All manufacturing data from 2007 to 2009 has been restated to exclude the Browns Lane veneer manufacturing facility, which was sold in 2010. Due to a change in our reporting procedures, data is now reported for the financial year (FY) from April to March unless explicitly stated as calendar year (CY).

### PERFORMANCE SUMMARY

#### LIFECYCLE

<table>
<thead>
<tr>
<th>JAGUAR LAND ROVER FLEET TAILPIPE CO₂ EMISSIONS</th>
<th>2011 (CY)</th>
<th>2010 (CY)</th>
<th>2009 (CY)</th>
<th>2008 (CY)</th>
<th>2007 (CY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU FLEET AVERAGE CO₂ EMISSIONS PER KIломETRE (g/km)</td>
<td>206</td>
<td>223</td>
<td>228</td>
<td>236</td>
<td>240</td>
</tr>
</tbody>
</table>

#### MANUFACTURING IMPACTS

<table>
<thead>
<tr>
<th>ENERGY</th>
<th>2011/12</th>
<th>2010/11</th>
<th>2009 (CY)</th>
<th>2008 (CY)</th>
<th>2007 (CY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL ENERGY USE (MWh)</td>
<td>1,022,418</td>
<td>984,016</td>
<td>811,510</td>
<td>1,026,334</td>
<td>1,072,691</td>
</tr>
<tr>
<td>ENERGY USE PER VEHICLE PRODUCED (MWh/VEHICLE)</td>
<td>3.18</td>
<td>4.13</td>
<td>5.13</td>
<td>3.92</td>
<td>3.69</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EMISSIONS</th>
<th>2011/12</th>
<th>2010/11</th>
<th>2009 (CY)</th>
<th>2008 (CY)</th>
<th>2007 (CY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL CO₂ EMISSIONS (TONNES)</td>
<td>297,739</td>
<td>274,825</td>
<td>236,026</td>
<td>301,591</td>
<td>317,280</td>
</tr>
<tr>
<td>CO₂ EMISSIONS PER VEHICLE PRODUCED (TONNES/VEHICLE)</td>
<td>0.93</td>
<td>1.15</td>
<td>1.49</td>
<td>1.15</td>
<td>1.09</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>WASTE</th>
<th>2011/12</th>
<th>2010/11</th>
<th>2009 (CY)</th>
<th>2008 (CY)</th>
<th>2007 (CY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL WASTE (THOUSAND TONNES)</td>
<td>15.29</td>
<td>11.45</td>
<td>10.78</td>
<td>19.99</td>
<td>18.09</td>
</tr>
<tr>
<td>WASTE PER VEHICLE PRODUCED (KG/VEHICLE)</td>
<td>47.55</td>
<td>48.06</td>
<td>68.22</td>
<td>76.36</td>
<td>62.23</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>WATER</th>
<th>2011/12</th>
<th>2010/11</th>
<th>2009 (CY)</th>
<th>2008 (CY)</th>
<th>2007 (CY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL WATER USE (M³)</td>
<td>1,008,827</td>
<td>883,403</td>
<td>750,272</td>
<td>1,038,404</td>
<td>1,052,208</td>
</tr>
<tr>
<td>WATER USE PER VEHICLE PRODUCED (M³/UNIT)</td>
<td>3.14</td>
<td>3.71</td>
<td>4.62</td>
<td>3.97</td>
<td>3.52</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SOLVENTS (CALENDAR YEAR)</th>
<th>2011/12</th>
<th>2010/11</th>
<th>2009 (CY)</th>
<th>2008 (CY)</th>
<th>2007 (CY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL SOLVENTS USED (TONNES)</td>
<td>1,632</td>
<td>1,392</td>
<td>1,152</td>
<td>1,325</td>
<td>1,484</td>
</tr>
</tbody>
</table>

