

PAY GAP REPORT 2022

JAGUAR LAND ROVER



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CLOSING STATEMENT



CEO STATEMENT

During 2022 many parts of the world welcomed a return to the unrestricted social freedoms we had enjoyed before the Covid-19 pandemic. As constraints on personal life eased, it was a great pleasure to see our people return to workplaces that were full of energy again. We are recovering confidently following a period of unprecedented disruption, thanks to the inspiring spirit of everyone at Jaguar Land Rover.

We are on a journey to reimagine our future, as proud creators of the world's most desirable, modern luxury brands for the most discerning of clients. That is our vision – 'what' we are working to achieve. But a vision is only brought to life by people who feel a strong connection to it. That's why, last year, we introduced our new company purpose, Live the Exceptional with Soul – the expression of 'why' we do what we do. I am proud that this purpose statement came from the heart of Jaguar Land Rover, shaped by our colleagues, for our colleagues.

More than what and why is 'how' we work together. We call it our Creators' Code – a declaration of shared values that define the way we act and interact. It's also the foundation of our commitment to nurturing and sustaining a diverse, inclusive environment at work, where everybody can flourish. We know that our success, now and in the future, depends on fulfilling this promise to our people, every day: it will boost engagement, power innovation and ultimately enable us to create products and services that delight our clients.

We are making significant and encouraging progress at all levels of our organisation, helped immeasurably by the influence of our dedicated Diversity and Inclusion (D&I) team, employee-led D&I networks and inclusion councils. From relentlessly championing the voices of colleagues to coaching the executive board, they are leading change to make Jaguar Land Rover a place where everyone can thrive. I am delighted that two of my board teammates are supporting these efforts as co-sponsors of D&I, to create even greater, sustainable impact.

But we know we have more to do – and a responsibility to be open and transparent as we advance. This year we are publishing our ethnicity pay data for the first time, in addition to gender pay. It's not a requirement but it is the right thing to do as a test of our pledge that everyone has the same opportunity to grow and reach their full potential. We welcome the decrease in our gender pay gap following an expected post-pandemic increase last year, but recognise that the differential in that measure, and in our ethnicity pay, require our focus and attention.

People are my priority. I am committed to ensuring a positive experience for everyone in our team. When we celebrate and value each individual background and perspective equally, we better understand and exceed our clients' expectations. This elevates our performance and unites us as we excel and become stronger, together. What's even more important, it's just the right thing to do.

I declare the contents of this report to be accurate.

ADRIAN MARDELL
Chief Executive Officer
Jaguar Land Rover

WHAT IS THE PAY GAP REPORT

WHAT DOES OUR PAY GAP REPORT INCLUDE?

Within this report we detail the gender pay gap results for April 2022 and compare against April 2021 results. This is the first year we’re publishing our ethnicity pay gap. It’s not a legal requirement, but we want to be truly transparent and lead the way in pay gap reporting.

WHAT IS THE GENDER PAY GAP?

The gender pay gap is a measure of the percentage difference in the average hourly pay or bonus of men and women working for Jaguar Land Rover. This is regardless of their role in the organisation, length of service and any other differentiating factor.

WHAT IS THE ETHNICITY PAY GAP?

The ethnicity pay gap is a measure of the percentage difference in the average hourly pay or bonus of those categorised as white and those categorised as AEM (all ethnic minorities) working for Jaguar Land Rover. This is regardless of their role in the organisation, length of service and any other differentiating factor.

For the first year producing our ethnicity pay gap report we have elected to produce our ethnicity based on two categories; White and All Ethnic Minorities (AEM). As the first year of publication we wanted to start an important conversation and for the data to be simple and clear.

We understand the importance of recognising the pay gap across our specific ethnic groups and are using this data internally to help inform our D&I activity and decisions. We will look to share this breakdown in future reports.

