JAGUAR PENSION PLAN
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2026

Scheme Registration Number: 10154222

Jaguar Pension Plan

Annual Report for the year ended 31 March 2026

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Trustee, Principal Employer and Advisers

Trustee

Jaguar Land Rover Pension Trustees Limited

Employer-appointed Trustee Directors

R Lummis (Chair)
S Stephenson (Deputy Chair)
Dalriada Trustees Limited (Independent Trustee)
E Bolton
K Close
G Dixon (resigned on 31 October 2025)

Member-nominated Trustee Directors

D Betteley
D Cotterill
W Culshaw
S Evans
P Lumsden
M Sinclair-Taylor

Secretary to the Trustee

H Cairns

Secretary to Trustee Directors

R Brown

Principal Employer

Jaguar Land Rover Limited
Abbey Road, Whitley
Coventry
Warwickshire, CV3 4LF

Plan Actuary

Lynda Whitney, FIA
Aon Solutions UK Limited
Aon, 3rd Floor, Epsom Gateway, 2 Ashley Avenue
Epsom, Surrey, KT18 5AL

Independent Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London, WC2N 6RH

Administrator

Aptia UK Limited
Post Handling Centre
Maclaren House
Talbot Road
Stretford, Manchester M32 0FP
Jaguar@aptia-group.com

Investment Managers

17 Capital
Advent International
Aikya Investment Management
Alpha Real Capital
American Securities LLC
Ancala Partners LLP
Ascend Capital Partners
Atrato (formerly known as LJ Capital)
Aviva Investors Management Limited
AXA Investment Management
Brentwood Associates
Cabot Square Capital LLP
CarVal Investors LP
CDH Investments
Energy Capital Partners LLP
Equitix Investment Management Limited
First Property Asset Management Limited
Folium Capital
ForgePoint Capital (formerly known as Trident Capital)
GI Partners
Georgian Partners
Greencoat Capital
Insight Investment Management
Knight Frank Investment Management
Leadenhall Capital Partners (appointed June 2025)
Legal & General Investment Management
LibreMax Capital (resigned May 2026)
Macquarie Investments (UK) Limited
Man AHL Pure Momentum Plus
Newmarket Capital
Northern Trust Global Investments
NSSK (INTL) Investments L.P.
Pretium Partners
Rivage Investments
Robeco Investment Management
Schroders Investment Management Limited
State Street Investment Management (appointed February 2026)
Sun Capital Partners
SUSI Partners
Towers Watson Investment Management
Waterfall Asset Management LLC
Waypoint Asset Management

Investment Custodian

The Northern Trust Company Limited
50 Bank Street
Canary Wharf
London, E14 5NT

Additional Voluntary Contribution (AVC) Providers

Aegon Investment Solutions Limited

Legal & General Assurance (Pensions Management) Limited

Prudential Assurance Company Limited

Bank

Royal Bank of Scotland
London Corporate Banking Centre
62 – 63 Threadneedle Street
London, EC2R 8LA

Legal Advisers

Squire Patton Boggs (UK) LLP
Rutland House
148 Edmund Street
Birmingham, B3 2JR

Linklaters LLP
1 Silk Street
London, EC2Y 8HQ

Covenant Adviser

Ernst & Young LLP
1 More London Place
London, SEI 2AF

Investment Consultants

Hymans Robertson LLP
Exchange Place One
1 Semple Street
Edinburgh, EH3 8BL

Fiduciary Investment Manager

Willis Towers Watson Limited
Watson House
London Road
Reigate, Surrey, RH2 9PQ

Contact for Plan related Enquiries

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Abbey Road, Whitley
Coventry
Warwickshire, CV3 4LF
rbrown19@jaguarlandrover.com

Introduction

The Trustee of Jaguar Pension Plan (the "Plan") is pleased to present its report together with the financial statements for the year ended 31 March 2026.

The Plan was established in January 1986 and is governed by a definitive Trust Deed as amended from time-to-time. The Plan was closed to new members in April 2010.

The Plan is an occupational defined benefits pension plan and has historically provided a pension based on a member's final salary at retirement. In 2017, the structure of the defined benefits paid to members was changed from a final salary benefit to a career average revalued earnings benefit. The changes took effect from 5 April 2017.

Under the new arrangement, the pension a member has built up to 5 April 2017 will be based on the member's pensionable pay at 5 April 2017. To help keep up with the cost of living, the pension increases each year until a member retires. The increase is the Consumer Price Index (CPI) plus 0.5% up to a maximum of 2.5% every year.

From 6 April 2017, the accrual of pension is based on the member's pensionable pay each year. To help keep up with the cost of living, the pensionable pay is revalued by CPI plus 0.5% per annum up to a maximum of 2.5% per annum. Each year of service is then aggregated and added to the pension at 5 April 2017 (as revalued) to reach the final pension payable. The Trustee believes that this arrangement is more equitable to the members overall and, in particular, will benefit lower paid members of the Plan. In addition, members have the option each year to choose between a higher or lower rate for future accrual depending on the rate of contributions.

Management of the Plan

Trustee

Jaguar Land Rover Pension Trustees Limited acted as Trustee of the Plan for the year ended 31 March 2026.

The power of removing and appointing the Trustee is vested in the Principal Employer. This power can be exercised only after consultation with the relevant trade unions and any replacement must be a body structured in a similar way as Jaguar Land Rover Pension Trustees Limited. The appointment and removal of the Trustee Directors is governed by the Articles of Association of Jaguar Land Rover Pension Trustees Limited and the terms of the Member Nominated Director opt out.

The Board when complete comprises of 12 Trustee Directors and is composed of 6 appointed by the Principal Employer, 4 nominated by the trade unions and 2 by election amongst the pensioner members. There is currently a vacancy for an employer appointed director. A resolution was passed in July 2023 which amended the quorum from 8 to 6 directors of which at least 2 must be member nominated directors and 2 must be company appointed directors.

The Trustee Directors are required to discharge their responsibilities to the Plan on a completely independent basis and in the interests of all the members.

The principal functions of the Trustee are to:

- administer the Plan in accordance with its Trust Deed and Rules; and
- invest the Plan's assets with an appropriate degree of security to provide income and capital appreciation such that the Plan is able to meet pension and other benefit liabilities, both now and in the future.

Any further information regarding the Plan should be requested from R Brown and member related queries should be addressed to the Plan administrator. See page 1 for details.

Statement of Trustee's Responsibilities

The Statement of Trustee's Responsibilities is set out on page 18 and forms part of this Trustee's Report.

Trustee knowledge and understanding

Trustee of the Plan

Jaguar Land Rover Pension Trustees Limited acts as Trustee to the Land Rover Pension Scheme, the Jaguar Pension Plan and the Jaguar Executive Pension Plan.

Trustee Directors:

Company-Appointed Directors

R Lummis (Chair)	*	Dalriada Trustees Limited	*****
E Bolton	****	G Dixon (resigned on 31 October 2025)	**
K Close	**	S Stephenson (Deputy Chair)	***

Member-Nominated Directors

D Betteley	**	M Sinclair-Taylor	*
D Cotterill	***	S Evans	*
W Culshaw	***	P Lumsden	*

*	Member of Land Rover Pension Scheme
**	Member of Jaguar Executive Pension Plan
***	Member of Jaguar Pension Plan
****	Member of Jaguar Land Rover Defined Contribution Fund
*****	Independent Professional Trustee.

The Trustee met four times during the year.

Three Trustee Directors receive remuneration for services provided to the Plan. One Trustee Director receives £45,000 p.a. whilst the other two Trustee Directors receive maximum remuneration of £10,000 p.a for their role as Trustee Director. Dalriada Trustees Limited are paid on a time spent basis. None of the other Trustee Directors receive any remuneration for their services provided other than out of pocket expenses. All remuneration is paid from the assets of a related pension scheme (Land Rover Pension Scheme - LRPS) without recharge to the Plan.

The Trustee Directors have received training in all aspects of the Plan. It is the intention to carry on with this process each year to increase the Directors' level of knowledge and understanding of the Plan. The Trustee Board has five sub committees which operate as described below:

The Discretionary Committee deals with the distribution of death benefits payable under the Plan, considers claims for Ill Health Early Retirement Benefit and exercises other discretions of the Trustee.

The Financial Strategy Committee proposes and monitors the financial strategy adopted by the Plan, oversees the actuarial valuation process and seeks to balance and mitigate risk in collaboration with the Principal Employer.

The Risk, Audit & Governance Committee reviews and makes recommendations about changes to the Plan rules and changes to member booklets. It monitors and reviews the Plan administrator, legal adviser and auditors. It also reviews the Plan's annual report and financial statements together with the Plan's Risk Register and liaises with the independent auditors.

The Investment Implementation Committee oversees and monitors the execution of the investment strategy.

The Guaranteed Minimum Pension (GMP) Equalisation Committee is responsible for making a recommendation to the Board on the approach that should be adopted on GMP equalisation.

GMP Equalisation

In October 2018, the High Court determined that benefits provided to members who had contracted out of their pension scheme must be recalculated to reflect the equalisation of state pension ages between May 1990 and April 1997 for both men and women. The Trustee is now reviewing, with its advisers, the implication of this ruling on the Plan and the equalisation of guaranteed minimum pensions (GMP) between men and women; in the context of the rules of the Plan and the value of any liability. As soon as this review is finalised and any liability quantified, members will receive further communication and any impact on financial reporting will be considered by the Trustee.

In November 2020, the High Court handed down a further judgment on the GMP equalisation case in relation to the Lloyds Banking Group pension schemes. This follows from the original judgment in October 2018 which confirmed that pension schemes need to equalise pensions for the effect of unequal GMPs between males and females. This latest judgment confirms that defined benefit schemes which provide GMPs need to revisit and, where necessary, top up historic Cash Equivalent Transfer Values that were calculated based on unequalised benefits. The Trustee continues to assess the financial impact on the Plan.

Virgin Media Case

In June 2023, the High Court handed down a decision in the Virgin Media Ltd versus NTL Pension Trustees II Ltd, which considered the implications of section 37 of the Pension Schemes Act 1993, which required that the rules of a salary-related contracted-out pension scheme cannot be altered, in relation to post April 1997 service, unless the actuary confirmed that the scheme would continue to satisfy the statutory standards. The High Court found that, where the required actuarial confirmation was not supplied, the effect of section 37 was to render the relevant amendment to any contracted-out right automatically void. It also held that references in the legislation included both past and future service rights and that the requirement for actuarial confirmation applied to all amendments to the rules of a contracted-out scheme. This decision was appealed to the Court of Appeal and, in July 2024, the Court of Appeal upheld the decision of the High Court.

Following a statement issued on 5 June 2025, the Government acknowledged the appeal decision was causing uncertainty in the pensions industry and was expected to introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historical benefit changes met the necessary standards.

On 1 September 2025, the Government issued amendments to the Pension Schemes Bill, including several new provisions on this matter. The Pension Schemes Act 2026 came into force on 29 April 2026. Provisions in the Act gives pension schemes the ability to validate certain affected amendments retrospectively.

The Trustee is monitoring the position and will consider the possible implications, if any, for the Plan of the above with its advisers and what steps, if any, it wishes to take. Therefore, it is not possible, at present, to estimate the potential impact, if any, on the Plan.

Financial development

The financial statements on pages 22 to 42 have been prepared and audited in accordance with the Regulations made under Section 41 (1) and (6) of the Pensions Act 1995. They show that the value of the fund decreased from £2,409,850,000 at 31 March 2025 to £2,333,888,000 at 31 March 2026.

The decrease shown above comprised net withdrawals from dealings with members of £100,534,000 together with net returns on investments of £24,572,000.

Actuarial review

The Plan is subject to an Actuarial Valuation every three years which is prepared by the Plan Actuary.

The most recent valuation was carried out by the Plan Actuary, Lynda Whitney, with an effective date of 31 March 2024. The purpose of this review was to confirm the financial position of the Plan and to recommend the rates of the contributions payable to the Plan in the future. The valuation revealed that there was a surplus of assets relative to the Plan's technical provisions at 31 March 2024 of £199m. As the valuation revealed a surplus, the Trustee agreed with the Principal Employer that the Principal Employer would not be required to make any deficit funding payments.

Report on actuarial liabilities

As required by Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102), the financial statements do not include liabilities in respect of promised retirement benefits.

Under section 222 of the Pensions Act 2004, every scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its technical provisions, which represent the present value of benefits to which members are entitled based on pensionable service to the valuation date. This is assessed at least every 3 years using assumptions agreed between the Trustee and the Principal Employer and set out in the Statement of Funding Principles, a copy of which is available to Plan members on request.

The most recent triennial actuarial valuation of the Plan was carried out as at 31 March 2024 (based on technical provisions) with a further annual update carried out as at 31 March 2025. The results of these calculations are set out below.

	2025 £m	2024 £m
Value of assets available to meet technical provisions	2,400	2,585
Value of liabilities in respect of technical provisions	(2,183)	(2,386)
Surplus	217	199
Funding level	110%	108%

Between 31 March 2024 and 31 March 2025 the funding level improved and the surplus increased. This was due to a combination of better than expected investment returns on the assets and some changes in the Plan's membership.

Although there are no current plans to discontinue the Plan and buy out liabilities with an insurance company, the Trustee also considers the level of funding relative to the estimated costs of such a buyout (known as "solvency liabilities") and equivalent information on this basis at the triennial valuation date of 31 March 2024 is provided below:

	2024 £m
Value of assets available to meet solvency liabilities	2,585
Value of solvency liabilities	(3,252)
Deficit	(667)
Solvency level	79%

The value of technical provisions is based on Pensionable Service to the valuation date and assumptions about various factors that will influence the Plan in the future, such as the future level of investment returns inflationary increases when members will retire and how long members will live. The method and significant actuarial assumptions used in the calculations are set out below:

Method

The actuarial method used in the calculation of the technical provisions is the Projected Unit Method.

Significant actuarial assumptions

Discount rate (non-CDI portfolio)	UK Government Gilt Nominal Yield Curve plus 1.25% p.a.
Discount rate (CDI portfolio)	UK Government Gilt Nominal Yield Curve plus 0.91% p.a. as at 31 March 2024 UK Government Gilt Nominal Yield Curve plus 0.79% p.a. as at 31 March 2025
Retail Prices Index (RPI) inflation	UK Government Gilt implied RPI Curve
Consumer Prices Index (CPI) inflation	RPI less 0.9% p.a. to 2030 and RPI less 0.1% p.a. thereafter
Post retirement mortality assumption (normal health) – base table	SAPS S3 Normal Health Middle Amounts ("S3NA_M") tables with best estimate individual scaling factors
Post retirement mortality assumption (normal health) – future improvements	CMI 2023 (Sk=7.0, A=0.25%, w2020=0%, w2021=0%, w2022=15%, w2023=15%) projections with a long-term improvement rate of 1.5% p.a.
Commutation (% of maximum lump sum taken)	85% (active members) / 75% (deferred members)

The next triennial statutory valuation will be carried out as at 31 March 2027.