#### NON-MANUFACTURING IMPACTS

<table>
<thead>
<tr>
<th>ENERGY</th>
<th>2011/12</th>
<th>2010/11</th>
<th>2009 (CY)</th>
<th>2008 (CY)</th>
<th>2007 (CY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL ENERGY USE (MWh)</td>
<td>93,418</td>
<td>99,843</td>
<td>91,849</td>
<td>102,983</td>
<td>95,471</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EMISSIONS</th>
<th>2011/12</th>
<th>2010/11</th>
<th>2009 (CY)</th>
<th>2008 (CY)</th>
<th>2007 (CY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL CO₂ EMISSIONS (TONNES)</td>
<td>37,533</td>
<td>38,488</td>
<td>35,606</td>
<td>40,297</td>
<td>37,688</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>WASTE</th>
<th>2011/12</th>
<th>2010/11</th>
<th>2009 (CY)</th>
<th>2008 (CY)</th>
<th>2007 (CY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL WASTE (THOUSAND TONNES)</td>
<td>1.17</td>
<td>1.28</td>
<td>1.74</td>
<td>1.17</td>
<td>1.76</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>WATER</th>
<th>2011/12</th>
<th>2010/11</th>
<th>2009 (CY)</th>
<th>2008 (CY)</th>
<th>2007 (CY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL WATER USE (M³)</td>
<td>129,720</td>
<td>144,771</td>
<td>139,191</td>
<td>139,437</td>
<td>131,601</td>
</tr>
</tbody>
</table>
### OUR PEOPLE

<table>
<thead>
<tr>
<th></th>
<th>2011/12</th>
<th>2010 (CY)</th>
<th>2009 (CY)</th>
<th>2008 (CY)</th>
<th>2007 (CY)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EMPLOYEES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NUMBER OF EMPLOYEES</td>
<td>23,848</td>
<td>14,974</td>
<td>14,605</td>
<td>14,975</td>
<td>15,135</td>
</tr>
<tr>
<td><strong>TRAINING AND DEVELOPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2011/12</td>
<td>2010/11</td>
<td>2009/10</td>
<td>2008 (CY)</td>
<td>2007 (CY)</td>
</tr>
<tr>
<td><strong>EMPLOYEE DEVELOPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NUMBER OF DAYS TRAINING PROVIDED</td>
<td>42,425</td>
<td>21,851</td>
<td>14,560</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>HEALTH, SAFETY AND WELLBEING</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2011/12</td>
<td>2010 (CY)</td>
<td>2009 (CY)</td>
<td>2008 (CY)</td>
<td>2007 (CY)</td>
</tr>
<tr>
<td><strong>REPORTABLE INCIDENTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NUMBER OF REPORTABLE INCIDENTS (UNDER RIDDOR)*</td>
<td>47</td>
<td>60</td>
<td>50</td>
<td>52</td>
<td>75</td>
</tr>
<tr>
<td><strong>LOST TIME CASE RATE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NUMBER OF LOST TIME CASES PER 200,000 HOURS WORKED</td>
<td>0.20</td>
<td>0.22</td>
<td>0.21</td>
<td>0.35</td>
<td>0.49</td>
</tr>
<tr>
<td><strong>OCCUPATIONAL ABSENCE RATE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NUMBER OF DAYS LOST PER 200,000 HOURS WORKED</td>
<td>2.64</td>
<td>2.79</td>
<td>2.81</td>
<td>4.66</td>
<td>8.47</td>
</tr>
<tr>
<td><strong>OCCUPATIONAL HEALTH</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NUMBER OF FIRST TIME VISITS TO OCCUPATIONAL HEALTH CENTRES</td>
<td>716</td>
<td>663</td>
<td>729</td>
<td>1,245</td>
<td>1,574</td>
</tr>
<tr>
<td><strong>DIVERSITY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2011 (CY)</td>
<td>2010 (CY)</td>
<td>2009 (CY)</td>
<td>2008 (CY)</td>
<td>2007 (CY)</td>
</tr>
<tr>
<td><strong>GENDER DIVERSITY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% OF WOMEN IN WORKFORCE</td>
<td>9</td>
<td>8</td>
<td>8</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>% OF WOMEN IN MANAGEMENT (APPROX TOP 1,800 EMPLOYEES)</td>
<td>12</td>
<td>12</td>
<td>11**</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>% OF WOMEN IN SENIOR MANAGEMENT (APPROX TOP 125 EMPLOYEES)</td>
<td>5</td>
<td>5</td>
<td>3***</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>ETHNIC DIVERSITY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% ETHNIC MINORITIES IN WORKFORCE</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>% ETHNIC MINORITIES IN MANAGEMENT (APPROX TOP 1,800 EMPLOYEES)</td>
<td>6</td>
<td>5</td>
<td>5</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>% ETHNIC MINORITIES IN SENIOR MANAGEMENT (APPROX TOP 125 EMPLOYEES)</td>
<td>3</td>
<td>1</td>
<td>2***</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>GLOBAL CORPORATE SOCIAL RESPONSIBILITY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CHARITY SUPPORT</strong></td>
<td>2011/12</td>
<td>2010/11</td>
<td>2009 (CY)</td>
<td>2008 (CY)</td>
<td>2007 (CY)</td>
</tr>
<tr>
<td>AMOUNT DONATED (IN CASH AND IN KIND) (GBP MILLIONS)</td>
<td>1.4</td>
<td>1.4</td>
<td>1.3</td>
<td>1.4</td>
<td>1.3</td>
</tr>
</tbody>
</table>