GENDER AND ETHNICITY PAY IS NOT EQUAL PAY

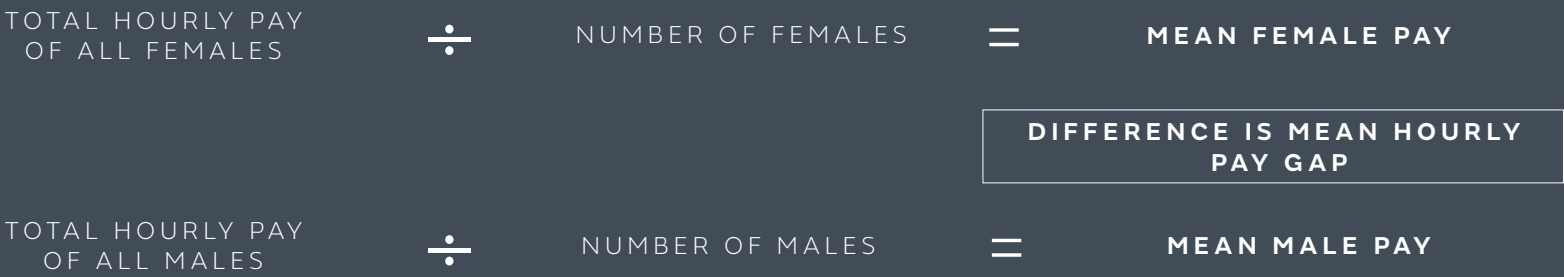
It is important not to confuse the pay gap figures with an equal pay comparison. Equal pay is a direct comparison of two or more employees doing the same or comparable work. Equal pay is not covered in this report.

WHAT ARE THE MEAN AND MEDIAN CALCULATIONS?

The mean is a calculation of the average hourly pay or bonus including all relevant additional payments.

The median is the pay or bonus of the middle employee when all employees are listed in order of pay or bonus.

HOW WE CALCULATE THE MEAN DIFFERENCE FOR GENDER PAY



HOW WE CALCULATE THE MEDIAN DIFFERENCE FOR GENDER PAY



HOW WE CALCULATE THE MEAN DIFFERENCE FOR ETHNICITY PAY



HOW WE CALCULATE THE MEDIAN DIFFERENCE FOR ETHNICITY PAY



HOW WE MEASURE THE GAP



PAY

Ordinary pay includes base pay, paid leave, shift pay, supplements and allowances. An employee’s hourly pay rate is calculated on their post-salary sacrifice pay in line with the regulations.



BONUS PAY

Under the regulations, bonus pay refers to remuneration in the form of money, vouchers or securities that relate to profit sharing, productivity, performance, incentive or commission.



EXCLUDED PAYMENTS

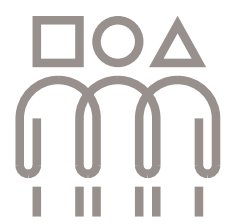
At Jaguar Land Rover, a holiday payment was paid in June 2021 to some employees. We concluded that these payments did not fulfil the definition of bonus under the regulations and they were not included in the ordinary pay calculations as the payments were not made in April 2022*.

All pay calculations are based on the relevant pay period that includes 5 April 2022, and bonuses from the previous 12 months. The data is for all UK-based Jaguar Land Rover relevant employees and those working overseas on a UK contract. This does not include employees on reduced or nil pay, such as those on long-term sick leave, special leave, those employed by an agency, personally contracted or inbound assignees.

Employees on maternity leave have been included as they receive full pay.

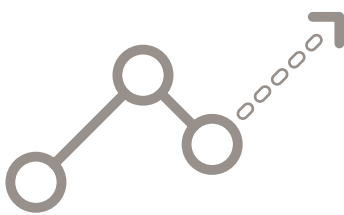
*Certain employees are paid for one less hour a week than they work and accumulate the additional hour throughout the year, which can be converted into holiday, cash or paid into a lifestyle account at a specific point in the year. For the purpose of the ordinary pay calculations, the hourly rate has been calculated based on the hours paid for. Any hours cashed out have not been included as they are not cashed out on the snapshot date.

OUR VISION



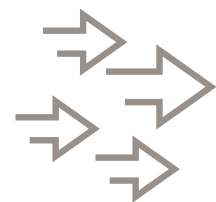
01 SHAPE A CULTURE OF **UNITY, BELONGING, INCLUSION AND RESPECT**

Educate, communicate and measure inclusive behaviours regularly and systematically, improving the employee experience for all



02 IMPLEMENT **PROGRESSIVE** POLICIES, PRACTICES, BENEFITS AND SUPPORT

Review and improve practices and policies to remove barriers, enable inclusion and realise equity



03 ENGAGE OUR EMPLOYEES AND EXPERTS TO **ACCELERATE PROGRESS**

Collaborate with our networks, colleagues and experts to create real, positive change

These three pillars marked **the start of our journey in 2021** along with our key targets.

