Taskforce on Climate-related Financial Disclosures Report 2026

Introduction

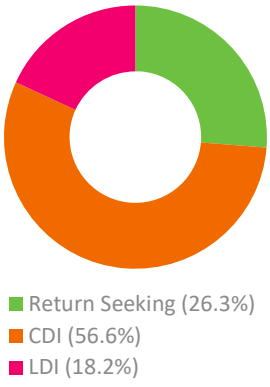
Who we are

Jaguar Land Rover Pension Trustees Limited (the Trustee) is the trustee body for the Jaguar Pension Plan, Land Rover Pension Scheme and Jaguar Executive Pension Plan (the Schemes), which include assets of around £4.9bn. Its purpose is to pay pension benefits to members of the Schemes as they fall due.

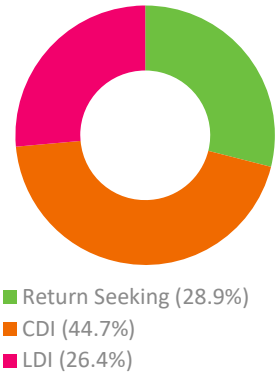
We've agreed to a long-term investment strategy whereby assets will be migrated into a cashflow-driven-investment (CDI) portfolio as members retire and become pensioners. We chose this strategy to provide more funding-level stability and greater certainty of paying members' benefits. A key priority for us is ensuring that the Schemes' investment strategy delivers sustainable long-term cashflows.

The pie charts below show the high-level investment strategy of our three Schemes as at 31 March 2026. The return-seeking (RS) portfolios are invested across a range of growth assets aiming to deliver a high level of return, such as equities, private markets and credit. The CDI portfolios are invested in income-generating assets, such as corporate bonds, long-lease property and infrastructure. The liability-driven investment (LDI) portfolio holds low-risk assets that aim to ensure that the overall movement in the Schemes' assets is in line with the Schemes' liabilities.

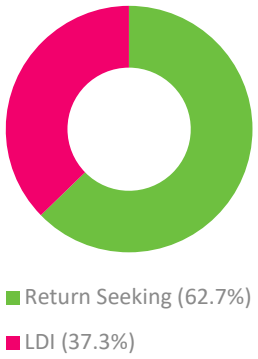
Jaguar Pension Plan (JPP), c£2.3bn



Land Rover Pension Scheme (LRPS), c£2.4bn



Jaguar Executive Pension Plan (JEPP), c£0.1bn



In aggregate across our three schemes, over half of our members are retired, with the remaining 40% split equally across active and deferred members. The table below summarises the number of members in our three Schemes, broken into active, deferred and pensioner members.

Scheme	Active	Deferred	Pensioner	Total
Jaguar Pension Plan	1,856	2,529	7,993	12,378
Land Rover Pension Scheme	2,621	1,922	5,171	9,714
Jaguar Executive Pension Plan	7	19	102	128

Source: Aon. Data as at 31 March 2026

TCFD reporting

This statement sets out our approach to assessing, monitoring and mitigating climate-related risks in the context of our broader regulatory and fiduciary responsibilities to members.

We believe that climate change is a systemic risk and therefore we aim to incorporate climate change considerations into all of our strategic decisions. To ensure a sustainable future for our members and achieve our intended long-term objective, we think that collaborative action across the globe is required to tackle the climate crisis. The Schemes are long-term investors, and we believe that improved transparency on climate-related matters will lead to improved investment decisions and member outcomes. This has created focus and an imperative to act.

The Trustee board supports initiatives that help improve disclosures and enhances transparency. The Taskforce on Climate-related Financial Disclosures (TCFD) framework provides a structure for companies, asset managers, asset owners, banks and insurance companies to outline the steps they have undertaken to identify, manage and monitor climate-related risks and opportunities. The framework is designed to increase comparability while allowing sufficient flexibility to communicate the specific approach adopted by each entity.

The Task Force divided climate-related risks into two major categories: risks related to the transition to a lower-carbon economy, and risks related to the physical impacts of climate change. Climate-related risks and the expected transition to a lower-carbon economy affect most economic sectors and industries; however, opportunities will also be created for organisations focused on mitigating climate change and adapting solutions.

This report provides detail of our actions against the four pillars set out by the TCFD:

- **Governance**: the organisation's governance around climate-related risks and opportunities
- **Strategy**: the actual and potential impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning
- **Risk management**: the process used by the organisation to identify, assess and manage climate-related risks
- **Metrics and targets**: how we assess and manage relevant climate-related risks and opportunities

As well as developing our own reporting for TCFD, we expect our underlying investment managers and engagement service providers to be aligned with TCFD. We will continue to monitor this through our regular reporting. This is our fifth disclosure in accordance with the requirements of TCFD. The following pages detail our climate risk disclosures.

Executive summary of this year's report

Since the last report, we've continued to monitor climate-related risks present within the Schemes' investment strategy through quantitative and qualitative measures. We believe that responsible investment issues can have a material impact on the Schemes' ability to achieve their ultimate objective of meeting benefit payments, so we aim to integrate RI considerations into all decision-making processes. Addressing the challenges caused by climate change can be achieved via capital allocation decisions and through engagement with investment managers and underlying companies – we maintain our belief that it is important to explore new opportunities that can tackle climate change as well as evolving existing mandates.

We acknowledge that data coverage and data quality is continually evolving and the pace of progress has varied for different asset classes. In order to understand the information that is received from the Schemes' investment managers, we have previously explored this topic with Willis Towers Watson (as the Schemes' fiduciary manager). For the first time in this report, WTW provided scope 3 emissions data in their reporting which is an encouraging step.

During the reporting year, we undertook our annual Responsible Investment Review, which provided updates on the Schemes' carbon journey plan, stewardship activity and sustainable investing examples within our portfolios.

The key highlights and findings from the 2025/26 TCFD report are set out below:

Governance

Our governance framework has remained unchanged over the last year with RI discussions integrated into the FSC (Financial Strategy Committee) and IIC (Investment Implementation Committee) business plans. The Schemes continue to receive support and training from Hymans, WTW and the sponsor. We maintain a governance policy setting out the roles and responsibilities of all relevant parties. We've also designed robust processes to ensure that climate-related risks and opportunities are appropriately managed.

Strategy and risk management

We've liaised with our advisers to understand processes and current risks to the Schemes, the ability to set targets and how to make changes. We've worked to understand risks and opportunities using climate scenario analysis over the past several years. We have not undertaken new scenario analysis of the Schemes assets and liabilities this year. The most recent analysis was for the 2023/24 report. Since this time, there have been limited changes to the Schemes' investment strategy, so we would expect any changes would be minimal over the period.