* Figures have been updated to those previously reported
** 2009 data restated: previously data reported for % of management as approx top 1,500 employee
*** 2009 data restated: previously data reported for % of senior management as approx top 1,500 employees
Welcome to our second sustainability report, introducing Jaguar Land Rover’s vision to deliver Sustainability Excellence.

The accompanying strategy incorporates and builds on our ongoing commitment to environmental innovation – one of three core passions that drive our corporate strategy to be One High Performance Company. I believe that our commitment to sustainability will drive long-term shareholder value and a vibrant, successful business.

We have ambitious growth plans to establish ourselves as a global player in the premium automotive market over the next three to four years; developing sustainable products that meet the needs of customers now and in the future is vital to that goal. There is no single technical solution, so we have implemented a multi-faceted approach to improve our overall environmental performance. Our technology road map, and advanced product development processes will enable us to respond to our sustainability challenges whilst delivering our growth plans.

Over the last five years we have invested heavily in new products, facilities, research and development, and we will invest £2 billion in the current fiscal year to March 2013. This scale of investment requires excellent partnerships with our suppliers and research partners to enable the delivery of our technology innovation and CO₂ reduction strategy.

We are on track to achieve our target to reduce fleet CO₂ emissions by 25% on 2007 levels by 2015. The Range Rover Evoque, launched in July 2011, sends a powerful message about our commitment to sustainability, and the new Range Rover will reduce tailpipe emissions by 23% compared with the outgoing model.

We are also investing in environmental innovation projects to improve efficiency across our operations. We are making good progress towards our ambitious goal to cut the environmental footprint of our business by 25% by March 2013, having already cut manufacturing CO₂ emissions by 15%, waste to landfill by 37% and water use by 13% per vehicle produced. As we grow our global footprint we are investing in innovative green building technologies that we will be proud to showcase as our operations for the future.

The passion and commitment of our people is a key driving force to our success, and we are investing in extensive skills training, and developing our workforce of the future by inspiring innovation through technology. The safety of our people remains paramount, and all sites are certified to the international health & safety standard OHSAS 18001. However I am extremely saddened to report the death of one of our employees following an incident in our press shop at Halewood in September 2011, investigations are continuing.

Our commitment to sustainability goes beyond our products and operations, with our goal to add value to communities by advancing knowledge and improving lives. Developed through our global corporate social responsibility programme, our class leading CO₂ offset programme has compensated 5 million tonnes of CO₂ to date by offsetting 100% of manufacturing assembly emissions and a dedicated customer programme. By investing in projects that have additional social and economic benefits we have helped improved the lives of over 1.2 million people.

It is critical we maintain our strong reputation as a responsible business and I am delighted that we have recently achieved Platinum level in the Business in the Community Corporate Responsibility Index, which is the leading UK measure in responsible business practice.

In this report, we set out our performance over the last year and our strategy to contribute to a sustainable future. I look forward to updating you on our progress next year.
ABOUT JAGUAR LAND ROVER

Founded on two iconic British car brands, Jaguar and Land Rover, we are a leading premier automotive business in the UK. Jaguar has sold high performance saloon and sports cars since 1922 and for more than 60 years Land Rover has built vehicles with the widest breadth of capability.