Contributions

The Schedule of Contributions for the year was certified by the Plan actuary on 10 January 2025. Under the Schedule, the Trustee and the Principal Employer agreed a mechanism under which employer normal contributions for active members are to be assessed and updated on a quarterly basis, subject to Principal Employer contributions being no less than 10% and no higher than 25% of Pensionable Earnings. Under the Schedule, employer normal contributions for active members over the year were 10% of Pensionable Earnings.

In addition, under the Schedule, other contributions are payable by the Principal Employer:

- Agreed expenses of administering the Plan.
- To meet PPF levies, and other levies collected by the Pensions Regulator.
- In respect of early retirements at the request of (including as a result of redundancy) or with the consent of the Principal Employer in some circumstances.
- To cover the cost of discretionary benefits and augmentations granted with Principal Employer consent.

In addition, under the Schedule of Contributions, Active members are contributing either at the lower rate pay of 7% of Pensionable Earnings or at the higher rate pay of 11% of Pensionable Earnings. For members who participate in the salary sacrifice arrangement, the employer pays the contributions that would otherwise have been paid by the member had they not been a salary sacrifice member.

The Summary of Contributions payable to the Plan during the year is set out on page 44 including details of certain late contributions.

The latest actuarial certificate of the Schedule of Contributions is set out on page 45.

Membership

The membership movements of the Plan for the year are given below:

	Actives	Deferreds	Pensioners	Total
At 1 April 2025	2,014	2,638	7,973	12,625
Adjustments	(8)	(4)	-	(12)
Retirements	(76)	(163)	239	-
Leavers with deferred benefits	(73)	73	-	-
Deaths	-	(7)	(303)	(310)
Transfers out	-	(5)	-	(5)
Pensions commuted for cash	(1)	(3)	-	(4)
New dependants	-	-	84	84
At 31 March 2026	1,856	2,529	7,993	12,378

Pensioners include 1,927 (2025: 1,926) members receiving a pension upon the death of their spouse or a child's pension.

The membership figures at the year-end do not include movements notified to the administrator after the completion of the annual renewal.

The adjustments shown above reflect movements notified to the administrator after the completion of the annual renewal.

Pension increases

For Main Section members, the Plan guarantees to increase pension in payment in excess of Guaranteed Minimum Pension (GMP) by 5% per annum or by the increase in CPI, if less, for pre-CARE service and 2.5% per annum or the increase in CPI, if less, for CARE service.

For Jaguar Halewood Section Pre-CARE members on pensions in excess of GMP, the Plan guarantees an increase of 5% per annum (or CPI/RPI if less) on the part of the pension in payment arising from 60% of a member's pensionable service (75% for active members in service on 1 November 2006), or service after 5 April 1997, whichever is greater. For CARE members pensions guarantees an increase of 2.5%, or CPI if less.

An increase of 3.0% for pre-CARE Main Section members was paid in April 2025 (2024: 4.0%) along with an increase of 1.7% for CARE members (2024: 2.5%), 1.7% Halewood pre-CARE linked to RPI members (2024: 2.5%), 1.7% Halewood pre-CARE linked to CPI members (2024: 2.5%) and 1.7% for CARE members (2024: 2.5%) was paid in April 2025, to members who retired before 1 April 2018, with a proportionate increase for those retiring later.

For those members over GMP payment age and as required under contracting out regulations, GMPs accrued after April 1988 were increased in payment by 1.7% as at April 2025 (2024: 3.0%). Increases to GMPs accrued before 6 April 1988 are paid by the State. There were no discretionary pension increases during the year.

Calculation of transfer values

All transfer values paid out during the year under review were calculated in accordance with the legislation governing such calculations. No discretionary benefits are included in the calculation of transfer values.

Cyber Incident at JLR

On 31 August 2025, at approximately 6am BST, JLR became aware of accessibility issues at its Nitra manufacturing facility in Slovakia. The accessibility issues were swiftly investigated and determined to be linked to potential unauthorised access affecting common foundational production services across various facilities. This was swiftly investigated by JLR's Global Cyber Security and IT Teams who, in turn, identified the access issue as part of a cybersecurity incident by an unauthorised third party.

In response to this development, JLR took immediate action to mitigate the impact of the incident by proactively shutting down its systems and engaging third-party cybersecurity experts. These systems have now been restarted in full. However, a forensic investigation into the incident is ongoing and JLR continues to work alongside its third party cybersecurity specialists, the UK NCSC and law enforcement.

JLR are continuing to investigate the exact scope, nature and extent of data impacted by the incident, and have been informing relevant regulators, including the ICO and FCA and, as the investigation progresses. All relevant parties will be notified, as appropriate, if it is found that their data has been impacted.

Workforce changes

On 7 September 2026, JLR announced a new, UK voluntary redundancy (VR) programme for colleagues in salaried and management roles. This programme is currently ongoing and is under consultation with affected employees and further updates will be provided once more detail is available to share.

Investment Report

Investment strategy

The Trustee's long-term objective is to reach full funding on a prudent measure of liabilities to enable the Plan to invest 100% of assets into a cashflow driven investment ("CDI") portfolio that generates cash in order to fund benefits as they fall due, while maintaining a low level of investment risk. As the proportion of pensioner liabilities and funding level increases, the Trustee intends to switch assets from the return-seeking and Liability Driven Investment (LDI) portfolios to the CDI portfolio so that a low level of investment risk is in place as the Plan approaches full funding on the CDI basis.

In order to achieve this objective, the Trustee has received advice to determine an appropriate investment strategy for the Plan. This advice is reviewed regularly. The actions taken to achieve the investment strategy are:

- Use a range of instruments that provide a better match to changes in the Plan's liabilities (payments that the Plan is obligated to pay to pensioners);
- Diversify the Plan's return-seeking assets; and
- Use active management where the Trustee believes that active managers can improve risk-adjusted returns.

The investment strategy is therefore split into CDI, return-seeking and liability matching assets:

- The Plan's CDI investments seek to generate sufficient cashflows to meet pensioner benefit payments as they fall due. These investments include buy and maintain investment grade credit, secure income investments, alternative credit, bonds and UK government bonds.
- The Plan's 'return-seeking' investments seek to generate sufficient return in excess of the Plan's liabilities to meet the Plan's funding objective over the long-term. These investments can include a range of different assets including global equity, sovereign and corporate credit, property, infrastructure, hedge funds (and similar strategies), private equity and secure income alternatives funds. Active management is used where the Trustee believes that it can increase return and where fees are considered reasonable.
- The Plan's 'liability matching' assets seek to 'match' changes in the value of a proportion of the Plan's non-pensioner liabilities in response to changes in interest rates and inflation. The matching portfolio includes bonds, interest rate and inflation swaps, gilt repurchase agreements and cash.

The Trustee recognises that a company's long-term financial success can be influenced by a wide range of factors including environmental, social and corporate governance (ESG) issues. The Trustee's policy is to be an active long-term investor. The Trustee delegates investment manager selection, de-selection and ESG integration to the Fiduciary Manager. The Trustee's focus is primarily on financially material considerations rather than non-financially material or ethical considerations.

The Trustee has given the Fiduciary Manager (WTW) a target return for the delegated mandates, which overall will align to deliver the broader Plan investment strategy. The LDI manager also has a target benchmark against which to manage their mandate. The Trustee reviews the nature of the Plan's investments on a regular basis, with particular reference to suitability and diversification. The Trustee has delegated implementation of the investment strategy to the Fiduciary Manager and LDI manager, both within agreed guidelines. The Fiduciary Manager is responsible for ensuring the appropriateness of each manager and mandate for the Plan, particularly in relation to diversification, risk, expected return and liquidity. The Trustee recognises the long-term nature of its liability profile and sets mandate guidelines designed to generate long term sustainable returns. Performance is reviewed on a regular basis against a series of metrics, including financial performance relative to the benchmark and objectives, the exercise of stewardship responsibilities (including engagement with issuers), and the management of risks. Material deviation from performance or risk targets is likely to result in the mandate being formally reviewed.

The Strategic Investment Consultant/Advisor (Hymans) advises on the overarching ESG approach taken by the Plan, with implementation provided by the Fiduciary Manager and LDI manager. The Fiduciary Manager has a dedicated Sustainable Investment resource and a network of subject matter experts. The consideration of ESG issues is fully embedded in the investment manager selection and portfolio management process, with oversight undertaken on an ongoing basis, across both the return-seeking portfolio and cashflow matching portfolio (as appropriate). Whilst noting there may be limitations for each investment manager and asset strategy, the Fiduciary Manager expects investment managers to have ESG processes that align with the investment risk and return characteristics of the strategy. Where an investment manager's processes are deemed insufficient by the Fiduciary Manager and the investment manager does not take steps to improve their approach, the investment manager's position in the portfolio will be reviewed and/or a decision may be taken not to proceed with an investment. The Fiduciary Manager monitors the stewardship and ESG approach of the Plan's return-seeking investment managers and cashflow matching investment managers (as appropriate) and reports to the Trustee at least once a year.

Investment Report (continued)

Investment strategy (continued)

Both the Fiduciary Manager and Strategic Investment Advisor consider a range of sustainable investment factors, such as, but not limited to, those arising from ESG considerations, including climate change, in the context of a broader risk management framework. The degree to which these factors are relevant to any given strategy is a function of time horizon, investment style, philosophy and particular exposures which the Fiduciary Manager takes into account in the assessment. The Trustee expects the Fiduciary Manager to encourage the Plan's investment managers to sign up to local or other applicable Stewardship Codes, in-keeping with good practice, subject to the extent of materiality for certain asset classes. The Fiduciary Manager and the Strategic Investment Advisor are signatories to the Principles for Responsible Investment (PRI) and the UK Stewardship Code and are actively involved in external collaborations and initiatives. The Trustee is a signatory to the 2020 UK Stewardship Code and has provided a statement of compliance which is available at www.frc.org.uk.

The Trustee's policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers. The Fiduciary Manager has appointed Hermes EOS to undertake public policy engagement on its behalf as well as company-level engagement and the provision of voting advice for the Plan's equity investments. The Trustee separately considers any conflicts of interest arising in the management of the Plan and its investments.

Whilst the Trustee expects performance to be delivered net of costs, including the costs of trading within the portfolio, the Trustee expects the Fiduciary and LDI managers to report on the underlying assets held within the portfolio with a summary of any transactions over the period, on at least an annual basis. The Trustee reviews the costs incurred by the Fiduciary and LDI manager on an annual basis. As part of this review, where possible, the Trustee will compare costs to the theoretical portfolio turnover and cost for an appropriate index.

Over the course of the year the Plan's funding level on a technical provisions basis, a key metric for monitoring the Plan's progress against its objectives, fell slightly from 110% to 106%. The Plan's return seeking and CDI portfolios decreased in value. This was offset in part by the increase in real gilt yields, which reduced the estimate of the Plan's liabilities by more than the fall in asset value. The Plan's liabilities also reduced following the completion of the actuarial valuation during the year, which contributed to the rise in funding level.

As at 31 March 2026 26.3% (2025: 26.7%) of the total investment portfolio was held in the return-seeking portfolio, 55.7% (2025: 56.6%) was invested in the CDI portfolio and 17.1% (2025: 15.4%) was invested in the liability matching portfolio.

Statement of investment principles

In accordance with Section 35 of the Pensions Act 1995 the Trustee has produced a Statement of Investment Principles ('SIP').

The Trustee believes that good investor stewardship and good corporate governance can protect and enhance the value of investments over the long term. The Trustee has delegated day to day stewardship (namely voting and engagement) to its Investment Managers; where investment style and resources permit, it encourages them to adhere to the UK Stewardship Code and to document and disclose their policies on stewardship. The Trustee expects Investment Managers to exercise voting rights where practical and provide reports to the Trustee detailing their voting activity as agreed from time to time. The Trustee will apply this approach to all managers, but appreciates that its application may be limited for certain asset classes. The Trustee is a signatory to the 2020 UK Stewardship Code.

The Trustee's policy is that the extent to which ESG or ethical considerations are taken into account in these decisions is left to the discretion of its Investment Managers. However, the Trustee expects that the extent to which ESG or ethical issues may have a fundamental impact on the portfolio will be taken into account by the Investment Managers in the exercise of their delegated duties. The Trustee monitors the Investment Managers' practices with regards to ESG issues via reporting from the Fiduciary Manager.

A copy of the SIP may be obtained from the contact for enquiries on page 3 or via the website below.

https://members.pensionpal.co.uk/jaguarlandroverpensions

Market overview for the year to 31 March 2026

Despite a softer second half, 2025 proved resilient, amid higher US tariffs and policy uncertainty. AI-related investment, fiscal support and monetary easing reinforce a reasonable global growth backdrop in 2026. However, supply-side risks from the US-Iran conflict add uncertainty.

Investment Report (continued)

Market overview for the year to 31 March 2026 (continued)

US and UK headline inflation peaked in summer 2025. Tariff impacts on US inflation were milder; in the UK, wage and services inflation eased. However, higher energy costs have derailed disinflation progress, with US (3.3%), UK (3.3%) and eurozone (2.6%) inflation up in March. Brent crude oil rose 58.3%, to $118 per barrel, over the period. Oversupply concerns weighed on oil prices in 2025; however, geopolitical tensions and the Strait of Hormuz (a vital route for global energy trade) closure drove oil prices up 63.1% in March and 94.5% in the first quarter (Q1 2026).

After cutting borrowing costs, markets were pricing in UK and US rate reductions in 2026, prior to the conflict. However, energy-driven inflation fears reversed expectations. US rate cuts were erased. In the UK, two rate cuts by end-February became two rate hikes by end-March. Markets priced in a possible rate hike in the eurozone. In Japan, rates rose to 0.75% pa, the highest since 1995.

Sovereign bond yields rose across major advanced markets in Q1. Short-term yields rose the most, as markets priced in rate hikes. US and UK 10-year bond yields increased, to 4.3% pa and 4.9% pa, respectively. Equivalent Japanese and German yields rose, to 2.4%pa and 3.0% pa, respectively, on increased issuance expectations. Concerns over greater bond issuance amid waning institutional demand have pressured long-end yields. Real yields rose on global competition for capital from the AI-investment boom.

Global equities were up 19.8% over the period. Tech led growth (20.8%), outperforming value (17.8%). Developed Asia Pacific ex Japan led, with its semiconductor supply-chain role and increased AI-capex. Strong energy sector performance and positive selection contributed to the UK's outperformance. Robust earnings, advances in Chinese AI and dollar weakness supported emerging markets. US equities lagged, due to weakness in mega-cap tech (primary AI-capex spenders) and lack of market breadth. Europe ex UK underperformed on an unfavourable sector mix and stock selection.