By 2026 we aim to have:

1. Globally, at least 30% of all senior leadership positions held by females – we will aim to mirror this representation at all levels of our business.
2. In the UK, at least 15% of all senior leadership positions held by those from Black, Asian, and minority ethnic backgrounds – we will aim to mirror this representation at all levels of our business.
3. Our Inclusion Index measures the percentage of people who would recommend Jaguar Land Rover as an inclusive employer. We are aiming for a score of >80.





INTRODUCTION

At Jaguar Land Rover, for the first time, we are including our UK ethnicity pay gap data points, to be more transparent as part of our ongoing commitment to integrity. Alongside our Gender Pay Gap report in our fifth year of publishing, we understand the equal importance of both of these reports, which forms an integral part of our Diversity and Inclusion Strategy.

Since the last reporting period, our initiatives to encourage more women and individuals from diverse backgrounds into careers at Jaguar Land Rover have seen positive results. These include, but are not limited to, Senior Leadership investment, the growth of the Diversity & Inclusion team, D&I Network collaboration, company purpose, career development and data collection from our people, and tangible, measurable actions from all.

We have increased representation in our workforce in these measured areas across all our functions, including senior management roles. We are proud of these achievements, yet there is much more that must be done and we are committed to meeting our D&I vision and to further increase representation of women and all ethnic minorities in the workforce.

We are moving in the right direction but understand that passion for change alone is not enough. Commitment and consistency will play a core part in our approach to increasing representation and employee well-being of our Black, Asian, and Mixed-Ethnicity population. Later this year, we will introduce the three priorities for phase one of our Race Equitability Plan. Which focuses on increasing our awareness and investment in talent.

We are passionate about our people, and we are committed to fostering a diverse, inclusive and unified culture that is representative of our customers and the society in which we live; a culture where every one of our employees can bring their authentic self to work and feel empowered to reach their full potential.

GENDER PAY GAP

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WHAT WE HAVE DONE SO FAR

SCHOOLS / EDUCATION ENGAGEMENT

The team have organised workshops to develop essential employability skills and career awareness. This has involved networking sessions with our Graduate and Apprentice ambassadors as well as interaction with our senior female leaders.

Female students joined us for a general careers insight virtual programme open to all students from years 11 through to year 13. In addition, parents and teachers were invited to attend an online seminar with a hosted Q&A session to learn more about the career pathways available to them and how our recruitment processes operate.

We are excited to restart our STEM Ambassador programme through the STEMnet organisation, which has a national reach to all schools, to encourage more females to into the sector. There is also the ambition to create 'Future Proud Creators days' for young people as a school offering at our Gaydon HQ and Halewood manufacturing sites.

Jaguar Land Rover was listed for the first time in the National Apprenticeship Service's top 100 employers of the year rankings.

EARLY CAREERS ENGAGEMENT

Early Careers has partnered with a career platform that enables young people to explore different pathways and opportunities within Jaguar Land Rover. We organised multiple events such as skills sessions, employer events and careers fairs to inspire and attract females and other underrepresented groups to apply to our Early Careers programmes.

For National Apprentice Week, supported by the Employer Brand/Candidate Attraction team, an inspirational female leader video was shared of a Global Purchasing Director who begun her career as an apprentice.

WHAT WE HAVE DONE SO FAR



RECRUITMENT & TALENT

We are in the process of reviewing our approach to talent development across all our leadership levels with the aim of extending this to the rest of the business. We have implemented a number of initiatives such as introducing diverse interview panels, restarting our female leadership programme and ensuring parity of genders on shortlists. We are committed to ensuring that we have a process that is fair across all diversities. This process review is essential to improving access to opportunity and increasing representation across gender and ethnicity.

EMPLOYER BRAND / CANDIDATE ATTRACTION

Promoting women in different roles across the business is a key focus for us. On social media for example, the team have worked on:

- Powertrain Women Engineers talking about how to #breakthebias.
- “Day in the Life” Video of a Senior Tech Specialist.
- Highlighting the accomplishments of several of our trail-blazing female apprentices, such as winners of Women in Tech and apprentice awards this year and Young Women Engineer of the Year finalist (IET).