Jaguar Land Rover is the largest automotive employer in the UK and the leading investor in automotive research and development in the country. We are also a major exporter with 80% of vehicles manufactured in the UK sold abroad.

The company has been owned by Tata Motors Ltd since June 2008. Tata Motors is a long-term and strategic owner that is fully committed to Jaguar Land Rover’s business plan and product lines. Jaguar Land Rover contributes significantly to Tata Motors’ financial results and we collaborate where possible, such as on electrical engineering and engine development.
JAGUAR PRODUCTS

- XJ
- XF
- XK

LAND ROVER PRODUCTS

- DEFENDER
- FREELANDER 2
- DISCOVERY 4
- THE RANGE ROVER
- RANGE ROVER SPORT
- RANGE ROVER EVOQUE

23,848 employees

251,632 Land Rover vehicles sold globally for 2012 financial year

170,000 people supported through dealerships, suppliers and local businesses

70% of sales to UK, North America, China, Italy, Russia and Germany

2 product development sites and 3 manufacturing facilities in the UK

£800m invested in research and development on vehicle environmental technology

54,227 Jaguar vehicles sold globally for 2012 financial year
This is the second combined Jaguar Land Rover sustainability report. We publish an index of conformance with the Global Reporting Initiative (GRI) indicators.

Data covers the financial year from April 2011 to March 2012, unless otherwise stated. We have changed our reporting procedures and here we report for the financial year for the first time, where previous reports covered the calendar year.

Due to this change in the way we collect and report data, environmental goals and target dates have been restated from calendar year 2012 to financial year 2012/13. This means our existing environmental targets now end in March 2013.

The report covers all our manufacturing and product development operations. These are based at Castle Bromwich, Gaydon, Halewood, Solihull and Whitley in the UK.

Joint venture assembly plants outside the UK where complete knock down (CKD) kits of Land Rover components are painted and assembled are not included. In 2011 we established a new assembly plant in India, in addition to existing plants in Kenya, Malaysia, Pakistan and Turkey.

Previous reports are available at www.jaguarlandrover.com
JAGUAR LAND ROVER
KEY FACTS AND FIGURES

INCOME
£13,512m from sales of products

EXPENDITURE
£1,011m for payments and provisions
£8,733m for material cost of sales
£751m for product development costs
£3,012m for other expenses

FINANCIAL YEAR APRIL 2011 TO MARCH 2012

PROFIT
£1,507m for profit before tax

JAGUAR LAND ROVER
GLOBAL SALES
Retail volumes (no. of vehicles)
JAGUAR CARS LTD.
54,227
LAND ROVER
251,632

LAND ROVER
Regional volumes (no. of vehicles)
NORTH AMERICA
44,136
EUROPE (EXCL. RUSSIA)
58,213
UK
46,257
ASIA PACIFIC
9,161
CHINA
43,866
OVERSEAS
49,999

JAGUAR CARS LTD
Regional volumes (no. of vehicles)
NORTH AMERICA
13,867
EUROPE (EXCL. RUSSIA)
10,207
UK
13,765
ASIA PACIFIC
3,815
CHINA
7,128
OVERSEAS
5,445
OUR VALUES AND POLICY

The core values of all Tata Group companies provide a strong framework for our sustainability approach:

**INTEGRITY**
We must conduct our business fairly, with honesty and transparency. Everything we do must stand the test of public scrutiny.

**UNDERSTANDING**
We must be caring, show respect, compassion and humanity for our colleagues and customers around the world, and always work for the benefit of the communities we serve.

**EXCELLENCE**
We must constantly strive to achieve the highest possible standards in our day-to-day work and in the quality of the goods and services we provide.

**UNITY**
We must work cohesively with our colleagues across the group and with our customers and partners around the world, building strong relationships based on tolerance, understanding and mutual cooperation.

**RESPONSIBILITY**
We must continue to be responsible, sensitive to the countries, communities and environments in which we work, always ensuring that what comes from the people goes back to the people many times over.

**SUSTAINABLE DEVELOPMENT POLICY**
We are guided by our Sustainable Development Policy that outlines how we can make a positive contribution to society and the environment. The policy commits Jaguar Land Rover to act responsibly and ethically towards employees, shareholders, customers, suppliers, dealers, society and the environment.