We recognise that climate change could have significant impacts in more extreme scenarios. Climate scenario modelling is an evolving area, with many limitations. Therefore, while the Schemes are currently modelled as being broadly resilient to climate change, given the recent apparent acceleration of climate change we anticipate revisiting climate modelling in the next yearwe also monitor and mitigate climate-related risks as part of our risk management process.

Metrics and targets

We receive regular reporting from WTW covering various metrics. There has been an increase in the absolute emissions and emissions intensity metrics over the past 12 months for our return seeking portfolio largely because of more data being sourced directly from the underlying managers and therefore providing a more accurate measure. Total emissions across our CDI portfolios have decreased, more than offsetting the increase in emissions seen across the return seeking portfolio. We also note that WTW has included Scope 3 emissions data for each Scheme across the CDI and RS portfolios for the first time which is a positive step.

A summary of emissions data for LRPS is provided overleaf:

Metric (scope 1+2)		Land Rover			
		RS	CDI	LDI*	*Total*
Total carbon emissions (tCO2e)	2025	43,611	53,982	42,489	*140,082*
	2026	46,695	44,202	42,004	*132,901*
Carbon footprint (tCO2e / $m invested)	2025	47	37	57	*45*
	2026	51	32	53	*43*
WACI (tCO2e / $m sales)	2025	144	110	106	*117*
	2026	192	83	97	*110*

*Source: WTW and LGIM. Scope 1 and 2 only. *The climate data for the LDI portfolio solely considers government bonds, index-linked government bonds and cash. This data excludes any derivatives held in the portfolio. Total have been determined using data from WTW and calculated by Hymans Robertson.*

Metric (scope 3)		Land Rover			
		RS	CDI	LDI	*Total*
Total carbon emissions (scope 3) (tCO2e)	2026	226,482	351,603	N/A	*578,085*
Carbon footprint (scope 3) (tCO2e / $m invested)	2026	247	248	N/A	*248*

Source: WTW. Scope 3 only. Data became available in 2026 and so there is no reported data for periods prior to this.

We receive an RI metric dashboard quarterly, which shows progress relative to the targets we have set and enables us to integrate RI considerations into our overall decision-making process. This reporting showed that as at end of 2024 (the latest data available) our CDI portfolio is ahead of our carbon journey plan of achieving net zero emissions by 2050, although we note that data availability is currently limited and so there may be short-term volatility in this measurement.

Governance

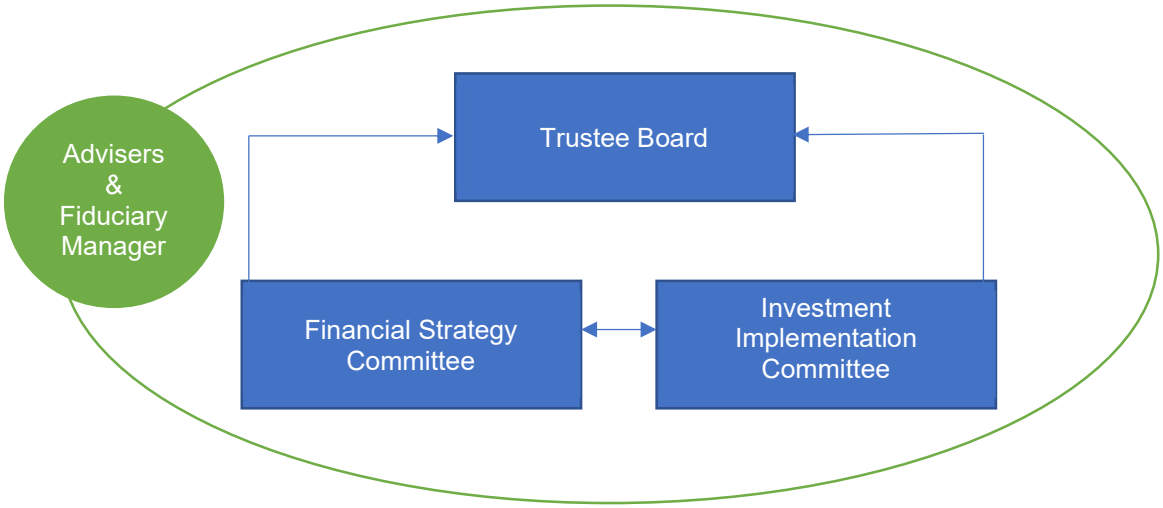
How we retain oversight of climate-related risks and opportunities

We have a clear governance structure with dedicated sub-committees to ensure effective and timely decision-making. Regarding investment and funding matters, we have a Financial Strategy Committee (FSC) that oversees our integrated risk management, covering actuarial, company covenant and investment strategy matters. It reports into the Trustee board.

More detail on the roles and responsibilities of our fiduciary and strategic advisor in assessing and managing climate-related risks and opportunities can be found within the Governance section of our 2023/24 TCFD report. This document can be found at the below link:

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

The Scheme's current governance structure and key relationships are illustrated in the diagram below. The governance structure remains unchanged from last year's report and is illustrated below. The FSC and IIC are comprised of members of the Trustee board and have company representation.



Discussion of climate change at meetings and trustee training

Dedicated RI agenda items have been added to the FSC and IIC business plans. To ensure that RI matters are central to decision-making, we've nominated an ESG champion, who is responsible for flagging key developments in ESG, identifying risks and opportunities that warrant further discussion, and guiding conversations at committee meetings.

The Trustee, IIC and FSC receive periodic training from our advisers on climate-related risks and opportunities.

Roles and responsibilities in assessing and managing climate-related risks and opportunities

The Trustee board is ultimately accountable for ensuring that climate-related risks and opportunities are appropriately assessed and managed. However, the supporting committees are responsible for building knowledge and understanding and proposing policies and processes for Trustee board approval. We've developed a set of RI beliefs and an RI policy. Climate change is a key theme running through both documents. The documents are owned by us, and we review them to ensure they remain fit for purpose.

We receive a weekly summary from Hymans providing the latest news and views across various RI related topics. There is also regular dialogue between the Schemes' ESG champion, Hymans and WTW on RI related issues.

We analyse climate change from a covenant perspective. Electrification is one of the most significant risks to covenant, and the sponsor's progress on this topic relative to peers is considered quarterly as part of the integrated risk management monitoring dashboard produced by our covenant adviser.