WHAT WE HAVE DONE SO FAR



EMPLOYEE LED NETWORKS

Our employee-led networks are doing a tremendous job working alongside the D&I team in showcasing tangible actions that benefit business-wide objectives. We also remain firm in promoting the expansion of dialogue and activities to improve women’s recruitment and advancement opportunities, which subsequently feeds into our efforts to narrow the gender pay gap balance.

WOMEN IN ENGINEERING & ALLIES (WIE&A) NETWORK

WIE&A network have delivered over 20 Lunch & Learns in 2022 with many more planned for 2023. In addition to these events, the WIE&A network will be collaborating with the Culture Transformation team to run listening circles to understand women’s experiences in Product Engineering – all of which add to women’s empowerment by prioritising the inclusion of women.

Their actions work to ensure women feel included and empowered to succeed in a typically male dominated profession.

GENDER EQUALITY (GEN) NETWORK

GEN is our largest network at Jaguar Land Rover with 1,880 members and continues to grow rapidly. They have been instrumental in creating high-quality networking, development and educational opportunities that promote gender equality across the wider business. In 2022 they hosted their first conference, ‘Be the Change’, and celebrated the first Anniversary of their ‘Coffee Roulette’ networking event which aims to support development by connecting colleagues from all areas of the business.

As a result of all the fantastic learning and networking initiatives we have seen a 30% increase in membership to the network since 2021.