All Jaguar Land Rover employees are guided by our Code of Conduct and we monitor compliance with the Code (see module 3, page 4). The Code is available at [www.jaguarlandrover.com](http://www.jaguarlandrover.com).
OUR STRATEGY

Our sustainability vision aims to ensure we grow our business while responding to global trends and stakeholder needs. Our strategy will help us ensure that sustainability is embedded at every stage of the life cycle of our products and at all levels of our business.

OUR BUSINESS IS GROWING

This is an exciting time for Jaguar Land Rover. With the support of our parent company Tata Motors Limited, our business is poised to grow significantly in the coming years. We are investing heavily to realise ambitious growth plans and develop more sustainable products. We will spend around £2 billion in the 2013 financial year on new products and on strengthening our manufacturing capabilities, including a new £350 million engine plant in the West Midlands.

Vehicle lines such as the Range Rover Evoque are creating new markets and strengthening sales in existing ones. In 2011 we expanded assembly operations into India, one of our key markets, and announced plans for our first manufacturing facility abroad in another key market, China, through a joint venture with Chery Automobile Company Ltd. We predict Jaguar Land Rover sales will more than double in volume by 2020, largely due to increasing demand in emerging markets.

OUR VISION IS TO DELIVER SUSTAINABILITY EXCELLENCE. WE ARE EMBEDDING THIS VISION IN OUR BUSINESS THROUGH:

- LONG TERM PROFITABLE SUSTAINABLE GROWTH; INVESTMENT IN CLEAN TECHNOLOGY
- INNOVATIVE LOW-CARBON VEHICLE SOLUTIONS FOR OUR CUSTOMERS OF THE FUTURE
- DRIVING ENVIRONMENTAL INNOVATION THROUGHOUT OUR BUSINESS
- INVESTING IN OUR PEOPLE, AND CREATING SUSTAINABILITY CHANGE
- DYNAMIC PARTNERSHIPS WITH OUR SUPPLY CHAIN, INTEGRATING LIFE CYCLE ASSESSMENT INTO OUR PROCESSES
- ADDING VALUE TO OUR LOCAL AND GLOBAL COMMUNITIES
Sustainability is fundamental to the reputation of our brands, future profitability and the trust of our stakeholders. We make high performance and premium vehicles but they do not need to have a significant environmental footprint. As a growing company, it’s more important than ever that we have a comprehensive strategy in place to reduce our impact on the environment and maximise the positive benefits our business can bring. To do this we must respond effectively to several emerging global trends that are shaping the future of our business:

GLOBAL ENERGY DEMAND IS PREDICTED TO INCREASE BY A THIRD FROM 2010 TO 2035, WITH ENERGY-RELATED CO2 EMISSIONS INCREASING BY 20% IN THE SAME PERIOD.

DEMAND IS ALSO OUTSTRIPPING SUPPLY FOR OTHER INCREASINGLY SCARCE NATURAL RESOURCES SUCH AS MINERALS AND WATER.

THE GLOBAL POPULATION IS EXPECTED TO REACH 9 BILLION PEOPLE BY 2050 WITH ALMOST ALL OF THE GROWTH OCCURRING IN CITIES.

UP TO 85% OF THIS GROWTH WILL OCCUR IN ASIA AND THE MIDDLE CLASS IN EMERGING MARKETS SUCH AS CHINA AND INDIA WILL HAVE GREATER SPENDING POWER AND CAR OWNERSHIP.1

IN EMERGING MARKETS, FUEL NEEDED FOR TRANSPORT COULD INCREASE OIL CONSUMPTION BY 15% FROM 2010 TO 2035.

WEALTH PATTERNS ARE CHANGING WITH AN EXPANDING MIDDLE CLASS, PREDICTED TO GROW FROM 1.8 BILLION PEOPLE WORLDWIDE IN 2010 TO 4.9 BILLION IN 2030.

1 KPMG, Expect the unexpected: Building business value in a changing world, 2012.
These global challenges are integral to the development of our sustainability strategy as we balance the needs of our business with the needs of our stakeholders.