Despite widening in Q1, credit spreads remain tighter over 12 months and near historic lows. The US dollar has outperformed peers since the conflict began. However, it remains 4.4% lower over the period. Yen and sterling measures fell 9.7% and 1.1%, respectively, while the euro rose 3.1%.

The MSCI UK Monthly Property Total Return Index rose 6.5%; income was supplemented by a 0.8% gain in capital values. Industrial (2.3%) and retail (1.3%) annual capital value growth slowed, while offices declined (-2.7%).

Investment risk

The Trustee manages investment risk, including credit risk and market risk, within agreed risk limits, which are set taking into account the Plan's strategic investment objectives. The Trustee's risk management policy is documented in its SIP, referred to above.

These investment objectives and risk limits are implemented through the investment management agreements in place with the Plan's Fiduciary Manager and LDI manager and monitored by the Trustee through regular reviews of the investment portfolios. The Fiduciary Manager invests in underlying investment managers in line with its investment manager agreement with the Trustee.

Credit risk

The Plan is subject to credit risk as the Plan invests in bonds, OTC derivatives, has cash balances, enters into repurchase agreements and undertakes stock lending activities. Fixed interest bonds and equities are both used in stock lending transactions.

Credit risk arising on bonds is mitigated by investing in government bonds where the credit risk is minimal, or corporate bonds which are rated at least investment grade. The Plan has direct exposure to bonds through its LDI and CDI portfolios. Credit risk arising on derivatives depends on whether the derivative is exchange traded or over the counter (OTC). OTC derivative contracts are not guaranteed by any regulated exchange and therefore the Plan is subject to risk of failure of the counterparty. The credit risk for OTC swaps is reduced by collateral arrangements.

Cash is held within financial institutions which are at least investment grade credit rated.

The Trustee manages the credit risk arising from stock lending activities by restricting the amount of overall stock that may be lent, only lending to Northern Trust (custodian) approved borrowers, limiting the amount that can be lent to any one borrower and putting in place collateral arrangements. Credit risk on repurchase agreements is mitigated through collateral arrangements.

Investment Report (continued)

Investment risk (continued)

The Plan is also indirectly exposed to credit risk arising on some of the financial instruments held by the pooled investment vehicles. Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. The Fiduciary Manager carries out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitors any changes to the regulatory and operating environment of the fund manager.

The Plan is also indirectly exposed to credit risk on bonds, cash, OTC derivatives, infrastructure and loans held by the pooled investment vehicles. The pooled investment arrangements used by the Plan comprise a wide range of legal structures, which are detailed on page 31.

Currency risk

Some of the Plan's investments are held in overseas markets and the Plan invests in pooled funds which are denominated in currencies other than Sterling. The Plan manages currency risk by the implementation of a currency hedging programme through:

- Currency hedging carried out by some of the Plan's investment managers; and
- A separate currency hedging overlay

Collectively, these reduce the impact of exchange rate movements on the Plan's asset value.

The Trustee acknowledges that there is a cost to currency hedging. This cost varies depending on the currency being hedged. Exposure to overseas currencies is delegated to the Fiduciary Manager, and the Plan updated the hedging policy to now hedge overseas exposure in the return seeking portfolio using hedged share classes where available with the remaining currency remaining unhedged. This was done to provide additional collateral headroom and resulted in higher USD exposure as noted below. Any overseas currency exposure obtained through the CDI portfolio is expected to be hedged back to Sterling, except for where the cost of doing so is prohibitive. As at 31 March 2026, the Plan's exposure to currencies other than Sterling within the CDI portfolio was 0% (2025: 0%). The liability matching portfolio invests solely in Sterling denominated assets. As at 31 March 2026, the Plan's exposure to currencies other than Sterling within the return seeking portfolio was 20% (2025: 57%).

Interest rate risk

Some of the Plan's investments are held in bonds, bond funds, cash and other pooled funds, and derivative instruments, including repurchase agreements, whose value is linked to interest rates. The majority of the Plan's exposure to interest rate risk arises from the CDI and in liability matching portfolios. The value of interest-rate-sensitive assets changes in response to changes in interest rates as follows:

If interest rates fall, these assets will rise (all else being equal). This increase in value will help to match or offset some of the increase in the value of the Plan's liabilities arising from a fall in the discount rate (which is linked to interest rates).

If interest rates rise, these assets will fall (all else being equal). This decrease in value will be offset by a decrease in the value of the Plan's liabilities arising from an increase in the discount rate (which is linked to interest rates).

The Plan is also exposed to interest rate risk through some of its return-seeking investments - indirect exposure through investment in credit and cash pooled investment vehicles. The Plan's investments in secure income alternatives may also be exposed to interest rate risk depending upon their composition at the time. The managers will consider the risk and expected reward when determining which investments to invest in.

Other price risk

The Plan holds a range of pooled investment vehicles within its return-seeking portfolio. These are subject to price risk, as are the exchange-traded forward foreign currency contracts held. The Plan manages its exposure to overall price movements by constructing a diverse portfolio of investments across various markets. For pooled funds, the fund strategy determines the investments held. Careful selection of the funds, and diversification across a number of funds, mitigates price risk in the context of expected returns. The Trustee receives regular reports from its Fiduciary Manager to help manage this risk.

Investment Report (continued)

Return on investments

The Plan's asset value fell over the year. Cashflows out of the Plan to meet benefit payments contributed to the fall with overall asset performance positive. The fall in asset value was larger than the increase in liability value over the period, and the Plan's funding level decreased as a result.

Investment performance over the year was driven by positive performance in equity markets and further tightening of credit spreads benefiting the Plan's return seeking and CDI portfolios. This was somewhat offset by falls in the liability matching portfolio as gilt yields rose over the period.

Investment arrangements

During the year ended 31 March 2026, the Plan implemented changes at the discretion of the Fiduciary Manager. The Plan appointed two new managers:

Managers	**Value ***
Return Seeking	
SSgA Global Equity Diversified Index Fund	**£19.6m**
Cashflow Driven Investment	
Leadenhall UCITS Insurance Linked Securities Fund	**£27.2m**

*The amounts shown are for the initial commitment made to these managers
Assets used to fund this came from available cash of full or partial disinvestments from other investment managers.

Investment Report (continued)

The table below details the Plan's investment arrangements: value, weight, and performance over 1 and 3 years as at 31 March 2026. The return seeking and CDI portfolios are managed by Willis Towers Watson on a delegated basis. The liability matching portfolio is managed by Legal & General Investment Management.

			Fund performance		Benchmark performance	
	Valued (£m)	Weight (%)	1 year (%)	3 year (% p.a)	1 year (%)	3 year (% p.a)
Active Equity	104.5	4.5	9.7	-	19.3	-
Passive Equity	18.3	0.8	-	-	-	-
Real Assets	62.3	2.7	0.2	(3.1)	5.8	4.7
Alternative Credit	55.7	2.4	7.0	7.1	5.3	4.7
Diversifying Strategies	20.9	0.9	17.5	-	6.2	-
Downside Risk Hedge	29.8	1.3	(1.2)	(7.7)	(1.2)	(7.7)
Opportunistic Private Markets	230.1	10.0	(5.0)	(3.5)	5.1	5.6
Investment Grade Credit	37.1	1.6	4.5	-	4.5	-
Cash	45.4	2.1	4.3	4.9	4.3	4.9
Total Return-Seeking[1]	**604.1**	**26.3**	**0.2**	**1.3**	**8.9**	**10.2**
Secure Income Alternatives	507.5	22.1	(1.8)	(4.2)	6.1	(1.1)
Investment Grade Credit	429.3	18.7	4.0	2.3	4.0	2.3
Real Assets	11.1	0.5	13.8	16.2	8.1	7.9
Alternative Credit	147.5	6.4	7.2	8.4	6.2	5.9
Liquid Diversifiers	27.9	1.2	-	-	-	-
CDI Overlay	132.6	5.8	6.9	(4.5)	6.9	(4.5)
Cash	22.3	1.0	2.3	3.9	2.3	3.9
Total Cashflow Driven Investment	**1,278.2**	**55.7**	**2.4**	**(0.1)**	**5.5**	**0.9**
Total Liability Matching[2]	**392.7**	**17.1**	**(1.3)**	**(12.0)**	**(1.3)**	**(12.0)**
Total Plan[3,4]	**2,301.1**	**100.0**	**1.1**	**(1.9)**	**5.0**	**0.2**

Source: Northern Trust. Dashes are shown where performance is not available. Table is subject to rounding.

1. Includes a small allocation to Global Sovereign Credit
2. Includes a small allocation to legacy matching assets
3. Total performance includes residual assets invested in legacy allocations
4. Total value includes £26.1m held in the Investment administration cash - account; and excludes AVC investments

Performance is shown net of fees where this information is available.

The Plan’s absolute performance for the year ended 31 March 2026 was 1.1% versus a benchmark performance of 5.0%.

The Trustee reviews performance versus the journey plan on a quarterly basis, making changes as necessary following advice from its investment consultant.

The Trustee has considered the nature, disposition, marketability, security and valuation of the Plan’s investments, and consider them to be appropriate relative to the reasons for holding each class of Investment.

Further details about investments are given in the notes to the financial statements.

Implementation statement

The Trustee has prepared its annual Implementation Statement which describes how the Trustee has complied with the Plan's Stewardship policy over the past year to 31 March 2026 and is included in full on pages 46 to 51 and forms part of this Report.

Transaction costs

Transaction costs are included in the cost of purchases and deducted from sales proceeds. Direct transaction costs include fees, commissions and stamp duty. Fees in relation to pooled investment vehicles are included in the unit price.

Custodial arrangements

The Trustee has appointed Northern Trust as custodian of the Plan's assets. The performance of Northern Trust as custodian is periodically reviewed.

Custody services in accordance with FCA regulations are provided by the Northern Trust Company for the Plan's segregated investments. The pooled funds in which the Plan invests have their own custodial arrangements. The records and procedures of the Custodian are routinely subjected to scrutiny by its external auditors and the regulatory authorities. The Custodian accepts responsibility for financial losses as a result of negligence or fraud. There is no involvement by the Trustee or Principal Employer in custody procedures.

Bases of investment manager's fees

Willis Towers Watson (WTW) have discretion to negotiate fee agreements with underlying managers on behalf of the Trustee in their role as the Fiduciary Manager. There is also a fiduciary fee based on the asset value of the return seeking and CDI portfolios. The LDI manager charges the Plan directly by raising quarterly invoices.

Taskforce on Climate–related Financial Disclosures (TCFD) Report

The Trustee has prepared its TCFD report. A copy of the report is available at:

https://members.pensionpal.co.uk/jaguarlandroverpensions

Employer related investments

As at 31 March 2026, there were 0% (2025: 0%) of assets invested in employer-related investments.

The Pensions Regulator

The statutory body that regulates occupational pension schemes is the Pensions Regulator and it can be contacted at:

The Pensions Regulator
Telecom House
125 - 135 Preston Road
Brighton
BN1 6AF
Telephone: 0345 600 0707
Email: customersupport@tpr.gov.uk
Website: www.thepensionsregulator.gov.uk

Pensions tracing

A pension tracing service is carried out by the Department for Work and Pensions. This service can be contacted as follows:

The Pension Service
Post Handling Site A
Wolverhampton
WV98 1AF
Telephone: 0800 731 0175
Website: www.gov.uk/find-pension-contact-details

The Money & Pension Service (MaPS)

Any concerns connected with the Plan should be referred to Administrator, Aptia UK Limited, who will try to resolve the problem as quickly as possible. Members and beneficiaries of pension schemes who have problems concerning their scheme and are not satisfied by the information or explanation given by the administrators or the trustees can consult with The Pensions Advisory Service. A local adviser can usually be contacted through a Citizens Advice Bureau. Alternatively the Service can be contacted at:

Money and Pensions Service (MaPS)
Borough Hall
Cauldwell Street
Bedford
MK42 9AB
Telephone: 01159 659570
Email: contact@maps.org.uk
Website: www.maps.org.uk

Pensions Ombudsman

Any concerns connected with the Plan should be referred to Administrator, Aptia UK Limited, who will try to resolve the problem as quickly as possible. Members and beneficiaries of pension schemes who have problems concerning their scheme which are not satisfied by the information or explanation given by the administrators or the Trustee can consult with the Pensions Ombudsman for them to investigate and determine any complaint or dispute of fact or law involving occupational pension schemes. The address is:

The Office of the Pensions Ombudsman
10 South Colonnade
Canary Wharf
London
E14 4PU
Telephone: 0800 917 4487
Email: enquiries@pensions-ombudsman.org.uk
Website: www.pensions-ombudsman.org.uk

The Pension Protection Fund

The Pension Protection Fund (PPF) was established to pay compensation to members of eligible defined benefit pension schemes, when there is a qualifying insolvency event in relation to the employer and where there are insufficient assets in the pension scheme to cover PPF levels of compensation. The pension protection levy is one of the ways that the PPF funds the compensation payable to members of schemes that transfer to the PPF.

Approval

The Trustee's Report on pages 4 to 17 was approved by the Trustee (Jaguar Land Rover Pension Trustees Limited) and signed on its behalf by:

..... Trustee Director

Date: .....

Statement of Trustee's Responsibilities

The Trustee's responsibilities in respect of the financial statements

The financial statements, which are prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), are the responsibility of the trustee. Pension scheme regulations require, and the trustee is responsible for ensuring, that those financial statements:

- show a true and fair view of the financial transactions of the Plan during the Plan year and of the amount and disposition at the end of the Plan year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Plan year; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including making a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to occupational pension schemes.

In discharging these responsibilities, the trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for ensuring that the financial statements are prepared on a going concern basis unless it is inappropriate to presume that the plan will continue as a going concern.

The trustee is also responsible for making available certain other information about the plan in the form of an annual report.

The trustee has a general responsibility for ensuring that accounting records are kept and for taking such steps as are reasonably open to it to safeguard the assets of the plan and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

The trustee is also responsible for the maintenance and integrity of the plan's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustee's responsibilities in respect of contributions

The trustee is responsible under pensions legislation for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions showing the rates of contributions payable to the plan by or on behalf of employers and the active members of the plan and the dates on or before which such contributions are to be paid.

The trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the plan and for adopting risk-based processes to monitor whether contributions that fall due to be paid are paid into the plan in accordance with the schedule of contributions.

Where breaches of the schedule occur, the trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to the Pensions Regulator and to members.

Contact for Further Information

Request for additional information about the Plan generally, or queries relating to members' own benefits, should be made to the contact listed on page 1.

Independent auditors' report to the trustee of Jaguar Pension Plan

Report on the audit of the financial statements

Opinion

In our opinion, Jaguar Pension Plan's financial statements:

- show a true and fair view of the financial transactions of the plan during the year ended 31 March 2026, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Statement of Net Assets available for benefits as at 31 March 2026;
- the Fund Account for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the plan in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to other entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided to, or in respect of, the plan.