OUR RESULTS - GENDER

0.9%

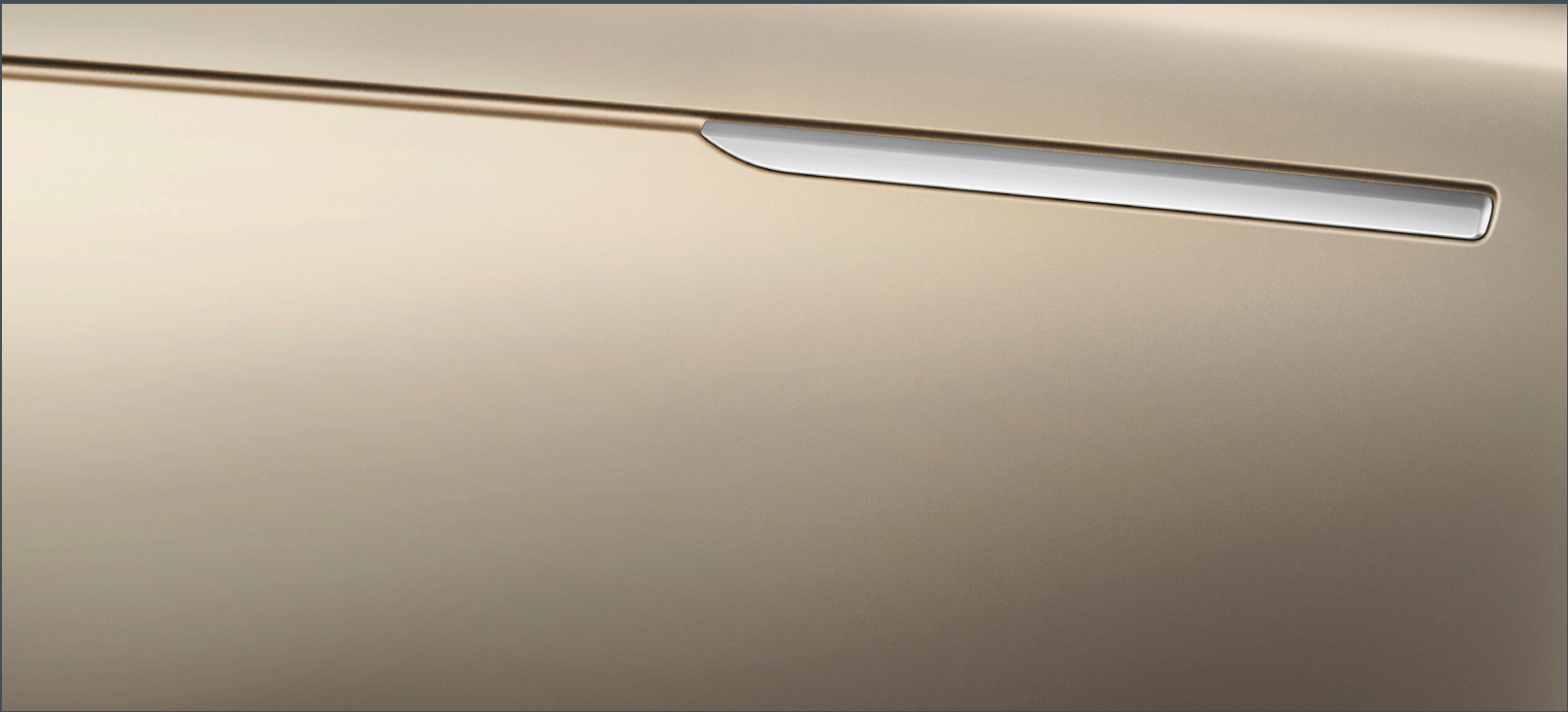
MEAN PAY GAP

The mean pay gap tells us the difference in the average hourly pay rate for male and female employees.

0.0%

MEDIAN PAY GAP

The median pay gap is the difference in the hourly pay rate between the pay of the middle female employee and the pay of the middle male employee when male and female employees are listed in order of hourly pay rate.



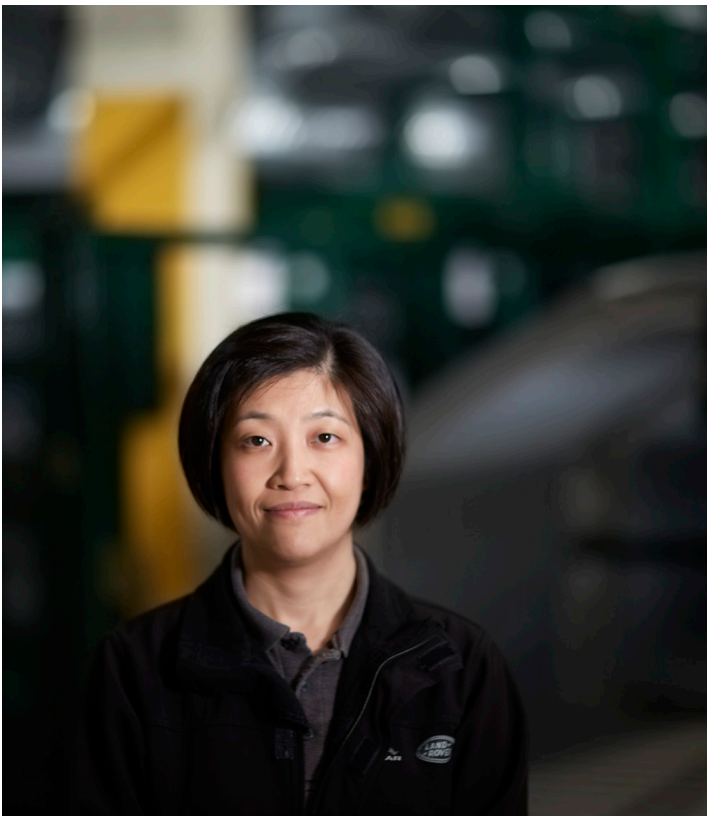
KEY DRIVERS FOR CHANGE

Our gender mean and median pay gaps have decreased since 2021. We can attribute this change due to the following key reasons:



SHIFT PAY

In April 2022, we were still impacted by supplier shortages, which had a direct impact on production and our associate employees. Overall, 1,000 less males received shift pay in 2022 than in 2021 (compared with only 44 less females). This has therefore reduced the overall male hourly pay within the associate population. As supplier shortages ease and production increases we may see an impact on our gender pay gap in the future as a higher proportion of males than females receive shift pay.



FEMALE REPRESENTATION

Between April 2021 and April 2022, we saw a higher percentage of females (based on gender population percentage) being promoted compared to males. As well as other general movements, such as new hires, leavers and pay review activity, this has resulted in a slightly higher proportion of women in our higher grades and women who are paid more. This is a welcome trend as it demonstrates our commitment to reaching our 2026 goal of globally, at least 30% of all senior leadership positions held by females.