Communicating with and listening to our stakeholders is key to ensuring that our strategy addresses the issues that are important to them, as well as helping us understand our sustainability impacts and how to tackle these. We engage with a wide variety of stakeholders to ensure we understand their expectations, keep track of sustainability trends in the automotive industry, and communicate our position on pertinent issues.

CUSTOMERS

HOW WE ENGAGE

Our marketing research function runs customer feedback sessions where customers express views on our products. Through our marketing and sales operations we have regular high-level meetings with importers and dealers to give and receive feedback on sustainability and other issues.

EXAMPLES OF ENGAGEMENT IN 2011/12

In May 2012 we ran a series of 30 focus groups, 10 of them in the US, to gain insights into consumer perceptions about sustainability in general and CO₂ offsetting in particular.

EMPLOYEES

HOW WE ENGAGE

We communicate and engage with employees in a number of ways, including through our annual employee engagement survey, regular presentations to staff members, our intranet site, and an employee magazine.

EXAMPLES OF ENGAGEMENT IN 2011/12

In 2012, we launched our ‘New Pulse’ employee engagement and satisfaction survey, which was open to all permanent and hourly employees for the first time (see module 3, page 12).

COMMUNITY AND EDUCATION ORGANISATIONS

HOW WE ENGAGE

We have developed many long-term partnerships with local and regional educational authorities and universities, as well as other organisations.

We work extensively with stakeholders such as the Confederation of British Industry, the Skills Funding Agency, Chambers of Commerce, and the Society of Motor Manufacturers and Traders to share information on skills, gender, the ageing workforce, and education, training and development.

We work with local government in the areas surrounding our sites and hold regular community meetings to share and exchange information.

EXAMPLES OF ENGAGEMENT IN 2011/12

We are taking a leading role in two local enterprise partnerships (covering Coventry and Warwickshire, and Greater Birmingham and Solihull), formed in 2011 to help determine local economic priorities. We have also begun to build partnerships with community groups and local authorities in Wolverhampton ahead of our plans to build a new engine plant there.

We continue to invest in five resource centres for school children as part of our Education Business Partnership with education authorities in Birmingham, Coventry, Warwickshire, Solihull and Liverpool. (See module 4, page 6).

INDUSTRY ORGANISATIONS

HOW WE ENGAGE

Jaguar Land Rover is a member of Business in the Community (BitC) – an organisation that encourages companies to continually improve their impact on society.

Through the Carbon Disclosure Project we report annually on our carbon emissions and carbon strategy (see module 2, page 23).

We are members of the Society of Motor Manufacturers and Traders, with whom we work on sustainability issues affecting our sector.

EXAMPLES OF ENGAGEMENT IN 2011/12

In 2011, we were awarded the BitC Community Mark for excellence in community investment. In 2012, we received a national ‘big tick’ from BitC for our climate change plans.

Jaguar Land Rover was rated Platinum in BitC’s Corporate Responsibility Index 2012. We are the only UK-based global automotive company to achieve Platinum level.
POLICYMAKERS

HOW WE ENGAGE

We engage with a range of policymakers at UK and European level. We regularly meet with ministers, other parliamentarians, UK government departments, members of the European Parliament, and the European Commission.

Jaguar Land Rover is a member of the Confederation of British Industry’s Energy Committee and its Environmental Affairs Committee.

EXAMPLES OF ENGAGEMENT IN 2011/12

Focus areas for our discussions with policymakers in 2011/12 included research and development policy; the availability of incentives for manufacturing low carbon vehicles; and how to establish a regulatory framework that encourages lower emissions but also provides the conditions to help industry thrive.

NGOs (NON-GOVERNMENTAL ORGANISATIONS)

HOW WE ENGAGE

We engage with a range of NGOs to share our strategy and listen to their views. Jaguar Land Rover is a corporate member of the Forum for the Future, which we have been working with since 2000. The Forum acts as a ‘critical friend’ to Jaguar Land Rover, helping us to develop strategy on sustainability and to analyse our progress.

EXAMPLES OF ENGAGEMENT IN 2011/12

We engaged with NGOs to share our carbon reduction strategy and our sustainability aspirations.

Representatives from NGOs participated in the two meetings we held for opinion formers in 2011/12.