We have provided no non-audit services to the plan in the period under audit.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the plan's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the plan's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements, our auditors' report thereon and our auditors' statement about contributions. The trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the trustee for the financial statements

As explained more fully in the statement of trustee's responsibilities, the trustee is responsible for ensuring that the financial statements are prepared in accordance with the applicable framework and for being satisfied that they show a true and fair view. The trustee is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, the trustee is responsible for assessing the plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to wind up the plan, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the plan and its environment, we identified that the principal risks of non-compliance with laws and regulations related to the administration of the plan in accordance with the Pensions Acts 1995 and 2004 and regulations made under them, and codes of practice issued by the Pensions Regulator; and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered the direct impact of these laws and regulations on the financial statements. We evaluated incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, by the trustee and those responsible for, or involved in, the preparation of the underlying accounting records and financial statements, and determined that the principal risks were related to posting inappropriate journals to conceal misappropriation of assets. Audit procedures performed by the engagement team included:

- Testing journal entries where we identified particular fraud risk criteria.
- Obtaining independent confirmations of material investment valuations and cash balances at the year end.
- Reviewing meeting minutes, any correspondence with the Pensions Regulator, and significant contracts and agreements.
- Holding discussions with the trustee to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with applicable laws and regulations.
- Assessing financial statement disclosures, and agreeing these to supporting evidence, for compliance with the Pensions Acts 1995 and 2004 and regulations made under them.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for and only for the trustee as a body in accordance with section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
Date:

Fund Account
For the year ended 31 March 2026

	Note	2026 Total £000	2025 Total £000
Employer contributions		**27,507**	30,500
Employee contributions		**609**	647
Total contributions	4	**28,116**	31,147
Other income	5	**23**	20
		28,139	31,167
Benefits paid or payable	6	**(125,265)**	(117,921)
Payments to and on account of leavers	7	**(1,853)**	(3,286)
Administrative expenses	8	**(1,555)**	(3,908)
		(128,673)	(125,115)
Net withdrawals from dealings with members		**(100,534)**	(93,948)
Returns on investments			
Investment income	9	**43,119**	45,033
Change in market value of investments	10	**(14,166)**	(132,100)
Investment management expenses	11	**(4,381)**	(3,734)
Net returns on investments		**24,572**	(90,801)
Net decrease in the fund during the year		**(75,962)**	(184,749)
Net assets at 1 April		**2,409,850**	2,594,599
Net assets at 31 March		**2,333,888**	2,409,850

The notes on pages 24 to 42 form part of these financial statements.

Statement of Net Assets available for benefits
As at 31 March 2026

	Note	2026 Total £000	2025 Total £000
Investment assets			
Equities		**6**	4
Bonds		**1,495,854**	1,410,760
Pooled investment vehicles	13	**1,374,359**	1,390,232
Derivatives	14	**226,520**	212,389
Amounts receivable under reverse repurchase agreements	15	**64,443**	66,415
AVC investments	16	**9,450**	9,433
Cash	17	**52,034**	45,150
Other investment balances	18	**16,888**	20,573
		3,239,554	3,154,956
Investment liabilities			
Derivatives	14	**(227,662)**	(211,675)
Amounts due under repurchase agreements		**(595,900)**	(466,256)
Short sold bonds		**(61,092)**	(68,195)
Other investment balances	18	**(44,398)**	(14,007)
		(929,052)	(760,133)
Total net investments	10	**2,310,502**	2,394,823
Current assets	23	**25,993**	17,579
Current liabilities	24	**(2,607)**	(2,552)
Net assets at 31 March		**2,333,888**	2,409,850

The financial statements summarise the transactions of the Plan and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Plan year. The actuarial position of the Plan, which takes into account such obligations, is dealt with in the actuarial review and report on actuarial liabilities on pages 6 to 7 of the annual report and these financial statements should be read in conjunction with this report.

The notes on pages 24 to 42 form part of these financial statements.

The financial statements on pages 22 to 42 were approved by the Trustee (Jaguar Land Rover Pension Trustees Limited) and signed on its behalf by:

..... Trustee Director

Date: .....

1. Identification of the financial statements

The Plan is established as a trust under English law.

The Plan was established to provide retirement benefits to certain groups of employees of Jaguar Land Rover Limited. The address of the Plan's office is Abbey Road, Whitley, Coventry, Warwickshire, CV3 4LF.

The Plan is a defined benefit occupational pension scheme, albeit with some defined contribution benefits derived from additional voluntary contributions paid by members.

2. Basis of preparation

The individual financial statements of Jaguar Pension Plan (the "Plan") have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard (FRS) 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council (“FRS 102”) and the guidance set out in the Statement of Recommended Practice “Financial Reports of Pension Schemes” (revised June 2018) (“the SORP”). In February 2026, a revised SORP was issued which is applicable to accounting periods commencing on or after 1 January 2026, and so will be adopted by the Plan for the year ending 31 March 2027.

3. Accounting policies

The Plan’s functional currency and presentational currency is pounds sterling (GBP). The following accounting policies have been consistently applied:

3.1 Contributions

Employee and Employer normal contributions and additional voluntary contributions (AVCs) are accounted for as and when they are deducted from the related salary.

Contributions in respect of administrative expenses and PPF levies are accounted for as and when they are due from the Principal Employer under the Schedule of Contributions.

3.2 Transfers

Individual transfers out are accounted for when the member liability is discharged which is normally when the transfer amount is paid.

3.3 Payments to members

Pensions in payment are accounted for in the period to which they relate.

Benefits are accounted for in the period in which the member notifies the Trustee of their decision on the type or amount of benefit to be taken, or if there is no member choice, on the date of retirement or leaving.

Claims on term insurance policies are accounted for in the period to which they relate.

3.4 Administrative and other expenses

Administrative expenses are accounted for on an accruals basis, gross of irrecoverable value added tax.

The Plan bears all the costs of administration.

Investment management fees and rebates are accounted for on an accruals basis, gross of irrecoverable value added tax.

Transaction costs are included in the cost of purchases and deducted from sales proceeds. Direct transaction costs include fees and commissions, and are analysed by main asset class and type of cost.

3.5 Investment income

Income from equities and any pooled investment vehicles which distribute income, is accounted for on the date stocks are quoted ex-dividend/interest.

Income arising from the underlying investments of the pooled investment vehicles that is reinvested within the pooled investment vehicles is reflected in the unit price and is included within change in market value of investments.

Income from bonds is accounted for on an accruals basis and includes income bought and sold in purchases and sales of securities.

Income from reverse repurchase agreements, and interest paid on repurchase agreements, is accounted for on an accruals basis.

Income from cash and short term deposits is accounted for on an accruals basis.

Income from investments is recorded net of any withholding tax where this cannot be recovered. Where withholding taxes are not recoverable these have been shown as a separate expense within investment returns.

Income from stock lending is accrued in accordance with the terms of the agreement.

Net receipts or payments on swap contracts are reported within the change in market value of investments, other than for interest rate swap contracts where the net receipts or payments are reported within investment income as incurred.

Change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on the sales of investments during the year.

3.6 Valuation of investments

(excluding derivatives)

Investments are recorded at fair value as described below:

Equities, traded through a Stock Exchange Electronic Trading Service (“SETS”), are valued at the current bid price at the reporting date.

Bond investments, including short sold bonds, are valued on the basis of the bid price (or, if unavailable, most recent transaction) quoted on the relevant stock market. Accrued interest is excluded from the market value of fixed interest and index linked securities and is included in investment income receivable.

The market value of unquoted securities is based on the valuation as advised by the fund managers.

Pooled investment vehicles are valued at the latest available bid price or single price provided by the fund manager. Shares in other pooled arrangements have been valued at the latest available net asset value (NAV) determined in accordance with fair value principles, provided by the fund manager.

Interests in venture capital and private equity funds are included at estimated market value as provided by the fund managers. The market value is based on the current fair value adjusted for any drawdowns, refunds or capital distributions since the valuation date and is in accordance with the valuation guidelines of the British Venture Capital Association.

Investments lent under stock lending arrangements are recognised as assets of the Plan. Collateral received in respect of stock lending arrangements is disclosed but not recognised as a Plan asset.

The market value of the AVC policies has been taken at the closing single price at the year-end for Aegon Investment Solutions Limited, Legal & General Assurance (Pensions Management) Limited and Prudential Assurance Company Limited. With profit insurance policies are reported at the policy value provided by the insurance company based on the cumulative reversionary bonuses declared and the current terminal bonus.

3.6 Valuation of investments (continued)

Derivatives

Swaps

Swaps are over the counter (OTC) derivatives and are included in the statement of net assets at market value using pricing models and relevant market data at the year-end date. Interest is accrued on those contracts where interest is receivable on a basis consistent with the terms of each contract.

The amounts included in change in market value of investments are the realised gains or losses on closed contracts and the unrealised gains or losses on open contracts.

Forward foreign exchange

Over the counter forward foreign exchange contracts outstanding at the year-end are stated at fair value which is determined as the gain or loss that would arise if the outstanding contract was matched at the year-end with an equal and opposite contract. All gains and losses on these contracts are included within change in market value of investments.

Futures

Exchange traded futures are valued as the sum of the daily mark to market, which is a calculated difference between the settlement prices at the reporting date and the inception date.

Repurchase agreements

Under repurchase agreements, the Plan continues to recognise and value the securities that are delivered out as collateral, and includes them in the financial statements. The cash received as invested is recognised as an asset and the obligation to pay it back is recognised as a payable amount. Interest payable on the obligation is accounted for on an accruals basis.

Reverse repurchase agreements

Under reverse repurchase agreements, the Plan does not recognise the securities received as collateral in the financial statements. The Plan does recognise the cash delivered to the counterparty as a receivable in the financial statements. Interest receivable on the agreements is accounted for on an accruals basis.

Foreign currencies

Assets which are held in foreign currencies are translated into sterling at rates of exchange ruling at the year-end. Gains and losses arising on conversion or translation are dealt with as part of the change in market value of investments.

3.7 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Trustee makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

For the Plan, the Trustee believes the only estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are related to the valuation of the Plan investments and, in particular, those classified in Level 3 of the fair-value hierarchy. Explanation of the key assumptions underpinning the valuation of investments are included within 3.6 above and within note 19.

4. Contributions

	2026 Total £000	2025 Total £000
Employer contributions:		
Normal	**25,584**	26,756
Administrative expenses	**1,923**	1,920
PPF levies	**-**	1,824
	27,507	30,500
Employee contributions:		
Normal	**161**	190
Additional voluntary contributions	**448**	457
	609	647
	28,116	31,147

Within Employer normal contributions are Employee salary sacrifice contributions of £13.180m (2025: £13.806m).

In the previous year, the contributions made by the employer for the Pension Protection Fund (PPF) totalled £1.824m. This amount included £1.775m allocated for the PPF levy and £0.049m designated for the Pension Regulator Levy.

The Schedule of Contributions for the year was certified by the Plan actuary on 10 January 2025. Under the Schedule, the Trustee and the Principal Employer agreed a mechanism under which employer normal contributions for active members are to be assessed and updated on a quarterly basis, subject to Principal Employer contributions being no less than 10% and no higher than 25% of Pensionable Earnings. Under the Schedule, employer normal contributions for active members over the year were 10% of Pensionable Earnings.

5. Other income

	2026 Total £000	2025 Total £000
Miscellaneous income	**23**	20

6. Benefits paid or payable

	2026 Total £000	2025 Total £000
Pensions	**106,672**	102,296
Commutation of pensions and lump sum retirement benefits	**18,172**	15,331
Lump sum death benefits	**421**	294
	125,265	117,921

7. Payments to and on account of leavers

	2026 Total £000	2025 Total £000
Individual transfers out to other schemes	**1,853**	3,286

8. Administrative expenses

	2026 Total £000	2025 Total £000
Actuarial fees	**252**	452
Administration fees	**790**	806
Audit fees	**47**	71
Legal fees	**234**	278
Miscellaneous expenses	**5**	5
Plan levies	**72**	1,824
Other adviser fees	**84**	403
Covenant adviser fees	**71**	69
	1,555	3,908

9. Investment income

	2026 Total £000	2025 Total £000
Income from bonds	**43,822**	40,046
Income from pooled investment vehicles	**40,275**	42,240
Net interest on swaps	**(23,063)**	(21,534)
Income from stock lending	**3**	9
Interest from cash and cash equivalents	**1,269**	4,138
Interest expense on repurchase agreements	**(22,159)**	(23,177)
Interest income on reverse repurchase agreements	**2,972**	3,311
	43,119	45,033

10. Reconciliation of investments

	Market value at 1 April 2025 £000	Cost of investments purchased and derivative payments £000	Proceeds of sales of investments and derivative receipts £000	Change in market value £000	**Market value at 31 March 2026 £000**
Return-seeking:					
Equities	4	-	-	2	**6**
Pooled investment vehicles	633,548	80,512	(104,071)	(2,301)	**607,688**
Derivatives – net	-	6,215	(6,018)	(4,325)	**(4,128)**
Total Return-seeking:	633,552	86,727	(110,089)	(6,624)	**603,566**
Cashflow driven:					
Bonds - net	739,894	271,413	(256,789)	(259)	**754,259**
Pooled investment vehicles	752,738	320,719	(287,941)	(24,911)	**760,605**
Derivatives – net	7,379	4,765	(26,647)	28,960	**14,457**
Total Cashflow driven:	1,500,011	596,897	(571,377)	3,790	**1,529,321**
Liability matching:					
Bonds - net	602,671	187,983	(101,618)	(8,533)	**680,503**
Pooled investment vehicles	3,946	123,444	(121,324)	-	**6,066**
Derivatives – net	(6,665)	1,215	(2,188)	(3,833)	**(11,471)**
Total Liability matching:	599,952	312,642	(225,130)	(12,366)	**675,098**
Repurchase agreements	(399,841)				**(531,457)**
Total Liability matching:	200,111				**143,641**
Cash	45,150			(224)	**52,034**
Other investments – net	6,566			148	**(27,510)**
AVC investments	9,433			1,110	**9,450**
	2,394,823			(14,166)	**2,310,502**

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year. The purchases/payments and sales/receipts of investments during the year are aligned to the Plan's investment strategy. The liability matching pooled investment vehicle is a sterling liquidity fund, in which cash flows have been presented on a gross basis.

AVC investments include purchases of £448k and sales of £1,541k.

10.1 Transaction costs

Transaction costs are included in the cost of purchases and deducted from sales proceeds. Direct transaction costs include fees, commissions, and stamp duty, and are analysed by main asset class and type of cost as outlined in the table below:

	Fees £000	**Commissions £000**	**Taxes £000**	**2026 £000**	2025 £000
Cashflow Driven Investment	**-**	**2**	**-**	**2**	5
Liability matching	**217**	**21**	**-**	**238**	345
Total 2026	**217**	**23**	**-**	**240**	
Total 2025	323	27	-		350

The Plan also bears transaction costs in relation to transactions within the pooled funds that it is invested, although it is difficult to quantify these.