OUR RESULTS - GENDER

QUARTILES

The data to the right shows the proportion of men and women in each pay quartile of the organisation. All relevant employees are ranked from the lowest rate of hourly pay to the highest, then the list is split into four equal quartiles and the percentage of male and female employees in each quartile is calculated.



Our quartiles have shifted since April 2021, with the largest shifts seen in the upper quartiles. We can see female representation has increased in the upper middle quartile by 1.2% and 1.9% in the upper quartile.

There is also a slight shift in the lower quartiles with female representation decreasing by 0.1% in the lower middle quartile and 0.3% in the lower quartile.

Q1 - LOWER PAY QUARTILE

FEMALE 17%
MALE 83%

Q3 - UPPER MIDDLE PAY QUARTILE

FEMALE 11%
MALE 89%

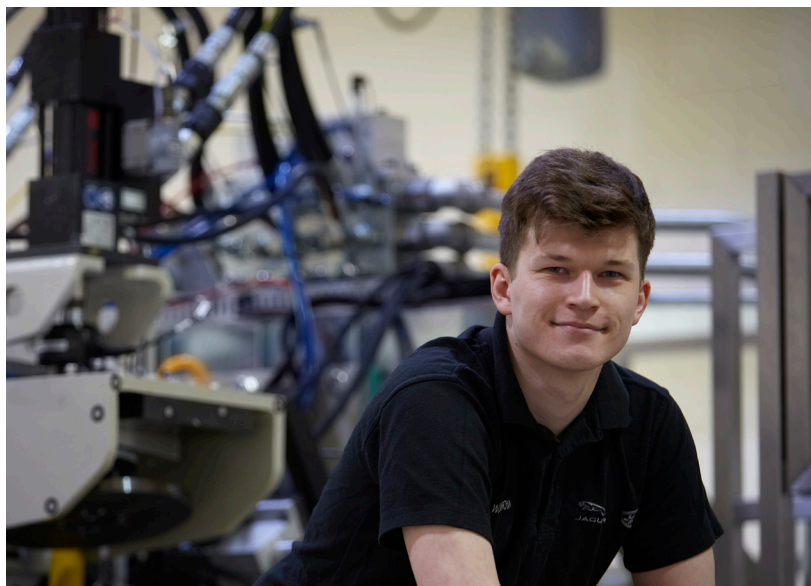
Q2 - LOWER MIDDLE PAY QUARTILE

FEMALE 11%
MALE 89%

Q4 - UPPER PAY QUARTILE

FEMALE 16%
MALE 84%

OUR RESULTS - BONUS PAY



37%

of men
received a
bonus

This calculation shows the proportion of men who received a bonus compared to the total population of our male workforce.



62%

of females
received a
bonus

This calculation shows the proportion of women who received a bonus compared to the total population of our female workforce.

Our mean bonus gap has increased from 30.1% in April 2021 to 35.7% in April 2022. Our median has remained at 0.0% in April 2022.

Variable reward elements paid out higher in the reporting period than previous years and, as this impacts those in higher-paid roles, more males received higher reward payments than females. This contributed to the increase in the mean bonus gap.

Our median bonus gap is 0.0% this year. A large group of our eligible non-management employees have a fixed cash target award. When you arrange all eligible employees by lowest to highest payment, the middle employee for both male and female falls in this group for 2022 with a bonus paid out at target.

Our associate population makes up the majority of our workforce and is predominantly male, which is why a higher percentage of females received a bonus payment.

35.7%

MEAN BONUS GAP

The mean bonus gap tells us the difference in the average bonus payment for male and female employees.

0.0%

MEDIAN BONUS GAP

The median bonus gap is the difference in the bonus pay between the middle male employee and the bonus pay of the middle female employee when male and female employees are listed in order of bonus payment.

ETHNICITY PAY GAP

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20	OUR RESULTS - BONUS PAY

WHAT WE HAVE DONE SO FAR

EMPLOYER BRAND / CANDIDATE ATTRACTION

We firmly believe in the importance of being present in the community and will continue to build meaningful relationships with diverse communities. Part of this work includes greater collaboration amongst our D&I team, networks and recruitment partners to review and re-design our approach to recruitment, external communications and events.