OPINION FORMERS

HOW WE ENGAGE

We find it useful to seek the views of ‘opinion formers’ on sustainability, such as sustainability experts, pressure group leaders, investors, and consumer representatives. We do this through face-to-face meetings to promote dialogue.

EXAMPLES OF ENGAGEMENT IN 2011/12

We held two stakeholder engagement meetings in London in 2011/12, one seeking views from opinion formers on our general sustainability strategy, and the other on our carbon offsetting programme. These have provided useful feedback that will help us to further define our strategy and identify possible issues that we need to address in the future.
INTRODUCING OUR SUSTAINABILITY STRATEGY FOR 2020: 360° SUSTAINABILITY

To achieve our sustainability vision, we take a 360° approach to sustainability across the lifecycle of our products and operations, from design to use and end of life. Our strategy for 2020 comprises two key themes: Environmental Innovation and Global Corporate Social Responsibility. It builds on the progress we have already made to reduce our environmental impacts and contribute to society by investing in local and global projects.

<table>
<thead>
<tr>
<th>ENVIRONMENTAL INNOVATION</th>
<th>OUR RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUSTAINABILITY CHALLENGES</td>
<td></td>
</tr>
<tr>
<td>REDUCING FLEET TAILPIPE CO₂ EMISSIONS</td>
<td>Developing technologies to reduce vehicle weight, improve aerodynamics and fuel efficiency to reduce EU fleet average tailpipe CO₂ emissions by 25% by 2015.</td>
</tr>
<tr>
<td>SUSTAINABLE PRODUCTS</td>
<td></td>
</tr>
<tr>
<td>REDUCING PRODUCT ENVIRONMENTAL IMPACTS OVER THE LIFE CYCLE</td>
<td>Using life cycle assessment to understand the environmental impacts of our products at each stage – from design and manufacture to use and end of life – and enable our engineers to target reductions.</td>
</tr>
<tr>
<td>ENGAGING SUPPLIERS ON SUSTAINABILITY</td>
<td>Assessing and monitoring supplier performance against sustainability criteria and partnering closely with suppliers to help us develop more sustainable products.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>GLOBAL CSR</th>
<th>OUR RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUSTAINABILITY CHALLENGES</td>
<td></td>
</tr>
<tr>
<td>ADVANCING KNOWLEDGE</td>
<td></td>
</tr>
<tr>
<td>DEVELOPING SKILLS FOR THE GREEN ECONOMY</td>
<td>Offering opportunities for apprentices, graduates and undergraduates, and partnering with schools to encourage children to pursue careers in science, technology, engineering and mathematics.</td>
</tr>
<tr>
<td>IMPROVING LIVES</td>
<td></td>
</tr>
<tr>
<td>CONTRIBUTING TO LOCAL COMMUNITIES AND GLOBAL SUSTAINABLE DEVELOPMENT</td>
<td>Supporting more than 50 sustainable development projects in 17 countries through projects that offset CO₂ emissions from manufacturing operations and customer vehicle use.</td>
</tr>
</tbody>
</table>
Launched in 2009, our Environmental Innovation strategy aims to cut the environmental impact of our products and operations across the entire product life cycle. Innovation is at the heart of what we do and our engineers are striving to design more sustainable vehicles as well as creating new vehicle concepts that challenge existing notions of mobility.

We partner closely with suppliers to help us achieve improvements in our products and encourage them to tackle their environmental footprint through the supply chain. Cutting the impact of our manufacturing and product development operations is an important focus and our goal is to close the loop in our manufacturing processes. As we work to reduce our carbon footprint, we are investing in a CO₂ offsetting programme to offset emissions from manufacturing. See module 2, page 23 for our efforts to cut the impact of our operations and work with suppliers.

We measure progress against environmental goals through an Environmental Innovation scorecard. In 2009 we set challenging targets to reduce our carbon footprint and ecological footprint by 2012 and we are making good progress towards these. Annual targets are embedded in the Company Balanced Scorecard and linked to individual employee objectives to make sure environmental innovation is a business priority understood by everyone at Jaguar Land Rover.