Some of the climate-related issues that the IIC have considered and developed in recent years include:

- Monitoring climate metrics across the Schemes' RS and CDI portfolios. We have also worked with WTW to develop carbon journey plan reporting including a climate dashboard to assist in monitoring progress towards our net zero goals described below.
- Improving ESG and climate change credentials when evolving the investment grade credit part of the CDI portfolio.
- Implementing a net zero journey plan framework and assessing how the Schemes' expected investment strategy evolution will impact the Schemes' ability to achieve its stated net zero targets.
- Requesting periodic updates from WTW on the success of the engagements that they have carried out on behalf of the Schemes based on the agreed RI priorities, including climate.

Strategy

The climate-related risks and opportunities we have identified over the short, medium and long term

We define climate risk to be the potential impact on future financial returns that may arise from climate change. Climate risk is typically split into two parts:

- Transition risk: the impacts that may arise from policy change and technological advancement
- Physical risk: the risk from changing weather patterns or the greater frequency/severity of extreme events.

We are a long-term investor. Our current long-term goal is to have a 99% probability of paying all benefits in full by 2045 without further reliance on the sponsor. Climate change is likely to be a material consideration for the delivery of our long-term objective, and so it is crucial that we manage climate risk appropriately.

In the context of our journey planning and investment horizon, we have defined short, medium and long term as follows:

- Short term: in line with our actuarial valuation cycle – three years
- Medium term: half-way point to the long-term target – currently 10 years to 2036
- Long term: consistent with our long-term funding target date – currently 19 years to 2045

As the Schemes continue along their journey plan, the above timescales will be re-assessed and amended as appropriate.

Our quarterly covenant report considers the employer's progress towards full electrification based on current volumes by powertrain, how the employer is positioned relative to peers and actions taken to address this specific risk. This analysis is used to determine the overlap between the major transition risks facing our employer and the major transition risks facing the mandates held within the Schemes' investment strategy. In the longer term, we expect physical risks to feature increasingly.

We assess climate-related risks at an overall strategy level and at an individual mandate level. The table below sets out a summary of the key risks currently identified and monitored for each area of the Schemes' strategy.

Risk areas	Climate Risks			
	Identified risks	Impact		
		Short term	Medium term	Long term
Investment	WTW invests in strategies that are overly exposed to climate risk. Underlying investment managers do not take account of climate risks. WTW's approach to climate risk is inadequate.	Low	Low	Medium

Funding	Longevity impact from climate change and potential uncertainties in the funding assumptions introduced by climate risk.	Low	Low	Medium
Covenant	Keeping pace and aligning with consumer demand and changing global policies from a climate change perspective (eg electrification) is one of the key risks facing the sponsor.	Low	Medium	Medium

Please note that the level of risk is assessed after expected mitigating action.

Our assessment of investment and funding related risks at a strategic level has remained unchanged from last year.

However, we continue to monitor the impact of different climate change related risks together with other risks through an integrated risk management lens and whether any additional mitigation steps need to be taken.

Several climate-related risks and opportunities have already been identified by WTW in considering the implementation of strategy. The key risks and opportunities that they have identified, assessed and discussed are summarised below:

Climate risks

Real assets – agriculture/timber

Within our RS portfolio, we invest in two mandates that provide separate exposure to agriculture and timber – these mandates equate to around 1% of the overall investment strategy for JPP and LRPS. The key climate-related risks for timberland are fire, drought, wind, hurricanes and disease, all of which may be exacerbated by climate change. Furthermore, extreme weather events (e.g. wildfires and droughts), coupled with rising global temperatures, will significantly affect agriculture production. Therefore, these assets are structurally exposed to physical climate risks. The impact from these physical risks is expected to be more prevalent in the long term.

It's also worth noting that these investments represent a climate-related opportunity. For example, carbon sequestration in trees will play a significant role in achieving net zero transition pathways, so it's important to allow existing trees to grow and plant new forests on suitable and available land. We receive updates from WTW on the ESG policy of the manager, with a particular focus on water security and fire risk to ensure that these risks are appropriately managed. The underlying investment manager has confirmed that they focus on regions with optimal climate and infrastructure to grow their high-conviction crops.

Opportunistic private markets – energy

In our RS portfolio, we invest in one mandate that invests across the energy industry. Importantly, it has the flexibility to switch between power generation, midstream and environmental assets and service. However, the manager does hold some gas pipelines that are exposed to transition risks. Reductions in the costs of renewables and increasing regulatory pressure to reduce gas usage are the key drivers of transition risks for this sector.

Given the increasing ambitions related to climate change, these transition risks are expected to emerge in the short to medium term. As part of the reporting received by WTW, we ask them to notify us of any RI exposures that are not optimal when viewed from a wider portfolio context. Gas pipelines represent a small proportion of this fund, and the mandate itself is only around 0.4% of the Schemes' overall investment strategy. Furthermore, the manager has the flexibility to invest in different segments of the energy sector, so we believe this transition risk will have a negligible impact on the Schemes ability to achieve its long-term objective.

Liquid diversifiers – catastrophe bonds
In our CDI portfolio, we have exposure to a mandate with direct exposure to physical climate-related risks via insurance-linked securities and specifically catastrophe bonds – the mandate equates to around 1% of the overall investment strategy for JPP and LRPS. These instruments transfer natural catastrophe risk from insurers to investors and are linked to specific events such as hurricanes, convective storms and wildfires. While not a climate-focused investment in the traditional sense, the strategy provides exposure to a market where risk pricing is increasingly influenced by climate-related physical risks.

Climate-related opportunities

Secure income assets – renewable energy
Within our CDI portfolio, we have exposure to a fund that gives investors access to a diversified, low-risk and highly cash-flow-generative portfolio of renewable energy. This mandate represents 2.3% of JPP's investment strategy and 1.3% of LRPS's investment strategy.

Over recent years, there have been rapid technology improvements, while renewable solutions have become cheaper. This has made renewable energy an attractive investment opportunity.

In the short to medium term, this mandate provides opportunities to access cashflow-generative assets. Furthermore, these assets are expected to result in lower expected volatility in the CDI funding level. Over the longer term, this mandate provides exposure to long-term energy-producing assets. We've considered the risk of stranded assets as part of the transition to net zero, and we've made the deliberate decision to invest in assets that provide exposure to renewable sources of energy.

The inclusion of this renewable energy strategy within the secure income portfolio has helped the Scheme achieve its objective of doubling the allocation to climate solutions relative to the 2019 baseline position.

