diversity & Inclusion 5 Year Approach 2021-2026
- Gender Pay Gap Report 2021/22
- Tata Motors Limited Conflict Minerals Report 2021



THANK YOU

JAGUAR LAND ROVER