11. Investment management expenses

	2026 Total £000	2025 Total £000
Investment consultancy and fiduciary management fees	**2,497**	1,791
Investment management and custodian fees	**1,884**	1,943
	4,381	3,734

12. Taxation

In accordance with the provision of Schedule 36 of the Finance Act 2004, the Plan is a registered pension scheme under Chapter 2 of part 4 of the Finance Act 2004.

13. Pooled investment vehicles

Return-seeking	2026 Total £000	2025 Total £000
Global Equities	**122,748**	88,251
Alternative Credit	**55,723**	57,616
Real Assets	**62,055**	65,099
Diversifying Strategies	**20,891**	17,778
Investment Grade Credit	**37,096**	35,570
Downside Risk Hedge	**29,772**	30,117
Private Markets	**230,128**	254,963
Liquidity Fund	**49,275**	84,154
	607,688	633,548

Cashflow driven investments	2026 Total £000	2025 Total £000
Secure Income Alternatives	**507,496**	543,716
Real Assets	**10,931**	11,002
Alternative Credit	**175,414**	153,386
Liquidity Fund	**66,764**	44,634
	760,605	752,738

Liability Matching	2026 Total £000	2025 Total £000
Liquidity Fund	**6,066**	3,946

14. Derivatives

Objectives and policies

The Trustee has authorised the use of derivatives for a number of its investment managers:

- Liability hedging (the 'matching' portfolio) – the purpose of this portfolio is to match the interest rate and inflation sensitivity of the Plan's long-term liabilities. The investment manager uses a number of different derivative instruments to implement this including interest rate and inflation swaps and gilt repurchase agreements.

- Segregated bond managers – in some cases, the Trustee has allowed the managers to use derivatives for the purpose of efficient portfolio management and for risk management purposes. In addition, the bond managers are permitted to use derivatives to hedge foreign currency exposure using forward foreign exchange transactions.

- Forward foreign exchange – a proportion of the underlying investment portfolio is invested in overseas assets. In order to mitigate some of this risk, the Plan has employed a specialist manager to hedge a proportion of the Plan's exposures using currency forward contracts.

The market value of derivative contracts is analysed by type in the notes below.

	Assets £000	**Liabilities £000**	**2026 £000**	Assets £000	Liabilities £000	2025 £000
Futures	**39**	**-**	**39**	202	(594)	(392)
OTC Swaps	**226,432**	**(223,168)**	**3,264**	211,828	(211,013)	815
Forward foreign exchange	**49**	**(4,494)**	**(4,445)**	359	(68)	291
	226,520	**(227,662)**	**(1,142)**	212,389	(211,675)	714

14.1 Futures

Nature	**Economic exposure £000**	**Expiration**	**Aggregate asset value £000**	**Aggregate liability value £000**	**Aggregate net value £000**
Overseas Fixed Income	(1,237)	3 Months	39	-	39
Total 2026	**(1,237)**		**39**	**-**	**39**
Total 2025	69,507		202	(594)	(392)

14.2 OTC Swaps

Nature	**Notional amounts £000**	**Expiration**	**Aggregate asset value £000**	**Aggregate liability value £000**	**Aggregate net value £000**
Interest Rate Swap	321,409	Under 1 year	5,297	(5,411)	(114)
Interest Rate Swap	333,902	1 to 10 years	29,792	(35,385)	(5,593)
Interest Rate Swap	694,963	Over 10 years	174,802	(181,592)	(6,790)
Inflation Swaps	73,555	1 to 10 years	12,999	-	12,999
Inflation Swaps	168,051	Over 10 years	3,353	(218)	3,135
Currency Swaps	8,320	1 to 10 years	164	(155)	9
Currency Swaps	19,433	Over 10 years	25	(407)	(382)
Total 2026	**1,619,633**		**226,432**	**(223,168)**	**3,264**
Total 2025	1,567,270		211,828	(211,013)	815

14.3 Forward foreign exchange

Contract	Settlement date	Currency bought	Currency sold	Aggregate asset value £000	Aggregate liability value £000	Aggregate net value £000
24	within 1 year	GBP - 58,064	EUR - (66,574)	3	(274)	(271)
13	within 1 year	GBP - 189,874	USD - (255,909)	-	(4,220)	(4,220)
1	within 1 year	EUR - 97	GBP - (85)	-	-	-
4	within 1 year	USD - 2520	GBP - (1,865)	46	-	46
Total 2026				**49**	**(4,494)**	**(4,445)**
Total 2025				359	(68)	291

All the forward foreign currency contracts noted above are due to settle within the year.

14.4 Collateral

As at 31 March 2026, the collateral received/pledged in respect of OTC swap contracts was as follows:

	2026 Total £000	2025 Total £000
Collateral received		
Bonds	**3,326**	3,043
Cash equivalents	**3,502**	3,112
	6,828	6,155
Collateral pledged		
Bonds	**(22,375)**	(13,504)

15. Repurchase and reverse repurchase agreements

	2026 £'000	2025 £'000
Amounts payable under repurchase agreements	(595,900)	(466,256)
Amounts due under reverse repurchase agreements	64,443	66,415
	(531,457)	**(399,841)**

The Plan has entered into repurchase agreements using its UK government nominal and index linked bonds as the underlying security. The Plan retains the entitlement to receive income accruing on these securities and has a contractual agreement to repurchase the securities at a specified future date – all less than two years in duration.

Amounts payable to counterparties under repurchase agreements are disclosed as liabilities in the Plan's financial statements under investment liabilities. At 31 March 2026, this amounted to £595.9m (2025: £466.3m) excluding accrued interest payable of £8.7m (2025: £10.5m).

Amounts due from counterparties under reverse repurchase agreements are disclosed as assets in the Plan's financial statements under investment assets. At 31 March 2026, this amounted to £64.4m (2025: £66.4m). At 31 March 2026, accrued interest on reverse repurchase agreements was £2.0m (2025: £2.4m).

The value of the underlying bonds subject to those repurchase agreements are £591.4m (2025: £444.0m) and the value of the underlying bonds subject to the reverse repurchase agreements are £65.6m (2025: £68.2m). In addition to the underlying bonds, the Plan has pledged collateral in the form of UK Government bonds in relation to these repurchase agreements to the value of £14.5m (2025: £33.4m) and received collateral of £0.0m in the form of UK Government bonds (2025: £0.0m).

16. AVC investments

The Trustee holds assets which are separately invested from the main fund, in the form of individual insurance policies. These secure additional benefits, on a money purchase basis, for those members who have elected to pay additional voluntary contributions. Members participating in this arrangement receive an annual statement confirming the amounts held to their account and the movements during the year. The total amount of AVC investments at the year-end is shown below:

The total amount of AVC investments at the year end is shown below:

	2026 Total £000	2025 Total £000
Legal & General Assurance (Pensions Management) Limited	**6,478**	6,300
Prudential Assurance Company Limited	**2,959**	3,120
Aegon Investment Solutions Limited	**13**	13
	9,450	9,433

At 31 March 2026, unit linked polices amounted to £8,337k (2025: £8,097k) and with profits polices amounted to £1,113k (2025: £1,336k).

17. Cash

	Assets £000	**Liabilities £000**	**2026 £000**	Assets £000	Liabilities £000	2025 £000
Sterling	**50,934**	**-**	**50,934**	41,793	-	41,793
Foreign currency	**1,100**	**-**	**1,100**	3,357	-	3,357
	52,034	**-**	**52,034**	45,150	-	45,150

18. Other investment balances

	Assets £000	**Liabilities £000**	**2026 £000**	Assets £000	Liabilities £000	2025 £000
Other investments	**16,888**	**(44,398)**	**(27,510)**	20,573	(14,007)	6,566

The details regarding the bifurcation of Other Investment balances at 31 March 2026 and 2025 are as follows:

	2026 £000	**2025 £000**
Other investment assets		
Dividends, accrued interest and tax receivable	14,601	15,139
Interest receivable on reverse repurchase agreements	2,008	2,363
Pending trades	79	77
Variation margin account	140	2,933
Initial margin account	60	61
	16,888	**20,573**
Other investment liabilities		
Amounts due to brokers	(2,388)	(3,270)
Interest payable on repurchase agreements	(8,703)	(10,456)
Variation margin account	(41)	(150)
Other liabilities	(8)	(131)
Pending trades	(33,258)	-
	(44,398)	**(14,007)**

19. Fair value hierarchy

The fair value of financial instruments has been disclosed using the following fair value hierarchy:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities which the reporting entity can access at the assessment dates.
Level 2	Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly or indirectly. Observable inputs are inputs which reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity.
Level 3	Unobservable inputs for the asset or liability. Unobservable inputs are inputs which reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

A fair value measurement is categorised in its entirety on the basis of the lowest level input which is significant to the fair value measurement in its entirety.

The Plan's investment assets and liabilities fall within the above hierarchy as follows:

	2026 Level 1 £000	2026 Level 2 £000	2026 Level 3 £000	2026 Total £000
Return-seeking:				
Equities	6	-	-	**6**
Pooled investment vehicles	-	297,547	310,141	**607,688**
Derivatives – net	-	(4,128)	-	**(4,128)**
Total Return-seeking:	6	293,419	310,141	**603,566**
Cashflow driven:				
Bonds - net	-	754,259	-	**754,259**
Pooled investment vehicles	-	162,922	597,683	**760,605**
Derivatives – net	39	14,418	-	**14,457**
Total Cashflow driven:	39	931,599	597,683	**1,529,321**
Liability matching:				
Bonds - net	-	680,503	-	**680,503**
Pooled investment vehicles	-	6,066	-	**6,066**
Derivatives - net	-	(11,471)	-	**(11,471)**
Repurchase agreements	-	(531,457)	-	**(531,457)**
Total Liability matching:	-	143,641	-	**143,641**
Cash deposits	52,034	-	-	**52,034**
Other investments - net	(27,510)	-	-	**(27,510)**
AVCs	-	8,337	1,113	**9,450**
Total Scheme	**24,569**	**1,376,996**	**908,937**	**2,310,502**

19. Fair value hierarchy - continued

Analysis for the prior year end is as follows:

	2025 Level 1 £000	2025 Level 2 £000	2025 Level 3 £000	2025 Total £000
Return-seeking:				
Equities	4	-	-	**4**
Pooled investment vehicles	-	293,076	340,472	**633,548**
Total Return-seeking:	4	293,076	340,472	**633,552**
Cashflow driven:				
Bonds - net	-	739,894	-	**739,894**
Pooled investment vehicles	-	152,258	600,480	**752,738**
Derivatives – net	(392)	7,771	-	**7,379**
Total Cashflow driven:	(392)	899,923	600,480	**1,500,011**
Liability matching:				
Bonds - net	-	602,671	-	**602,671**
Pooled investment vehicles	-	3,946	-	**3,946**
Derivatives - net	-	(6,665)	-	**(6,665)**
Repurchase agreements	-	(399,841)	-	**(399,841)**
Total Liability matching:	-	200,111	-	**200,111**
Cash	45,150	-	-	**45,150**
Other investments - net	6,566	-	-	**6,566**
AVC	-	8,097	1,336	**9,433**
Total Scheme	**51,328**	**1,401,207**	**942,288**	**2,394,823**

20. Investment risks

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk: this comprises currency risk, interest rate risk and other price risk.

- Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Plan has exposure to these risks because of the investments it makes to implement its investment strategy. The Trustee's primary investment objective is to secure and maintain sufficient assets to meet the Plan's defined benefit liabilities, as they fall due.

The Trustee manages investment risk, including credit risk and market risk, within agreed risk limits which are set taking into account the Plan's strategic investment objectives. The Trustee's risk management policy is documented in its Statement of Investment Principles. These investment objectives and risk limits are implemented through the investment management agreements in place with the Plan's investment managers and monitored by the Trustee through regular reviews of the investment portfolios.

Investment strategy

The Trustee's long-term objective is to reach full funding on a prudent measure of liabilities to enable the Plan to invest 100% of assets into a cashflow driven investment ("CDI") portfolio that generates cash in order to fund benefits as they fall due, while maintaining a low level of investment risk. As the proportion of pensioner liabilities and funding level increases, the Trustee intends to switch assets from the return-seeking and Liability Driven Investment (LDI) portfolios to the CDI portfolio so that a low level of investment risk is in place as the Plan approaches full funding on the CDI basis.

In order to achieve this objective, the Trustee has received advice to determine an appropriate investment strategy for the Plan. This advice is reviewed regularly. The actions taken to achieve the investment strategy are:

- Use a range of instruments that provide a better match to changes in the Plan's liabilities (payments that the Plan is obligated to pay to pensioners);
- Diversify the Plan's return-seeking assets; and
- Use active management where the Trustee believes that active managers can improve risk-adjusted returns.

The investment strategy is therefore split into CDI, return-seeking and liability matching assets:

- The Plan's CDI investments seek to generate sufficient cashflows to meet pensioner benefit payments as they fall due. These investments include buy and maintain investment grade credit, secure income investments, alternative credit, bonds and UK government bonds.
- The Plan's 'return-seeking' investments seek to generate sufficient return in excess of the Plan's liabilities to meet the
- Plan's funding objective over the long-term. These investments can include a range of different assets including global equity, sovereign and corporate credit, property, infrastructure, hedge funds (and similar strategies), private equity and secure income alternatives funds. Active management is used where the Trustee believes that it can increase return and where fees are considered reasonable.
- The Plan's 'liability matching' assets seek to 'match' changes in the value of a proportion of the Plan's non-pensioner liabilities in response to changes in interest rates and inflation. The matching portfolio includes bonds, interest rate and inflation swaps, gilt repurchase agreements and cash.

As at 31 March 2026, 26.3% (2025: 26.7%) of the total investment portfolio was held in the return-seeking portfolio, 55.7% (2025: 56.6%) was invested in the CDI portfolio and 17.1% (2025: 15.4%) was invested in the liability matching portfolio.

Investment Risks (continued)

The following table summarises the extent to which the various classes of investments are affected by financial risks.

	Credit risk	Currency	Interest rate	Other price	2026 £'000	2025 £'000
Return-seeking assets						
Equities	O	◖	O	●	6	4
Pooled investment vehicles (indirect risk)	●	●	●	●	607,688	633,548
Derivatives - net	●	●	●	●	(4,128)	-
Total return-seeking assets					**603,566**	**633,552**
Cashflow driven investment assets						
Bonds - net	●	◖	●	O	754,259	739,894
Pooled investment vehicles (indirect risk)	●	●	●	●	760,605	752,738
Derivatives-net	●	●	●	●	14,457	7,379
Total cashflow-driven assets					**1,529,321**	**1,500,011**
Liability matching assets						
Bonds - net	●	O	●	O	680,503	602,671
Pooled investment vehicles (indirect risk)	◖	O	◖	O	6,066	3,946
Derivatives-net	●	O	●	●	(11,471)	(6,665)
Repurchase agreements - net	●	O	●	●	(531,457)	(399,841)
Total liability matching assets					**143,641**	**200,111**
Cash deposits	●	◖	●	O	52,034	45,150
Other investments - net	◖	◖	◖	●	(27,510)	6,566
Total					**2,301,052**	**2,385,390**

Further information on the Trustee's approach to risk management and the Plan's exposures to credit and market risks are set out below.