Real assets – energy transition
We continue to be invested in strategies that help finance the global energy transition through infrastructure investments. There is a significant need for capital to reduce carbon emissions and increase the efficiency of industry – technology is expected to continue to play an important role in achieving global net zero targets and therefore we expect WTW to monitor new opportunities that can help achieve the Schemes' financial and climate objectives.

Equities – climate transition
Within our RS portfolio we invest in a passive equity fund, representing around 0.8% of the overall investment strategy for JPP and LRPS. This mandate incorporates several climate related elements including Climate Transition Value at Risk (CTVaR) in the index methodology, a tool that WTW also uses as part of its portfolio construction. This contributes to the weighting of stocks in the index as it seeks to identify companies that are better positioned to manage climate transition risks and benefit from opportunities arising from the transition to a lower-carbon economy. The fund also weights stocks according to net-zero alignment scores.

How climate-related risks and opportunities impact the Schemes' business, strategy and financial planning

Climate-change risk has the potential to reduce returns across all asset classes, as well as having a macroeconomic impact that could affect all Schemes. Equally, the need to transition to a low-carbon economy and the innovation that this will require presents several investment opportunities.

In recent years, we have evolved our business plans to ensure that the assessment of climate related risk is embedded within our investment processes. We aim to monitor climate related risks at all stages of the investment lifecycle and consider how our engagement helps to mitigate the risk that certain companies and sectors are facing from a climate change perspective. This has largely been in the form of engaging with WTW and scrutinising their processes and reporting. For example, over the past several years we have:

- Focused on data quality for carbon footprint metric to ensure an accurate baseline position can be established to determine appropriate engagement areas.
- Identified initial monitoring priorities based upon data availability.
- Discussed how to evolve our climate metric reporting to better capture progress relative to targets and the climate metrics monitored.
- Considered the alignment of net zero targets between different stakeholders, i.e. sponsor vs fiduciary manager (WTW) vs underlying companies held by investment managers.
- Included specific references to ESG and climate-related risks within the objectives of our strategic advisers.
- Assessed how ESG considerations are integrated into specific asset classes and individual mandates via the quarterly asset class review conducted by WTW.
- Assessed how the sustainability profile of the Schemes' investment strategy was improved via the introduction of a new investment grade corporate bond manager and the inclusion of sustainability criteria into the investment guidelines.
- Discussed the current limitations of climate scenario modelling and the specific scenarios that are relevant for the Scheme, based upon the key risks impacting funding and investment strategy.
- Explored additional narrative-based climate scenario analysis which focused on a climate induced, food shock event and the pathways that could ensue.
- Received training on climate-related risks and opportunities.

The Schemes are invested in several climate-related mandates. WTW continue to monitor this market closely to identify attractive opportunities. We expect the allocation to climate opportunities to increase over time – given the planned evolution of the investment strategy, we anticipate deploying capital into both liquid and illiquid climate solutions. This is something that we monitor through our quarterly climate reporting provided by WTW.

WTW have adopted a strategic plan with the overarching goal of being carbon neutral by 2050 across all offices, and within investment portfolios operated for clients under fiduciary management agreements. WTW is also aiming for a 50% reduction in carbon exposure by 2030, compared to 2019 levels. We've agreed to adopt the same target for the Schemes, though this is subject to periodic review.

As commented on further in the next section, we have placed great focus on climate change within our stewardship policy, and review this annually in full. We receive bi-annual reporting from WTW, which has the intention to aid us in discussing the necessity to evolve and refine the process used to identify, manage and monitor climate-related risks and opportunities.

How resilient is our investment strategy to climate change risks?

Climate scenario modelling

During the reporting year 2023/24, the FSC explored the possible impact of a severe climate shock scenario. This scenario considered a climate induced, food shock event and the pathways that could ensue. To make the climate scenario narrative realistic, we considered how different actors within the global system would respond to the scenario in conjunction with the human response to environmental or other stimuli. As a climate induced food shock would create an initial series of policy responses, multiple pathways were assumed to be created in response, creating different outcomes. The FSC focused on three pathways ("green growth" where there was a policy-driven transition, "technological triumph" where there was an innovation-driven transition and "climate catastrophe" where there was no transition). The FSC assessed the impact this would have on the Schemes' funding levels

The results from this analysis showed that there were varied outcomes across the three pathways. As to be expected from an adverse scenario such as a global food supply shock, each pathway created the potential to place greater reliance on the covenant as there was a lower expectation the Schemes' will be more than 100% funded at any time. This narrative-based scenario analysis was less quantitative in nature and challenged us to discuss if we were accurately reflecting underlying climate risk drivers in our reporting and effectively challenging WTW on climate risk.

We have decided not to refresh the analysis for this report, given the lack of material changes to the Schemes' investment strategy. Therefore, we would expect any further modelling to yield relatively similar results and are comfortable that the analysis, and conclusions, prepared for the 2023/24 report remain relevant. Our intention is to carry out climate scenario analysis on at least a triennial basis, alongside each investment strategy review. In addition, we will consider annually the merit of refreshing the climate scenario analysis and introducing further additional stressed scenarios as appropriate. Further detail on this analysis is set out in Appendix 1.

Climate Transition Value at Risk (CTVaR)

WTW has developed a methodology to consider the potential value lost (or gained) by companies in the transition to a low-carbon economy. CTVaR is used to better understand how the Schemes' investments are exposed to climate transition risk and assesses the financial impact of climate change. This metric employs bottom-up scenarios to assess the effect of changes to policy, technology and consumer behaviours. It models the financial impact of climate transition on businesses assets and gives us a useful guide to understanding the true impact on the composition of the Schemes' investment strategy.

CTVaR measures how much a company would be revalued or a company's market cap repriced based on a full climate transition; this should drive investment to companies and segments that will lead the transition. This analysis compares the expected Value at Risk (VaR) from a well below 2°C scenario materialising versus a business-as-usual scenario. Therefore, it lets us better manage and mitigate the transition risks that could affect various aspects of the investment strategy.

CTVaR also addresses many of the limitations of existing carbon metrics. This is a forward-looking tool that examines how companies are positioned to manage transition risk, rather than focusing on historical carbon emissions data. It also considers the impact of the transition to a low-carbon economy on asset prices, rather than focusing solely on carbon emissions as a proxy for climate risk.

Based on upon information available as at 31 March 2026, the CDI portfolio has low climate transition risk as measured by CTVaR both in absolute and relative terms. This is primarily attributed to the exposure to renewable energy assets within the secure income portfolio. Whilst the CTVaR score indicates that the portfolio is well positioned to navigate climate transition risks, we acknowledge that a large proportion of the data used for the CDI portfolio is proxied and therefore it is important to use this information in conjunction with other metrics to determine a more robust picture.