Our Environmental Management System (EMS) is designed to ensure we identify, measure and manage our environmental impacts effectively, fully comply with all relevant legislation and regulations, and support environmental best practice across our operations. The system has been in place since 1998 and is fully certified to the internationally recognised environmental standard ISO 14001.

Environment teams at each site are responsible for implementing the EMS. They meet regularly to review progress against targets, discuss new regulations and share best practice. Data on environmental impacts is also reviewed by senior managers to assess progress, and performance against environmental targets is regularly audited.
ENVIRONMENTAL INNOVATION STRATEGY 2012

DRIVERS

CLIMATE CHANGE

reducing our carbon footprint

TARGETS (baseline year 2007)

25%
reduction in EU fleet CO$_2$ by 2015

25%
reduction in operational CO$_2$ emissions by March 2013

PROGRESS

We are on track to meet the target to reduce EU fleet CO$_2$ emissions by 2015. We have reduced average fleet CO$_2$ emissions by 14% since 2007

Operational CO$_2$ emissions cut by 15% per vehicle produced since 2007

IN 2013 WE WILL PUBLISH FURTHER AMBITIOUS TARGETS TO 2020 TO SUPPORT OUR ENVIRONMENTAL INNOVATION GOALS AND CSR GOALS.

ENVIRONMENTAL EFFICIENCY

reducing our ecological footprint

25%
reduction in waste to landfill by March 2013

10%
reduction in water use by March 2013

15%
reduction in total emissions from our logistics operations by March 2013

Waste to landfill cut by 37% per vehicle produced since 2007

Water use cut by 13% per vehicle produced since 2007

CO$_2$ emissions from inbound logistics (components and materials inbound to our manufacturing facilities) cut by 22% since 2007 per vehicle produced. CO$_2$ emissions from outbound logistics (finished products to market) cut by 9% per vehicle since 2008
GLOBAL CORPORATE SOCIAL RESPONSIBILITY

Beyond the impact of our products, operations and supply chain, we have a wider responsibility to contribute to the economy and to society both in the UK and abroad. Through our Global Corporate Social Responsibility strategy (see module 4, page 4), we are partnering with others to help develop solutions to social and economic challenges.

Areas of focus include advancing knowledge by building science and engineering skills in the UK, developing young engineers and supporting technology entrepreneurs and start-up businesses. We aim to improve people’s lives through our involvement in community projects, charity contributions and our employees’ volunteering efforts.

Globally, we contribute to more than 50 sustainable development projects through our comprehensive CO₂ offsetting programme. We are developing targets to measure our progress towards our Global Corporate Social Responsibility goals up to 2020.
EMBEDDING OUR SUSTAINABILITY STRATEGY IN THE BUSINESS IS KEY TO ITS SUCCESS

We have a well-defined system in place to ensure that sustainability is integrated in decision-making throughout the company. Ultimate responsibility resides with our CEO and Board of Directors. The leadership shown by our CEO and other senior leaders plays a vital role in demonstrating the importance of sustainability to the company. Beyond this, we have the following sustainability governance structure in place:

- A Board-level committee meets quarterly to review implementation of our sustainability strategy, our performance, examples of best practices, and an analysis of potential new risks and ways to address these.

- A Sustainability Action Group of senior managers from various functions works with the Board committee to develop our sustainability policy, strategy and goals.

- The Executive Director’s Office, which had its first full year of operation in 2011, brings together environment, sustainability and community affairs teams with those responsible for company strategy, product planning and government relations. This puts sustainability at the heart of the company’s strategic planning.

- The Corporate Sustainability and Compliance team is responsible for developing policy and strategy and guiding its day-to-day implementation by working closely with all business functions.

- We expect everyone at Jaguar Land Rover to operate responsibly and think about sustainability in their daily activities. Environmental innovation is linked to individual employee objectives through annual targets in the Corporate Scorecard and Business Plan. The Corporate Scorecard and Business Plan is reviewed annually and implemented at all levels of the business in the first quarter of each performance year. Both company and functional objectives are communicated to employees to ensure that individual and departmental goals are in line with company priorities.
ADDRESS
JAGUAR LAND ROVER
ABBEY ROAD
WHITLEY
COVENTRY
CV3 4LF

EMAIL
jaguarsd@jaguar.com
landroversd@landrover.com