In the above table, the risk noted affects the asset class [●] significantly, [◖] partially or [o] hardly / not at all. The values shown in the table above do not include AVC investments as they are not considered significant in relation to the overall investments of the Plan.

(i) Credit Risk

The Plan is subject to credit risk as the Plan invests in bonds, OTC derivatives, has cash balances, enters into repurchase agreements and undertakes stock lending activities. Bonds and equities are both used in stock lending transactions.

Credit risk arising on bonds is mitigated by investing in government bonds where the credit risk is minimal, or corporate bonds which are rated at least investment grade (credit rating of BBB or better). The Plan has direct exposure to bonds through the CDI and liability matching portfolios. The value of the Plan's bonds as the 31 March 2026 was £1,434.8m (2025: £1,343m) of which £531.5m were subject to repurchase agreement (2025: £375.8m) on a net basis.

Credit risk arising on derivatives depends on whether the derivative is exchange traded or over the counter (OTC). OTC derivative contracts are not guaranteed by any regulated exchange and therefore the Plan is subject to risk of failure of the counterparty. The credit risk for OTC swaps is reduced by collateral arrangements. The net market value of swaps together with details of collateral pledged and received is summarised in note 14.2 and 14.4.

Cash is held within financial institutions which are at least investment grade credit rated. The value of cash held as at 31 March 2026 was £52.0m (2025: £45.2m).

The arrangement for managing credit risk arising from stock lending activities was closed during the year, and no assets were lent during the Plan year. Consequently, no assets were on loan and no collateral was held at the year end (2025: £0.0m and 0.0%, respectively).

Credit risk on repurchase agreements is mitigated through collateral arrangements which is summarised in note 15.

Investment Risks (continued)

Credit Risk (continued)

The Plan invests in pooled investment vehicles and is therefore indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles. Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. The Fiduciary Manager carries out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitors any changes to the regulatory and operating environment of the pooled manager. The table in note 13 provides a summary of the pooled investment vehicles used by the Plan.

A summary of pooled investment vehicles by type of arrangement is as follows:

	2026 £'000	2025 £'000
Qualifying Investor Alternative Investment Funds	133,922	145,379
Limited Liability Partnerships	514,408	557,762
Cayman Islands exempted LLC	23,009	18,990
Unit Linked Insurance Contracts	50,488	20,828
Unauthorised Unit Trusts	79,098	85,816
Jersey Property Unit Trust	105,676	109,877
Property Authorised Investment Fund	33,474	45,924
Société divertissement à Capital Variable	37,096	35,570
Common Contractual Funds	97,862	81,713
Jersey Private Fund	66,137	66,704
Reserved Alternative Investment Fund	27,657	27,347
Irish Collective Asset-management Vehicle	36,342	36,655
Alternative Investment Fund	22,995	16,904
Luxembourg Special Limited Partnership	28,360	28,858
Undertaking for Collective Investment in Transferable Securities	99,519	111,905
Unit Linked Insurance Policies	18,316	-
	1,374,359	**1,390,232**

(ii) Currency Risk

The Plan is subject to currency risk because some of the Plan's investments are held in overseas markets and the Plan invests in pooled funds which are denominated in currencies other than Sterling.

The Plan manages currency risk by the implementation of a currency hedging programme through:

- Currency hedging carried out by some of the Plan's investment managers; and
- A separate currency hedging overlay

Collectively, these reduce the impact of exchange rate movements on the Plan's asset value.

The Trustee acknowledges that there is a cost to currency hedging. This cost varies depending on the currency being hedged. Exposure to overseas currencies is delegated to the Fiduciary Manager, although the Plan has a currency hedging policy to hedge between 0% and 100% of overseas exposure in the return seeking portfolio. Any overseas currency exposure obtained through the CDI portfolio is expected to be hedged back to Sterling, except for where the cost of doing so is prohibitive.

As at 31 March 2026, the Plan's exposure to currencies other than Sterling within the CDI portfolio was 0% (2025: 0%). The liability matching portfolio invests solely in Sterling denominated assets. As at 31 March 2026, the Plan's exposure to currencies other than Sterling within the return seeking portfolio was 20% (2025: 57%).

Investment Risks (continued)

(iii) Interest Rate Risk

The Plan is subject to interest rate risk because some of the Plan's investments are held in bonds, bond funds, cash and other pooled funds, and derivative instruments, including repurchase agreements, whose value is linked to interest rates.

The majority of the Plan's exposure to interest rate risk arises from the CDI and liability matching portfolios. The value of interest-rate-sensitive assets changes in response to changes in interest rates as follows:

- If interest rates fall, the value of the Plan's liability matching investments will rise. This increase in value will help to match or offset some of the increase in the value of the Plan's actuarial liabilities arising from a fall in the discount rate (which is linked to interest rates).
- If interest rates rise, the value of the Plan's liability matching investments will fall. This decrease in value will be offset by a decrease in the value of the Plan's actuarial liabilities arising from an increase in the discount rate (which is linked to interest rates).

The Plan is also exposed to interest rate risk through some of its return-seeking investments – indirect exposure through investment in credit and cash pooled investment vehicles. The Plan's investments in secure income alternatives may also be exposed to interest rate risk depending upon their composition at the time. The managers will consider the risk and expected reward when determining which investments to invest in.

(iv) Other Price Risk

Other price risk arises principally in relation to the Plan's return-seeking portfolio which includes equities and property held in pooled investment vehicles as summarised in note 13. Forward foreign currency contracts are exchange traded and are therefore also exposed to price risk. These are summarised in note 14.3.

Other price risk varies depending on the particular market and the Plan manages its exposure to overall price movements by constructing a diverse portfolio of investments across various markets. For pooled funds, the fund strategy determines the investments held. The risk here is mitigated by careful selection of the funds and diversification across a number of funds. The risks taken are considered in the context of the expected returns. The Trustee receives regular reports from its fund managers and investment consultants to help manage this risk.

(v) Other matters

Geopolitical and economic issues (such as movements in the rates of inflation, interest rates and foreign currencies) can have a significant effect on domestic and global economies, which also impacts financial markets. The Trustee, in conjunction with its advisers, monitors the situation closely and determine any actions that are considered to be necessary. This includes monitoring the Plan's investment portfolio and the covenant of the Employer. The extent of the impact on the valuation of the Plan's investment portfolio, including financial performance, will depend on future developments in financial markets and the overall economy, all of which are uncertain and cannot be predicted. This could result in a material increase or decrease in the market value of the Plan's investment assets and investment liabilities.

21. Concentration of investments

As at 31 March 2026, there are no (2025: none) investments accounting for more than 5% of the net assets of the Plan.

22. Employer-related investments

As at 31 March 2026, there were 0% of assets invested in employer-related investments (2025: 0%).

23. Current assets

	2026 Total £000	2025 Total £000
Contributions due from the employer in respect of:		
- Employer	**1,193**	1,217
- Employees	**1**	1
VAT recoverable	**449**	1,540
Other debtors	**43**	171
Cash deposits held	**24,307**	14,650
	25,993	17,579

The contributions due relate to March 2026 and March 2025 respectively and were subsequently paid to the Plan in accordance with the Schedule of Contributions.

24. Current liabilities

	2026 Total £000	2025 Total £000
Lump sums on retirement payable	**475**	650
Death benefits payable	**9**	-
Taxation payable	**1,625**	1,432
Administrative expenses payable	**209**	265
Investment management expenses payable	**208**	203
Payable to Contributions Agency	**2**	2
Other creditors	**79**	-
	2,607	2,552

25. Related party transactions

Key management personnel of the Plan

Three Trustee Directors receive remuneration for services provided to the Plan. One Trustee Director receives £45,000 p.a. (2025: £45,000 p.a.) whilst the other two Trustee Directors receive maximum remuneration of £10,000 p.a. (2025: £10,000 p.a.) for their role as Trustee Director. Dalriada Trustees Limited are paid on a time spent basis £145,330 (2025:£51,330). None of the other Trustee Directors receive any remuneration for their services provided other than out of pocket expenses.All remuneration is paid from the assets of a related pension scheme (Land Rover Pension Scheme - LRPS) without recharge to the Plan.

Of the Trustee Directors who served during the year and up to the current date, 3 (2025: 3) are members of the Plan, of which 3 (2025: 3) are active members and none are pensioner member (2025: 0).

Other related parties

Whilst the Plan bears all of the direct costs of administration, certain costs are incurred by the Principal Employer which are not re-charged to the Plan. In addition, certain secretarial services to the Plan are borne by LRPS without recharge to the Plan.

At 31 March 2026, the Plan owed a related pension scheme – Jaguar Executive Pension Plan c£47k (2025: nil).

Other than as disclosed elsewhere in the financial statements there were no other related party transactions.

26. Capital Commitments and Contingent Liabilities

At 31 March 2026 there were the following capital commitments to make further investments in various funds.

	2026 £'000	2025 £'000
17Capital	-	9,127
Advent International	698	713
American Securities	1,612	2,067
Ancala Partners	349	349
Ascend Capital Partners	246	251
Brentwood Associates	5,203	5,464
Cabot Square	101	376
CarVal Investors	846	864
CDH Investments	393	1,711
Energy Capital Partners	3,851	3,934
Equitix Investment	56	56
First Property	15,284	13,233
Georgian Partners	1,138	1,597
GI Partnerds	2,716	4,087
LibreMax Capital*	-	21,395
Newmarket Capital	368	376
NSSK Investments	1,181	1,441
Rivage Investments	2,451	6,789
Sun Capital Partners	876	1,320
	37,369	**75,150**

*The 2025 commitment for LibreMax Capital was annulled in the year following the wind down of the fund in May 2025.

Guaranteed Minimum Pension (GMP)

In October 2018, the High Court determined that benefits provided to members who had contracted out of their pension scheme must be recalculated to reflect the equalisation of state pension ages between May 1990 and April 1997 for both men and women. The Trustee is now reviewing, with their advisers, the implication of this ruling on the Plan and the equalisation of guaranteed minimum pensions (GMP) between men and women; in the context of the rules of the Plan and the value of any liability. As soon as this review is finalised and any liability quantified, members will receive further communication and any impact on financial reporting will be considered by the Trustee.

In November 2020, the High Court handed down a further judgment on the GMP equalisation case in relation to the Lloyds Banking Group pension schemes. This follows from the original judgment in October 2018 which confirmed that pension schemes need to equalise pensions for the effect of unequal GMPs between males and females. This latest judgment confirms that defined benefit schemes which provide GMPs need to revisit, and where necessary, top up historic cash equivalent transfer values that were calculated based on unequalised benefits. The Trustee is currently assessing the impact on the Plan.

26. Capital Commitments and Contingent Liabilities (continued)

Virgin Media case

In June 2023, the High Court handed down a decision in the Virgin Media Ltd versus NTL Pension Trustees II Ltd, which considered the implications of section 37 of the Pension Schemes Act 1993, which required that the rules of a salary-related contracted-out pension scheme cannot be altered, in relation to post April 1997 service, unless the actuary confirmed that the scheme would continue to satisfy the statutory standards. The High Court found that, where the required actuarial confirmation was not supplied, the effect of section 37 was to render the relevant amendment to any contracted-out right automatically void. It also held that references in the legislation included both past and future service rights and that the requirement for actuarial confirmation applied to all amendments to the rules of a contracted-out scheme. This decision was appealed to the Court of Appeal and, in July 2024, the Court of Appeal upheld the decision of the High Court.

Following a statement issued on 5 June 2025, the Government acknowledged the appeal decision was causing uncertainty in the pensions industry and was expected to introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historical benefit changes met the necessary standards.

On 1 September 2025, the Government issued amendments to the Pension Schemes Bill, including several new provisions on this matter. The Pension Schemes Act 2026 came into force on 29 April 2026. Provisions in the Act gives pension schemes the ability to validate certain affected amendments retrospectively.

The Trustee is monitoring the position and will consider the possible implications, if any, for the Plan of the above with its advisers and what steps, if any, it wishes to take. Therefore, it is not possible, at present, to estimate the potential impact, if any, on the Plan.

There are no other contingent liabilities at the year end (2025: £nil)

Independent auditors' statement about contributions to the trustee of Jaguar Pension Plan

Statement about contributions

Qualified opinion

In our opinion, except for the matter described in the basis for qualified opinion paragraph below, the contributions payable under the schedule of contributions for the plan year ended 31 March 2026 as reported in Jaguar Pension Plan's summary of contributions have, in all material respects, been paid in accordance with the schedule of contributions certified by the plan actuary on 10 January 2025.

We have examined Jaguar Pension Plan's summary of contributions for the plan year ended 31 March 2026 which is set out on the following page.

Basis for qualified opinion

The summary of contributions discloses details of the late contributions which have led us to qualify our opinion.

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the summary of contributions have, in all material respects, been paid in accordance with the relevant requirements. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the plan under the schedule of contributions, and the timing of those payments.

Responsibilities for the statement about contributions

Responsibilities of the trustee in respect of contributions

As explained more fully in the statement of trustee's responsibilities, the plan's trustee is responsible for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions and for monitoring whether contributions are made to the plan by employers in accordance with relevant requirements.

Auditors' responsibilities in respect of the statement about contributions

It is our responsibility to provide a statement about contributions and to report our opinion to you.

Use of this report

This report, including the opinion, has been prepared for and only for the trustee as a body in accordance with section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

Summary of Contributions

The contributions payable to the Plan for the year ended 31 March 2026, under the Schedule of Contributions certified by the Plan Actuary on 10 January 2025, were as follows:

	2026 Total £000
Employer contributions:	
Normal	**25,584**
Administrative expenses	**1,601**
	27,185
Employee contributions:	
Normal	**161**
Contributions required by the Schedule of Contributions and the Plan rules and the recommendations of the Actuary (as reported on by the Plan Auditors)	**27,346**
Other contributions:	
Employee - Additional voluntary contributions	**448**
Employer - Administrative expenses	**322**
Total contributions reported in the financial statements	**28,116**

Late contributions

During the year ended 31 March 2026, the Employer paid employer contributions later than required under the Schedule of Contributions. Specifically, the August 2025 contributions were paid 5 days after the due date and the September 2025 contributions were paid 9 days after the due date.

The detail of late contributions is shown in the table below.