Similarly, the latest CTVaR analysis shows a positive picture for the RS portfolio. This can be explained by the asset class positioning and the focus on climate risk within the underlying mandates. However, the Schemes' RS portfolio allocation is currently skewed towards opportunistic private markets where there is limited actual data available and therefore proxied data has been used. We will continue to monitor this metric from both an absolute and relative perspective as data quality improves.

Risk management

The processes we use for identifying and assessing climate-related risks

We have identified climate change as one of our top priorities. The importance we place on managing and mitigating climate-related risks has been relayed to WTW and forms the basis of ongoing engagement.

Climate-related risks can be identified by various parties, including the Trustee board, its sub-committees, investment managers, WTW or the Schemes' advisers. Our 2023/24 report includes detail on the process by which ESG risks can be identified and can be found here: Jaguar Land Rover Members Site.

We receive detailed reporting quarterly, which covers climate and other metrics across the different portfolios. Some of these are included in the metrics and targets section below. Each metric is then assessed under a 'red-grey-green' traffic light system to draw out areas of concern. We have worked extensively with WTW manager and Hymans in developing reporting tailored to our needs. We appreciate that accurately assessing and calculating climate-related risks is continually evolving, and techniques to measure these risks are still developing.

The process we use for managing climate-related risks

Climate change prioritisation has formed the basis of our dialogue with WTW and Hymans and shaped our policies and processes (including reporting, as mentioned above). We manage risk in the Schemes through our risk register and via ongoing strategic discussions with WTW and Hymans. These include the investment risks required to have the highest level of confidence in delivering the long-term objective.

We've gone to great lengths to become comfortable that WTW is embedding climate risk as part of their investment process and when assessing investment managers for inclusion within the RS and CDI portfolios. Our 2023/24 report includes detail on how our assets are selected and then overseen via the exercise of stewardship as well as our expectations of our underlying managers and WTW in relation to effective stewardship. This can be found here: Jaguar Land Rover Members Site.

How our processes for identifying, assessing and managing climate-related risks are integrated into our overall risk management framework

The Financial Strategy Committee (FSC) sets the funding strategy for the Schemes, taking an integrated risk-management approach, with input from covenant, investment and actuarial advisers. Part of the FSC's role involves considering the impact of scenario analysis, this includes the impact of various climate scenarios. The latest scenario analysis undertaken by the Schemes is set out in the previous section.

The FSC receives covenant advice quarterly. As part of the quarterly covenant updates, our covenant adviser assesses key risks (such as car electrification, supply challenges and the importance of China) and the extent to which the investment strategy could mitigate these risks to the covenant. We consider the funding and investment implications of such risks as part of our quarterly FSC meetings. We also consider the implications of covenant risk as a key risk area that will impact the Scheme's strategies at our IIC meetings, how this may impact the current market outlook and any actions that should be taken off the back of this from a strategic perspective.

Metrics and targets

The metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

We receive reporting quarterly, covering various climate-related metrics. We believe it's important to consider metrics on a holistic basis, covering both forward- and backward-looking metrics. We focus on metrics that help us better understand the risks faced and make informed decisions about the resulting actions to be taken. All metrics are used to assess the portfolio and challenge WTW. Metrics are analysed separately for the RS portfolio and CDI portfolio to identify the key priorities for different components of the investment strategy.

This report focuses on the mandatory metrics that all schemes are asked to monitor and report against for TCFD purposes. We appreciate that no single metric is perfect, and therefore we monitor a suite of metrics as part of our broader RI dashboard. This approach enables us to take a comprehensive view of the risks facing the Schemes' investment strategy. In addition, this approach enables us to focus on specific metrics within certain aspects of the portfolio, should a metric not be trending in the desired direction or not progressing as quickly as desired or agreed. Therefore, these metrics aim to identify trends and investigate certain areas where necessary.

The metrics considered within this report are summarised below:

Type	Metric	Measurement
Absolute emissions metric	Total Greenhouse Gas (GHG) emissions	The volume of scope 1, scope 2 and scope 3 emissions from the Scheme's assets – measured in tons of CO2e.
Emissions intensity based metric	Carbon footprint	The volume of scope 1, scope 2 and scope 3 emissions per unit of capital invested from the Schemes' assets – measured in tons CO2e per $m invested.
	Weighted Average Carbon Intensity (WACI) – assessment of the efficiency of portfolio carbon emissions.	The volume of scope 1 and scope 2 emissions per unit of sales for each portfolio company, weighted by the size of allocation to each company within the Schemes' assets – measured in tons CO2e per $m sales.
Additional climate change metric (non-emissions based)	Data quality – A measure of the level of actual data available from the Schemes' managers.	Measured per mandate: % of mandate for which actual data has been used to calculate carbon footprint.
Portfolio alignment metric	Science based targets	Measured as the % of portfolio classified as Aligned or Aligning based on guidance set out in the IIGCC's Net Zero Investment Framework.

Emissions data (Scope 1 and 2 only)

Data in respect of our RS and CDI portfolios is provided by WTW, in their capacity as fiduciary manager for both portfolios. The below table provides an illustration of the data analysed for each plan/scheme.

Metric (31 Mar 26)	Land Rover			
	RS	CDI	LDI[i]	Total
Total carbon emissions	46,695 tCO2e	44,202 tCO2e	42,004 tCO2e	*132,901 tCO2e*
Carbon footprint	51 tCO2e / $m invested	32 tCO2e / $m invested	53 tCO2e / $m invested	*43 tCO2e / $m invested*
WACI	192 tCO2e / $m sales	83 tCO2e / $m sales	97 tCO2e / $m sales	*110 tCO2e / $m sales*
Data quality	54%	61%	99.9%[ii]	*69%*
Science based target	73%	77 %	N/A	-

Source: WTW and LGIM. RS and CDI portfolio as at 31 March 2026. [i] the climate data for the LDI portfolio solely considers government bonds, index-linked government bonds and cash and excludes any derivatives held in the portfolio. [ii] details the data coverage of the portfolio and is not directly comparable to actual data collected from individual companies. Total have been determined using data from WTW and calculated by Hymans Robertson.

Metric (31 Mar 26)	JPP			
	RS	CDI	LDI[i]	Total
Total carbon emissions	40,443 tCO2e	54,152 tCO2e	27,337 tCO2e	*121,932 tCO2e*
Carbon footprint	51 tCO2e / $m invested	33 tCO2e / $m invested	53 tCO2e / $m invested	*41 tCO2e / $m invested*
WACI	216 tCO2e / $m sales	81 tCO2e / $m sales	97 tCO2e / $m sales	*107 tCO2e / $m sales*
Data quality	49%	61%	99.9%[ii]	*65%*
Science-based target	72%	75 %	N/A	-

Source: WTW and LGIM. RS and CDI portfolio as at 31 March 2026. [i] the climate data for the LDI portfolio solely considers government bonds, index-linked government bonds and cash and excludes any derivatives held in the portfolio. [ii] details the data coverage of the portfolio and is not directly comparable to actual data collected from individual companies. Totals have been determined using data from WTW and calculated by Hymans Robertson.

Metric (31 Mar 26)	JEPP		
	RS	LDI[i]	Total
Total carbon emissions	3,130 tCO2e	2,350 tCO2e	*5,480 tCO2e*
Carbon footprint	39 tCO2e / $m invested	52 tCO2e / $m invested	*44 tCO2e / $m invested*
WACI	93 tCO2e / $m sales	97 tCO2e / $m sales	*95 tCO2e / $m sales*
Data quality	69%	99.8%[ii]	*80%[ii]*
Science-based target	78%	N/A	*N/A*

Source: WTW and LGIM. RS portfolio as at 31 March 2026. [i] the climate data for the LDI portfolio solely considers government bonds, index-linked government bonds and cash and excludes any derivatives held in the portfolio. [ii] details the data coverage of the portfolio and is not directly comparable to actual data collected from individual companies. Total have been determined using data from WTW and calculated by Hymans Robertson.

Emissions data (Scope 3 only)

Data in respect of our RS and CDI portfolios is provided by WTW, in their capacity as fiduciary manager for both portfolios. The below table provides an illustration of the data analysed for each plan/scheme.

Metric (31 Mar 26)	Land Rover			
	RS	CDI	LDI[i]	Total
Total carbon emissions	226,482 tCO2e	351,603 tCO2e	N/A	*578,085 tCO2e*
Carbon footprint	247 tCO2e / $m invested	248 tCO2e / $m invested	N/A	*248 tCO2e / $m invested*
WACI	N/A	N/A	N/A	N/A
Data quality	45%	54%	N/A	*50%*

- *Source: WTW. RS and CDI portfolios as at 31 March 2026. Total have been determined using data from WTW and calculated by Hymans Robertson. Total excludes LDI data.*

Metric (31 Mar 26)	JPP			
	RS	CDI	LDI[i]	Total
Total carbon emissions	193,281 tCO2e	468,538 tCO2e	N/A	*661,819 tCO2e*
Carbon footprint	243 tCO2e / $m invested	278 tCO2e / $m invested	N/A	*267 tCO2e / $m invested*
WACI	N/A	N/A	N/A	N/A
Data quality	42%	57%	N/A	*52%*

- *Source: WTW. RS and CDI portfolios as at 31 March 2026. Total have been determined using data from WTW and calculated by Hymans Robertson. Total excludes LDI data.*

Metric (31 Mar 26)	JEPP		
	RS	LDI[i]	Total
Total carbon emissions	21,153 tCO2e	N/A	*21,153 tCO2e*
Carbon footprint	263 tCO2e / $m invested	N/A	*263 tCO2e / $m invested*
WACI	N/A	N/A	N/A
Data quality	68%	N/A	*68%*

- *Source: WTW. RS portfolio as at 31 March 2026. Total have been determined using data from WTW and calculated by Hymans Robertson. Total excludes LDI data.*

These metrics are monitored quarterly with data refreshed on a bi-annual basis. As part of the reporting provided by WTW, a heatmap is applied to certain metrics to identify trends and progress relative to the agreed comparators. We accept that there is a large degree of subjectivity with respect to the thresholds selected for each metric. Therefore, we have agreed that the colour heatmapping will be monitored and revised over time, as appropriate.

The latest analysis shows:

- The CDI and RS portfolios are performing broadly in line with their comparators and targets across most metrics analysed.
- Continued improvements in the data collation methodologies to incorporate actual manager data into WTW's systems to replace proxied data, largely for the illiquid holdings, has been the main contributor to changes in the carbon data over the year.
- Total carbon emissions, carbon footprint and WACI decreased for the CDI portfolios largely due to improvements in the data quality for the illiquid parts of the portfolio. For the RS portfolio, all three carbon

measures increased for JPP and LRPS. This was largely attributable to the incorporation of better manager data for the illiquid holdings, which comprises a large part of the RS portfolio.

- The WACI metric remains higher for the RS portfolio relative to the comparator used – this is primarily due to assets held within the portfolio. For example, the comparator used for the RS portfolio is the MSCI ACWI, while the RS portfolios consist of private markets, credit and real asset investments where data availability has been more limited and greater reliance has been placed on proxy estimates. Adjusting for the types of assets held within the investment strategy, we are comfortable that the WACI figure for the Schemes' investment strategy is good relative to its peers.
- On the whole, the data quality and Science-based target metrics continue to improve year on year owing to the efforts to include actual data directly from the underlying managers and more companies adopting the Science-based targets initiative.
- The LDI emissions data solely considers physical holdings i.e government bonds and cash. More specifically, this analysis excludes any derivatives held in the portfolio. Given the nature of the assets held in the LDI portfolios, the funds are performing in line with expectations from an emissions perspective and have remained broadly stable in comparison to last year.

Scope 3 emissions have been disclosed for the first time in this report for the RS and CDI portfolios given the data is now available from WTW. Reported Scope 3 emissions are materially higher than Scope 1 and 2 emissions, reflecting the broader coverage of indirect emissions throughout a company's value chain. The methodology for Scope 3 emissions is currently less well defined than Scope 1 and 2 emissions and this has therefore been kept separate. Additionally, in part due to the complexities of measuring Scope 3 emissions in a consistent way, data for Scope 3 emissions is harder to gather and less reliable. As a result, and as may be expected, the portfolios have poorer coverage of Scope 3 data. We note the limitations of using the Scope 3 data to make decisions. This is due to the issues encountered around data availability, methodology and, therefore, comparability from mandate to mandate. This is an area we hope will continue to develop as different methodology approaches converge and consistency improves.