Contribution type	Period	Due date	Received date	Amount (£)
Employer Normal	August 2025	19 September 2025	24 September 2025	1,093,887
Employer Administrative expenses	August 2025	19 September 2025	24 September 2025	160,000
Employer Normal	September 2025	19 October 2025	28 October 2025	1,026,370
Employer Administrative expenses	September 2025	19 October 2025	28 October 2025	160,000

Approved by the Trustee (Jaguar Land Rover Pension Trustees Limited) and signed on its behalf by:

..... Trustee Director

Date: .....

Certification of schedule of contributions

Name of Scheme: Jaguar Pension Plan

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective can be expected to continue to be met for the period for which the schedule is to be in force.

Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this schedule of contributions is consistent with the Statement of Funding Principles dated 10 January 2025.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the scheme's liabilities by the purchase of annuities, if the scheme were wound up.

Signature	Lynda Whitney	Date	10 January 2025
Name	Lynda Whitney	Qualification	Fellow of the Institute and Faculty of Actuaries
Address	3rd Floor Epsom Gateway 2 Ashley Avenue Epsom Surrey KT18 5AL	Name of employer	Aon Solutions UK Limited

Jaguar Pension Plan (the "Plan") - Implementation Statement

Statement of Compliance with the Jaguar Pension Plan's Stewardship Policy for the year ended 31 March 2026

Introduction

This is the Trustee's statement prepared in accordance with the requirements of The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019. This statement sets out how the Trustee has complied with the Plan's Stewardship Policy during the 12-month period to 31 March 2026.

Statement of Investment Principles

The Statement of Investment Principles (SIP) sets out the investment principles and practices the Trustee follows when governing the Plan's investments. It describes the rationale for selecting the investment strategy and explains the risks and expected returns of the investments made on behalf of the Plan, as well as the Trustee's approach to responsible investing (including a separate stewardship policy, discussed in the next section).

No material changes were made to the Statement of Investment Principles during the period. The Statement was last reviewed in December 2025 and is scheduled for another review no later than December 2026.

The Trustee has prepared this Implementation Statement on the basis of the SIP that was in force during the year to 31 March 2026. The reporting within this document is in line with the SIP applicable at the relevant time. A copy of the current SIP can be found at https://members.pensionpal.co.uk/jaguarlandroverpensions.

Stewardship Policy

The Trustee's stewardship (voting and engagement) policy sets out how the Trustee will behave as an active owner of the Plan's assets, which includes the Trustee's approach to:

- the exercise of voting rights attached to assets; and
- undertaking engagement activity, including how the Trustee monitors and engages with its fiduciary manager and any other stakeholders.

The Trustee is satisfied that it has complied with its stewardship policy over the year. The Trustee's stewardship policy is reviewed on an annual basis.

How the Plan's investments are governed

The primary objective of the Plan is to provide pension and lump sum benefits for members on their retirement and/or benefits on death, before or after retirement, for their dependants, on a defined benefits basis.

The Trustee has overall responsibility for how the Plan's investments are governed and managed in accordance with the Plan's Trust Deed and Rules as well as Trust Law, Pensions Law and Pension Regulations.

During the Plan year, there were no additions to the Trustee Board or changes to governance procedures.

The Trustee has delegated day-to-day investment decisions, such as which individual investments to buy and sell, to the Plan's investment managers and the Plan's fiduciary manager (Willis Towers Watson Limited, WTW).

The Trustee has agreed a set of objectives with its strategic investment consultant (Hymans Robertson LLP, Hy R), designed to align with the Trustee's objectives and investment strategy set out in the SIP. The Trustee carried out a yearly evidence-based review of the consultant's performance against these objectives during the Plan year and was satisfied that overall, they had been achieved for the year. This involved assessing the consultant against the different objectives. Feedback on specific areas for development was shared and discussed with the consultant.

The Trustee's views on the expected levels of investment risks and returns inform decisions on the strategic asset allocation (i.e., what type of assets and areas of the world the Plan invests in over the longer-term), and the style of management adopted by the Plan's managers. The Trustee's approach to voting and engagement is summarised below.

Jaguar Pension Plan (the "Plan") - Implementation Statement (continued)

Policy Wording

Voting

The Trustee has delegated voting and engagement activity in respect of the underlying assets to the Plan's investment managers, the monitoring of which is provided by the Plan's fiduciary manager (WTW). The fiduciary manager is responsible for the Plan's return seeking and CDI portfolios.

The Trustee expects as a minimum that:

- All votes should be exercised where feasible;
- Votes are cast by underlying asset managers selected by the fiduciary manager. The fiduciary manager is required to oversee voting policies and voting activity of underlying asset managers to ensure good practice;
- The fiduciary manager provides clear monitoring and reporting on voting activity, and that this is discussed in detail on at least an annual basis;
- In particular, votes on resolutions related to climate change, broader environmental issues, and diversity & inclusion should be considered carefully based on the specific request being made and the context of the company in question.

The Trustee expects a high-level of support for votes requiring greater disclosure or setting a business transition strategy consistent with the 2015 Paris Agreement. The fiduciary manager is expected to monitor this and explain any cases where such votes are not supported.

The Trustee believes that it is important that their investment managers take an active role in the supervision of the companies in which they invest, both by voting at shareholder meetings and engaging with the management on issues which affect a company's financial performance.

Engagement

The Trustee expects the fiduciary manager to encourage underlying investment managers, and its third-party specialist stewardship service, to promote underlying investee entities' climate disclosures to be aligned with best practice, e.g. Task Force on Climate Related Financial Disclosures ("TCFD"), as the Trustee believes this will drive improved standards and transparency. The Trustee considers examples of engagement activity on an annual basis and prioritises climate-related examples.

Policy Implementation

WTW has appointed Federated Hermes Equity Ownership Services ("Hermes") to undertake public engagement and advocacy work on behalf of the Global Equity Focus Fund, the largest equity holding of the Plan. Hermes represent over US$2.4 trillion of assets under advice (as at 31 December 2025), and so this allows the Plan to combine with other investors to increase their ability to influence change. WTW represents their clients, including the Plan, on the client advisory council at Hermes, providing input into the activities Hermes undertake.

Hermes work with policy makers and institutions around the world to better ensure that policies and standards are aligned with the interests of investors and best meet the needs of savers. Within a portion of the Plan's public market equity portfolio, Hermes provide voting recommendation services to enhance engagement and help drive responsible ownership. Hermes engage with companies on Environmental, Social and Governance (ESG) issues via a clear, objective-driven framework.

The Trustee's own engagement activity is focused on their dialogue with the fiduciary manager, which is undertaken in conjunction with their strategic investment consultant. The Trustee assesses the performance of the fiduciary manager in relation to their stewardship responsibilities, and also the underlying investment managers via reporting provided by their fiduciary manager. The Trustee has also received presentations from Hermes in the past.

In 2025, the Trustee successfully renewed its application to be a signatory to the 2020 UK Stewardship Code. In order to maintain its signatory status, an annual report must be submitted detailing the actions undertaken by the Trustee over the past 12 months. Work is ongoing to submit this year's annual report by 31 October 2026. When drafting the latest submission, the Trustee has considered the recent review carried out by the FRC to ensure that the relevant reporting requirements are met.

Jaguar Pension Plan (the "Plan") - Implementation Statement (continued)

Voting activity

The Trustee seeks to ensure that its investment managers are exercising voting rights and, where appropriate, monitoring managers' voting patterns. The fiduciary manager monitors the voting and engagement policies and practices of the Plan's underlying investment managers. The Trustee discusses voting and engagement activity with their fiduciary manager on an ongoing basis and there is a dedicated item in the annual business plan that considers voting and engagement as part of the manager ESG review.

As of 31 March 2026, the Plan held assets with voting rights across 3 pooled equity funds. These were Towers Watson Investment Management (TWIM) Global Equity Focus Fund (GEFF) – a global equity fund and Aikya Investment Management – an active global emerging markets fund. The plan also invested in a new equity mandate during the scheme year, namely the SSgA Global Equity Diversified Index Fund – a global equity fund. The three funds made up c5.3% of total assets held within the Plan as at 31 March 2026.

The Plan's investment managers have reported on how votes were cast in each of these mandates as set out in the table below.

Manager	TWIM GEFF	Aikya Investment Management	SSGA Global Equity Diversified Index Sub-Fund
Proportion of Plan assets	4.3%	0.3%	0.8%
No. of meetings eligible to vote at during the year	187	52	903
No. of resolutions eligible to vote on during the year	3,615	463	10,377
% of resolutions voted	97.5	100.0	100.0
% of resolutions voted with management	89.2	99.4	92.1
% of resolutions voted against management	10.5	0.0	5.6
% of resolutions abstained	0.3	0.7	2.3
% of resolutions voted against recommendation of proxy adviser (if applicable)	9.3	Not applicable	Not applicable

Source: WTW, covers period to 31 March 2026 unless stated otherwise.

The Trustee is satisfied that a very high proportion of the eligible resolutions have been voted on behalf of the Plan; reaching 100% across two of the funds. Furthermore, the Trustee is encouraged by a healthy proportion of voting being carried out against company management by TWIM as this signifies manager engagement on voting matters. We note that Aikya has voted 99% in line with management which is based on a smaller number of votable resolutions compared to TWIM.

The Trustee is also satisfied with the proportion of votes carried out against proxy advisers where applicable, where this is often symptomatic of the managers having their own voting policies in place.

Significant votes

The Trustee has asked its fiduciary manager to report on the most significant votes cast by the underlying managers within the portfolios they manage on behalf of the Trustee. Managers were asked to provide examples of votes across areas that the Trustee has prioritised and therefore considers significant. This includes votes in relation to climate change, broader environmental issues and diversity & inclusion. The managers were also asked to confirm the size of the position in the portfolio, how they voted, any engagement the manager had undertaken with the company and the outcome of the vote.

Jaguar Pension Plan (the "Plan") - Implementation Statement (continued)

From the managers' reports, the Trustee has identified the following votes as being of particular significance to the Plan:

Example 1 – TWIM GEFF

Meta Platforms, 28 May 2025, vote for "Disclose a Climate Transition Plan Resulting in New Renewable Energy Capacity". Holding represented c.3.1 % of TWIM GEFF portfolio.

An underlying manager within TWIM GEFF voted for the shareholder proposal and against management recommendation. The manager considers environmental factors to be an important consideration in assessing the long-term predictability and sustainability of a company's revenue and earnings growth. The proposal sought enhanced transparency around climate-related issues and the company's transition towards renewable energy capacity.

Although the vote failed, the manager will continue to consider future proposals from both management and shareholders that aim to improve environmental disclosures.

Example 2 – TWIM GEFF

State Street Corporation, 14 May 2025, vote for "Require Independent Board Chair".

Holding represented c.0.7 % of TWIM GEFF portfolio.

An underlying manager within TWIM GEFF voted for the shareholder proposal and against management recommendation. The manager believes that boards should generally be led by an independent chair, who can provide stronger oversight of management and help ensure that the long-term interests of shareholders are appropriately represented.

Although the vote failed, the manager will continue to monitor and engage with companies where governance structures do not align with its expectations.

Example 3 – SSgA Global Equity Diversified Index Sub-Fund

Alphabet Inc., 6 June 2025, vote on "GHG Emissions"

Holding represented c.2.3% of SSgA Global Equity Diversified Index Sub-Fund portfolio

The manager voted against the shareholder resolution and in line with management recommendation. The proposal related to greenhouse gas emissions disclosures and requested additional reporting from the company. The manager considered the company's existing climate-related disclosures to be reasonable and therefore did not believe that further disclosure was required at this stage.

The shareholder proposal failed. The manager will continue to engage with companies on climate-related matters and, where appropriate, explain its voting rationale and undertake further stewardship activity.

Engagement activity

In implementing its Responsible Investment Policy, the Trustee has had ongoing engagement with the fiduciary manager, thereby ensuring that the Trustee's priorities are properly understood, and that the fiduciary manager is able to reflect the Trustee's policy in the implementation and reporting on its investment arrangements.

Consistent with the Trustee's view that ESG factors can have a significant impact on investment returns, particularly over the long-term, the fiduciary manager believes that sustainable investment forms the cornerstone of successful long-term investment and has integrated the consideration of ESG factors in its decision-making processes.

The fiduciary manager's process for selecting, monitoring and de-selecting managers explicitly and formally includes an assessment of a manager's approach to sustainable investment (recognising that the degree to which these factors are relevant to any given strategy is a function of time horizon, investment style, philosophy and exposures). Where ESG factors are particularly influential to outcomes, the fiduciary manager proactively engages with investment managers to improve their processes.

The Trustee holds meetings with its fiduciary manager on a regular basis where stewardship issues can be discussed in further detail. This includes detailed assessment of the underlying characteristics of portfolios and stewardship activity. The Trustee's ongoing engagement with the fiduciary manager ensures that the Trustee's policy priorities are being integrated into reporting and stewardship activity and will form the basis of future monitoring and discussion with the fiduciary manager.

Jaguar Pension Plan (the "Plan") - Implementation Statement (continued)

Collaborative activity

The Trustee recognises that the fiduciary manager is part of several industry wide initiatives and collaborative engagements including:

- Becoming a signatory to the 2020 UK Stewardship Code in the first wave, and subsequently retaining that status every year since inception;
- Co-founding the Net Zero Investment Consultants Initiative in 2021 with eleven other investment consultants (including the Plan's Strategic Consultant);
- Being a signatory of the Principles for Responsible Investment (PRI) and active member of their Stewardship Advisory Committee;
- Being a member of and contributor to the Institutional Investors Group on Climate Change (IIGCC);
- Co-founding the Investment Consultants Sustainability Working Group;
- Continuing to lead collaboration through the Thinking Ahead Institute and WTW Research Network;
- Being a founding member of The Diversity Project
- Being an official supporter of the Transition Pathway Initiative;
- Being a member of and contributor to the ESG Data Convergence Initiative (EDCI);
- Being an active member and signatory of the United Nations Environment Program Finance Initiative's Principles for Sustainable Insurance (PSI) Initiative.

The Trustee benefits from the fiduciary manager's involvement in these collaborative initiatives as the fiduciary manager can use its industry presence to champion positive change on the Plan's behalf.

The fiduciary manager also partners with Hermes EOS which provides both stewardship and broader advocacy services. One component of the partnership is undertaking public policy engagement on behalf of its clients. This engagement is done in conjunction with regulators and industry bodies to help shape capital markets and the environment in which companies and their investors operate.

The Trustee benefits from this relationship as Hermes EOS are dedicated specialists that can influence policy in respect of over US$2.4 trillion of assets. In addition, through its relationship with the fiduciary manager, the Trustee can provide input to future engagement priorities from Hermes, thereby contributing to broader levels of corporate engagement.

Summary of manager engagement activity

The Trustee receives regular reporting from its fiduciary manager on the engagement activity of its investment managers. The following table summarises the key engagement activity for the 12-month period to 31 December 2025.