The targets we have set to manage climate-related risks and opportunities

We have agreed to set a target in relation to the CDI portfolio due to its expected importance in the long-term investment strategy for the Schemes. Specifically, we have set a target of reducing carbon emissions intensity by 2030 (relative to 2019 levels). This target was set after considering various components:

- What is the company's position?
    - While reviewing the sustainability targets for Jaguar Land Rover is useful, we believe that it is appropriate to set targets in the context of our own RI beliefs and strategic objectives.
- What climate pledges have been made by WTW?
    - WTW has already announced a goal of reducing carbon emissions by 50% from 2019 levels by 2030. In addition, they have committed to doubling the allocation to climate solutions in the investment strategies that they manage.
    - We have considered whether there is merit in adopting a more aggressive and challenging target than that set by WTW. This focused on whether having an earlier target date will change behaviours in a manner that is in our best interest. We concluded that currently alignment with WTW is appropriate.
- What limitations are there with respect to setting targets?
    - We considered the expected evolution of the investment strategy as we approach our long-term time horizon and whether this will impede our ability with respect to setting targets.

- We analysed data availability and the use of proxy information in certain asset classes and whether certain metrics might be overstated or understated by data challenges.

We are aware that best practice is continually evolving in relation to RI reporting and so agree that the metrics assessed will be monitored on an ongoing basis.

This reporting showed that we are on track to achieving our target of reducing carbon footprint by 50% by 2030 relative to the 2019 baseline level as shown below.

Date	JPP CDI carbon footprint (tCO2e / $m invested)
31 Dec 2019	82
31 March 2026	33

Source: WTW

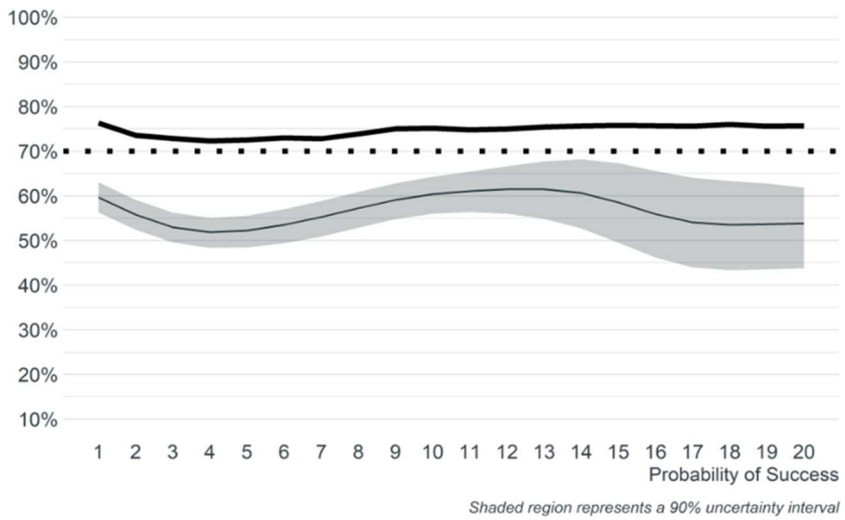
The reporting we receive from WTW also showed that our CDI portfolio is ahead of WTW's carbon journey plan of achieving net zero emissions by 2050 as at end 2024; however, we note that data is currently limited across some asset classes (with reporting covering 75% of the portfolio with 61% actual data and 14% proxied across scope 1 and 2 emissions). As data availability continues to improve, we may see more volatility in the reporting over the short term. Going forwards, we will continue to work with WTW to ensure that this reporting evolves to best suits our needs and to ensure continual improvement in the quality and quantity of data being received from the underlying investment managers.

Appendix 1 – scenario analysis – results and assumptions

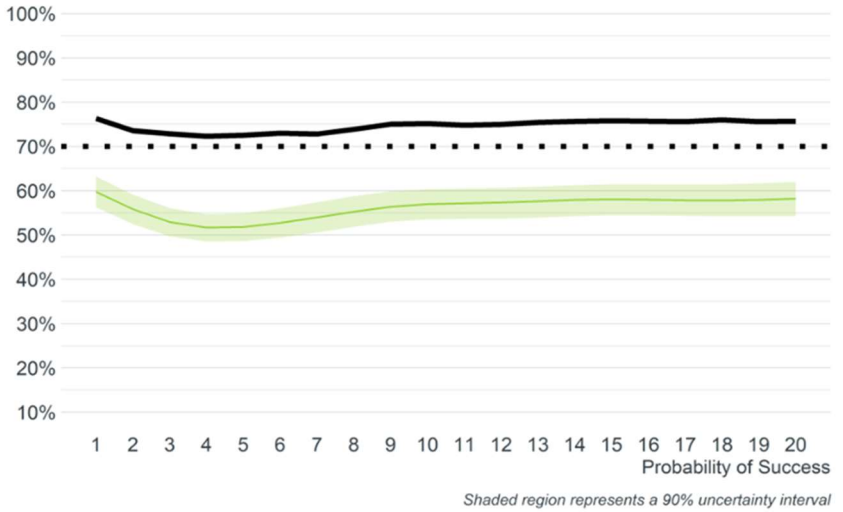
An example of the output for LRPS is shown on the following page. The charts illustrate the likelihood of the Scheme's funding level being over 100% in any given year and how this could change under the climate scenario for the given pathway. The shaded region represents the potential variability in this assessment, i.e. it may be 5% higher, or 5% lower.

As can be seen, under the three climate scenario pathways, there is a lower probability that the Scheme will be more than 100% funded at any time. This is to be expected as we have considered extreme adverse scenarios. As part of this exercise, we considered whether we would be comfortable with the lower likelihood of success and placing a higher reliance on the sponsor covenant, recognising that the potential implications for the covenant under these scenarios would also need to be assessed. We also discussed the drivers behind the scenario and whether a funding buffer would be an appropriate risk control measure. In addition, we considered the potential to adjust the investment strategy to target a higher level of return to improve potential outcomes under each scenario. Overall, we concluded that no amendments to the investment strategy were required, and we would periodically assess different scenarios as appropriate.