Manager	Number of engagements	Summary of topics engaged on
Hermes EOS (on behalf of WTW)	EOS engaged with 859 companies on 3,849 issues and objectives.	Environmental: Circular economy & zero pollution, climate change and natural resource stewardship Social & Ethical: Human & labour rights, human capital and wider societal impacts Governance and Risk: Board effectiveness, executive renumeration, investor protection & rights, corporate reporting, purpose, strategy & policies and risk management

Jaguar Pension Plan (the "Plan") - Implementation Statement (continued)

Use of a proxy adviser

The below table details where investment managers have appointed a proxy adviser to advise on voting and/or conduct company engagement.

Manager	Proxy Adviser used
TWIM (Fiduciary Manager)	Federated Hermes Equity Ownership Services
Aikya	The manager does not outsource any part of the decision-making process as they consider proxy voting a key part of the investment process and part of their responsibility as stewards to their clients. The manager does utilise an online voting platform that links directly to the fund's custody platform.
SSA Global Equity Diversified Index Sub-Fund	The manager uses a Sustainability Service which appoints Institutional Shareholder Services (ISS) as its primary proxy voting service provider to act as proxy voting agent, including vote execution and administrative services, provide research and analysis on proxy voting ballot items, and facilitate ballot splitting under the Sustainability Policy, which allows eligible investors to apply this policy to their pro rata holdings in relevant funds.

Review of policies

The fiduciary manager monitors the stewardship and ESG approach of the Plan's Return-Seeking and CDI investment managers and reports to the Trustee. Through its Investment Implementation Committee, and in particular the Plan's nominated ESG champion, the Trustee has engaged with its fiduciary manager throughout the year on responsible investment issues.

This dialogue will contribute to the continued evolution of the Trustee's own Responsible Investment Policy. Going forward, the Trustee will be monitoring adherence with its updated Responsible Investment Policy, including a review of its ongoing appropriateness on a triennial basis.

The Trustee is satisfied that the approach to stewardship set out in its responsible investment policy is suitable for the Plan.
Approved and signed on behalf of Jaguar Land Rover Pension Trustees Limited:

Signature:_____ Name:_____

Capacity: _____ Date:_____

Jaguar Pension Plan

Statement of Investment Principles

December 2025

Introduction

1 This document is the Statement of Investment Principles ('SIP') made by the Trustee of the Jaguar Pension Plan (the 'Plan') in accordance with the requirements of Section 35 of the Pensions Act 1995 (as amended by the Pensions Act 2004 and regulations made under it).

2 The Trustee will review this SIP at least every three years and without delay after any significant change in investment policy. Before finalising this SIP, the Trustee took written advice from Hymans Robertson LLP and consulted Jaguar Land Rover Limited (the 'Employer'). The ultimate power and responsibility for deciding investment policy, however, lies solely with the Trustee.

Plan objectives

3 The primary objective of the Trustee is to meet its obligations to beneficiaries of the Plan. The Trustee's strategy is designed to target a level of funding that allows the Plan to be fully invested in a low risk portfolio that generates sufficient income to pay benefits as and when they are due.

4 In seeking to achieve these objectives, the Trustee has established a cashflow matching portfolio in respect of the current pensioner liabilities, and looks to generate sufficient returns on the rest of the portfolio that allows the cashflow matching portfolio to be increased over time as more members retire. In addition, the Trustee is mindful of the need to:

- take account of prevailing market conditions when positioning the portfolio at any point in time
- limit the risk of the assets failing to meet the liabilities over the long term, noting that asset growth is expected to be made up of investment returns (capital growth and income generation) plus future contributions
- review performance and risk regularly and amend the portfolio as appropriate
- protect and respect the reputation of the Plan, its beneficiaries and the Company
- encourage its Investment Managers to exercise its investor rights and responsibilities with the aim of protecting and enhancing long term value

Investment strategy

5 The Trustee has established a Financial Strategy Committee ("FSC") that has received advice to determine an appropriate investment strategy (incorporating sustainable investment considerations) for the Plan. The FSC regularly monitors the appropriateness of the investment strategy in view of changes to the market outlook, covenant and funding issues. The Trustee has also established an Investment Implementation Committee ("IIC") to oversee

and monitor the execution of the Plan's investment strategy. All decisions of the FSC and IIC will be recorded in committee minutes and made available to the full Trustee Board.

6 The investment strategy makes use of three key types of investments:

- a range of assets including (but not limited to) corporate bonds, alternative credit and secure income assets that are expected to provide the appropriate cashflows to match pensioner liabilities.
- a diversified range of return-seeking assets, including (but not limited to) equities, corporate bonds, property, and private market investments.
- derivative instruments and government bonds to manage the Plan's exposure to risks, including interest rate and inflation risks.

7 The balance within and between these investments will be determined from time to time with regard to maximising the chance of achieving the Plan's investment objective and the changes in the Plan's membership. The Trustee has translated its objectives into a suitable strategic benchmark for the Plan. This benchmark is consistent with the Trustee's view of balancing long-term return on investments and short-term volatility.

8 The Plan will hold assets in cash and other money market instruments from time to time as may be deemed appropriate.

9 The Trustee will monitor the liability profile of the Plan and will review at least every three years but more frequently if deemed necessary, in conjunction with the Strategic Investment Advisor (Hymans Robertson LLP) and the Plan Actuary (Aon), the appropriateness of its investment strategy.

10 The investment strategy takes account of the maturity profile of the Plan (in terms of the relative proportion of liabilities in respect of pensioners and non-pensioners), together with the funding position and the Trustee's view of the covenant of the sponsoring employer.

11 The expected return of an investment and/or its ability to generate liability matching cashflows will be monitored at least quarterly and will be directly related to the Plan's investment objective.

12 The Trustee's policy is that there will be sufficient investments in cashflow generating assets and other liquid return-seeking assets to meet cashflow requirements in foreseeable circumstances so that the realisation of assets will not disrupt the Plan's overall investments, where practicable. The Trustee, together with the Plan's administrators, will also hold a balance of cash to help meet unanticipated benefit and other payment obligations.

13 The Plan invests across a range of asset classes covering both regulated and unregulated markets. The majority of exposure to unregulated markets is made up of investments in private markets. These types of investments enable the Plan as a long-term investor to benefit from the diversification and illiquidity premium these assets provide.

Investment Managers

14 The Trustee has delegated investment manager selection and de-selection to the Fiduciary Manager (Willis Towers Watson) (with the exception of the LDI mandate which is the

responsibility of the Trustee in consultation with the Strategic Investment Advisor). Both the Fiduciary Manager and the Strategic Investment Advisor will be responsible for manager monitoring, with the Strategic Investment Advisor also responsible for oversight of the Fiduciary Manager.

15 In accordance with the Financial Services and Markets Act 2000, the Trustee will set general investment policy, but will delegate the responsibility for selection of specific investments to an appointed Investment Manager or managers. The Investment Manager(s) shall provide the skill and expertise necessary to manage the investments of the Plan competently.

16 The Trustee is not involved in the Investment Managers' day-to-day method of operation and does not directly seek to influence attainment of their performance targets. The Fiduciary Manager and Strategic Investment Advisor will maintain processes to ensure that performance is assessed on a regular basis against a measurable objective for each relevant manager, consistent with the achievement of the long term objectives, and an acceptable level of risk.

17 The Trustee recognises that a company's long-term financial success can be influenced by a wide range of factors including environmental, social and corporate governance (ESG) issues. Consequently the Trustee's policy, as advised by the Strategic Investment Advisor, is to be an active long-term investor (through the delegation of investment manager selection, de-selection and monitoring and its associated approach to ESG issues, as set out in 17,18 and 19 below). The Trustee's focus is explicitly on financially material considerations rather than non-financially material or ethical considerations.

18 The Trustee has given the Fiduciary Manager a target return for delegated mandates, which overall will align to deliver the broader Plan investment strategy. The LDI manager also has a target benchmark against which to manage their mandate. The Trustee reviews the nature of Plan investments on a regular basis, with particular reference to suitability and diversification. The Trustee has delegated implementation of the investment strategy to the Fiduciary Manager and LDI manager, both within agreed guidelines. The Fiduciary manager is responsible for ensuring the appropriateness of each manager and mandate for the Plan, particularly in relation to diversification, risk, expected return and liquidity. The Trustee recognises the long term nature of its liability profile and sets mandate guidelines designed to generate long term sustainable returns.

19 Performance is reviewed on a regular basis against a series of metrics, including financial performance relative to the benchmark and objectives, the exercise of stewardship responsibilities (including engagement with issuers), and the management of risks. Material deviation from performance or risk targets is likely to result in the mandate being formally reviewed.

20 The Strategic Investment Advisor advises on the overarching ESG approach taken by the Plan, with implementation provided by the Fiduciary Manager and LDI manager. The Fiduciary Manager has a dedicated Sustainable Investment resource and a network of subject matter experts. The consideration of ESG issues is fully embedded in the investment manager selection and portfolio management process, with oversight undertaken on an ongoing basis, across both the return-seeking portfolio and cashflow matching portfolio (as appropriate). Whilst noting there may be limitations for each investment manager and asset strategy, the Fiduciary Manager expects investment managers to have ESG processes that align with the investment risk and return characteristics of the strategy. Where an investment manager's processes are deemed insufficient by the Fiduciary Manager and the investment manager does not take steps to improve their approach, the investment manager's position in the portfolio will be reviewed and/or a decision may be taken not to proceed with an investment. The Fiduciary Manager monitors the stewardship and ESG approach of the Plan's return-

seeking investment managers and cashflow matching investment managers (as appropriate) and reports to the Trustee at least once a year.

21 Both the Fiduciary Manager and Strategic Investment Advisor consider a range of sustainable investment factors, such as, but not limited to, those arising from ESG considerations, including climate change, in the context of a broader risk management framework. The degree to which these factors are relevant to any given strategy is a function of time horizon, investment style, philosophy and particular exposures which the Fiduciary Manager takes into account in the assessment. The Fiduciary Manager, on behalf of the Trustee, encourages and expects the Plan's investment managers to sign up to local or other applicable Stewardship Codes, in-keeping with good practice, subject to the extent of materiality for certain asset classes. The Fiduciary Manager and the Strategic investment advisor are signatories to the Principles for Responsible Investment (PRI) and the UK Stewardship Code and are actively involved in external collaborations and initiatives. The Trustee is a signatory to the 2020 UK Stewardship Code.

22 The Trustee's policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers. The Fiduciary Manager has appointed Hermes EOS to undertake public policy engagement on its behalf as well as company-level engagement and the provision of voting advice for the Plan's equity investments. The Trustee reviews manager voting activity on a periodic basis in conjunction with their investment adviser and uses this information as a basis for discussion. The Trustee separately considers any conflicts of interest arising in the management of the Plan and its investments. The Trustee has established a responsible investment policy which summarises the responsible investment objectives of the Trustee and the actions that will need to be taken to achieve these objectives.

23 Whilst the Trustee expects performance to be delivered net of costs, including the costs of trading within the portfolio, the Trustee expects the Fiduciary and LDI managers to report on at least an annual basis on the underlying assets held within the portfolio with a summary of any transactions over the period. The Trustee will review the costs incurred by the Fiduciary and LDI manager over the Plan reporting year. Where possible, the Trustee will compare costs to the theoretical portfolio turnover and cost for an appropriate index.

Other matters

24 The Plan is a Registered Pension Scheme for the purposes of the Finance Act 2004.

25 The Plan's AVC arrangement enables benefits to be accrued on a money purchase basis, with the value of members' funds being determined by the value of accumulated contributions adjusted for investment returns net of charges. In selecting appropriate investments, the Trustee is aware of the need to provide a range of investment options, which broadly satisfy the risk profiles of all members, given that members' benefits will be directly determined by the value of the underlying investments.

26 The Trustee recognises a number of risks involved in the investment of the Plan's assets:

- Deficit risk:
  - is measured through a qualitative and quantitative assessment of the expected development of the liabilities relative to the current and alternative investment policies.
  - is managed through assessing the progress of the actual growth of the liabilities relative to the selected investment policy.

- Manager risk:
  - is measured by the expected deviation of the return relative to the benchmark set.
  - is managed by limiting exposure to any one Investment Manager, consideration of the appropriate amount of the Plan to allocate to each active portfolio and by monitoring the actual deviation of returns relative to the benchmark and factors supporting the managers' investment process.
  - The Trustee does not expect managers to take excess short-term risk and will regularly monitor the performance against the benchmarks and objectives set on a short, medium and long terms basis.
- Cashflow matching risk:
  - is measured by a comparison between the level and nature of the pensioner benefit cashflows required by the Plan over a specified period relative to projected asset income from the Plan's cashflow matching assets over that same period.
  - is managed by the Plan's cashflow matching portfolio being appropriately structured, implemented and monitored in order that the anticipated benefit cashflows can be met with a high degree of certainty.
- Liquidity risk:
  - is measured by the potential unexpected cashflow requirements that could occur. This could be the result of collateral requirements in the asset portfolio, member choices (transfers out) or demographic changes.
  - is managed by working with the Strategic Investment Advisor, Fiduciary Manager, Plan Actuary and administrator to understand the potential variation in these cashflow requirements (scenario analysis), clear working practices between these parties to identify and communicate cashflow requirements as soon as practicable, and through holding an appropriate level of cash and liquid assets within the portfolio.
- Currency risk:
  - is measured by the level of exposure to non-Sterling denominated assets.
  - is managed by the implementation of a currency hedging programme (implemented via currency hedging carried out by some of the Plan's Investment Managers) which reduces the impact of exchange rate movements on the Plan's asset value.
- Interest rate and inflation risk:
  - is measured by comparing the likely movement in the Plan's liabilities and assets due to movements in inflation and interest rates.
  - is managed by holding a portfolio of matching assets (physical bonds and/or derivatives) that enable the Plan's assets to better-match movements in the value of the liabilities due to inflation and interest rates.
- Political risk:
  - is measured by the level of concentration of any one market leading to the risk of an adverse influence on investment values arising from political intervention.

- is managed by regular reviews of the actual investments held and through the level of diversification within the investment strategy.

- Sponsor risk:
  - is measured by receiving regular financial updates from the Employer and regular independent covenant assessments.
  - is managed by adopting an investment strategy that takes into consideration the Employer covenant and funding level.
- Counterparty and default risk:
  - is measured through a combination of market indicators (credit ratings and credit default swap spreads) and qualitative considerations.
  - is managed by having a diverse range of counterparties and through the negotiation of a suitable collateralisation process where appropriate. The Trustee has delegated the measurement and management of counterparty risk to the relevant Investment Managers.
- Climate risk:
  - is measured through a qualitative and quantitative assessment of carbon emissions owned and carbon footprint.
  - is managed via regular monitoring of the Plan's exposure to climate change related risks, including but not limited to carbon emissions, physical impacts and the expected transition to a low-carbon economy.