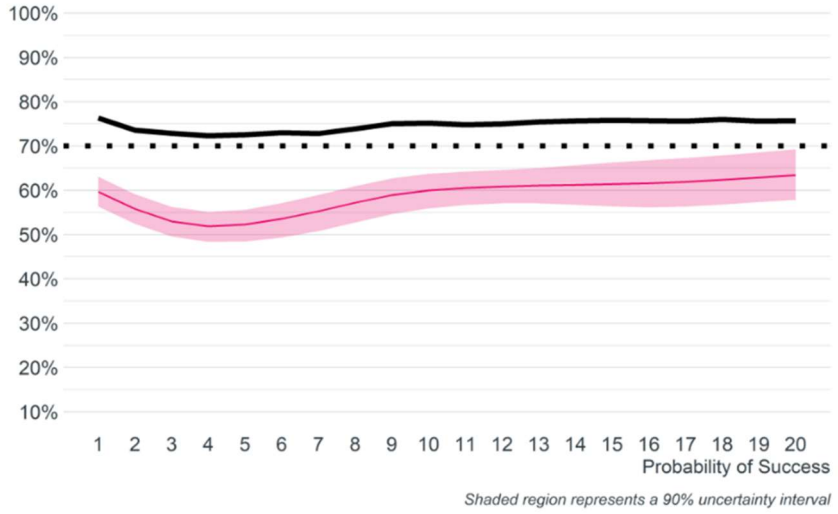
LRPS: Climate catastrophe pathway



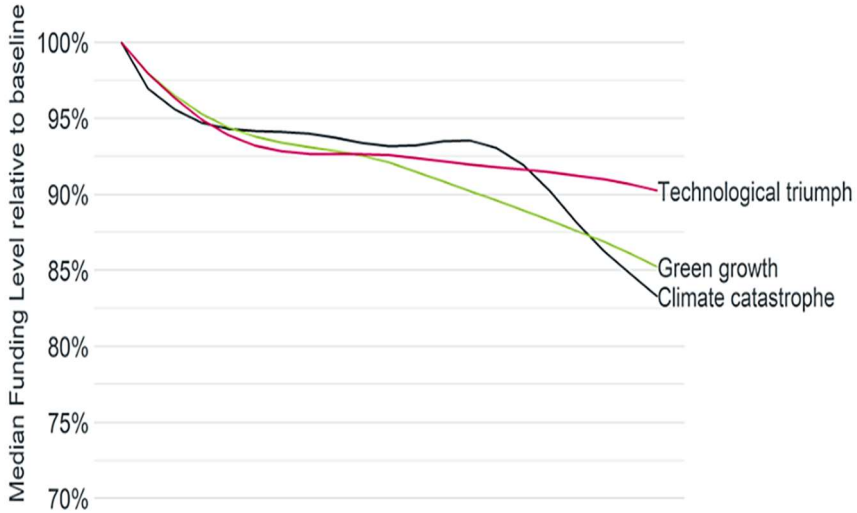
LRPS: Green growth pathway



LRPS: Technological triumph pathway



LRPS: Average impact



Thick black line represents the base case using the Scheme's current assumptions. This is compared to the different scenario pathways with the shaded region in the charts representing the potential variability in this assessment, i.e. it maybe 5% higher, or 5% lower. The x-axis represents the time horizon in years, and the y-axis represents the probability of success.

Appendix 2 – metric explanation

Absolute emissions

The formula for this metric attributes a share of each underlying investment's GHG emissions to the Schemes based on the Scheme's share of that investment, as follows:

$$\sum_{i=1}^{i=n} \frac{Scheme's\ value\ of\ asset_i}{Total\ equity\ and\ debt\ of\ asset_i} \times GHG\ emissions\ of\ asset_i$$

This metric is dependent on the issuer's disclosure of its GHG emissions – the GHG emissions used for the RS portfolio and CDI portfolio considers Scope 1, Scope 2 and Scope 3. While this metric is relatively straightforward to calculate and communicate, there is no normalisation between funds. Subsequently, it's important to consider carbon intensity metrics.

Carbon footprint

The carbon footprint is effectively the total GHG emissions normalised by the size of the portfolio. The formula used for this metric is as follows:

$$\frac{\sum_{i=1}^{i=n} \left(\frac{Scheme's\ value\ of\ asset_i}{Total\ equity\ and\ debt\ of\ asset_i} \times GHG\ emissions\ of\ asset_i \right)}{Current\ portfolio\ value}$$

This metric provides the Scheme with the ability to monitor relative carbon intensity at an overall strategy level, sector level and company level. However, this metric does not take into account differences in the size of companies and hence the importance to monitor this metric in conjunction with Weighted Average Carbon Intensity (WACI).

WACI

The weighted average carbon intensity measures the exposure to carbon intensive assets expressed in tons of CO2e per millions of pounds of revenue. The formula used for this metric is as follows:

$$\sum_{i=1}^{i=n} \left(\frac{Scheme's\ value\ of\ asset_i}{Current\ portfolio\ value} \times \frac{GHG\ emissions\ of\ asset_i}{Issuer's\ revenue_i} \right)$$

This metric relies on historical carbon data and analysis and is, therefore, backwards looking. This means that it doesn't take into account any action plans that companies have agreed to reduce their carbon emissions or achieve environmental objectives. Therefore, this metric needs to be reviewed in conjunction with forward looking metrics.

Portfolio alignment – Science-based targets

The proportion of the portfolio that is covered by science-based targets, as verified by the Science Based Targets Initiative (SBTi).

Data quality

The formula used for this metric is calculated as the percentage of the portfolio for which emissions data has not been estimated. The purpose of this metric is to consider how often actual holdings data has been used relative to estimated data in order to determine the accuracy of the information.

Appendix 3 – climate scenario modelling – reliances and limitations

This modelling is a form of asset-liability modelling (ALM).

The Trustee's adviser's ESS (Economic Scenario Service) produces stochastic projections for a wide array of asset class returns and other economic factors, which can be used as part of any quantitative risk management exercise – whether that be carrying out ALM, strategic asset allocations (SAA), or any other exercise designed to quantify financial risk exposure. The ESS models are regularly updated to capture the latest market conditions and are maintained and documented by a dedicated specialist team. The models don't make explicit assumptions for climate change or any other economic/political factors like trade wars, pandemics, etc.

However, climate change can be factored in indirectly by weighting the existing ESS outputs to 'tilt towards' possible climate scenarios. For each climate scenario, a weight is calculated for each of the 5,000 projections run for the ALM exercise so that the projections with higher volatility in the specified time period are emphasised in that scenario.

All scenarios involve a period of 'stress', which happens at different points over the selected modelling horizon. Each period of stress encompasses a combination of transition and physical risks, but whereas the early periods are assumed to be nearly all transition risk, the later periods include more physical risk as the impact of climate change is felt. It has, therefore, been assumed that the later the stress happens, the more intense the climate risk impact will be.

The approach taken is to assess the impact of climate change on the whole range of projected outcomes for the Group's funding position (assets and liabilities combined) and the Trustee has not carried out detailed analysis of the impact on the assets and liabilities independently. The impact of the various scenarios tested is that the range of funding outcomes becomes wider and more uncertain, rather than having a direct impact on Group assets or liabilities independently.

Please note that the impact of climate change on longevity and sponsor covenant is **not** included in the analysis.