RECRUITMENT & TALENT

We are reviewing and reorganising our approach to recruitment and talent development across our business. For example, last year, we piloted diverse interview panels in our recruitment process, these pilots were successful and we have taken some of the learnings and practices and they have now become part of the standard interview process, such as ‘Recruitment Bias Reminders’. These bias reminders are sent out to the hiring manager as part of the hiring manager pack, to help support the manager in creating an inclusive interview experience for all candidates. There are 3 elements to these reminders: Before the interview, during the interview and post the interview.

Our Learning & development teams are working with D&I teams to ensure that inclusion is at the epicentre of the talent review process. Our goal is to ensure that all people feel valued for their contributions and supported throughout their career at Jaguar Land Rover. As part of this work, we are launching topic-specific lunch and learns focused on advocating for diverse talent, covering topics such as; allyship & advocacy, racial inclusion & sponsorship.

We will continue to listen to the lived experiences of our Black, Asian and Mixed-Race colleagues to ensure that the output of our actions are moving us in the right direction.

In collaboration with our recruitment partner, we will continue diversifying our job boards to ensure we can increase our ability to attract Black, Asian and Mixed Ethnicity candidates.



EARLY CAREER / SCHOOL ENGAGEMENTS

Last year we partnered with Black Young Professionals to expand our talent partnerships across our early careers programs (apprentices, undergraduates and graduates).

We saw a promising increase in early career applications and enrolments between April 21- March 22. We saw a 10% increase in the representation of Black, Asian, and Mixed-Ethnicity candidates. We will continue this momentum by partnering with companies such as 10,000 Black interns who will help us reach and support more diverse talent who are interested in pursuing careers in the automobile industry .

We are proud of our apprentices who have been nominated or won multiple awards at events such as Midlands Women in Technology awards, Engineering & Technology Young Women Engineering of the Year, and Institute for Engineering & Technology. We will continue to highlight the accomplishments of our upcoming talents not only internally but across the industry.

In 2023 we will launch a mentoring program in partnership with a university (to be announced). It is promoted to students from underrepresented backgrounds and aims to boost their technical and employability skills as they begin their careers. In addition, we will continue participating in and hosting events in schools and universities to encourage students from underrepresented backgrounds to pursue careers in STEM fields.

WHAT WE HAVE DONE SO FAR

EMPLOYEE-LED NETWORKS

Our employee-led networks play a valuable role in helping us understand the lived experiences of our employees and have been catalysts for driving conversations and change. There are two networks that focus on reflecting the voices of our ethnically diverse populations and progressing racial equality – Race, Ethnicity and Cultural Heritage network and African Caribbean Heritage network.



RACE, ETHNICITY AND CULTURAL HERITAGE (REACH) NETWORK

Our second-largest network (currently over 1800 members) focuses on improving equity and inclusion for employees from diverse racial & ethnic backgrounds across Jaguar Land Rover UK and globally.

Key achievements

1. Piloted the ‘Experiences Working On Race Agenda’ Reverse Mentoring Programme, where 25 employees from diverse racial & ethnic backgrounds mentored leaders across the business
2. Launched the Mastermind series, which focuses on supporting the development of employees from diverse racial backgrounds within Jaguar Land Rover. Engaged over 900 people since starting in May
3. Hosted the first REACH conference with 400 attendees
4. Established 3 REACH subgroups internationally to address global issues on race inequity within the business, this took place in Brazil, South Africa and India
5. Delivered a series of lunch and learns throughout 2022 on topics such as allyship and racial awareness

AFRICAN CARIBBEAN HERITAGE (ACH) NETWORK

Our newest network established in 2022 aims to make Jaguar Land Rover a place where the uniqueness of people from African and Caribbean heritage is celebrated and individuals are empowered throughout their career journey.

1. Launching mentoring and coaching programs
2. Delivered various workshops which cover financial acumen (The Money club)
3. Launching early career initiatives to attract underrepresented demographics to careers in the automotive industry, such as design
4. Engaging with 7 international countries to support JLR global efforts to drive racial inclusion.

OUR RESULTS - ETHNICITY

6.7%

MEAN PAY GAP

The mean pay gap tells us the difference in the average hourly pay rate for employees categorised as white and AEM (All Ethnic Minorities).

2.4%

MEDIAN PAY GAP

The median is where we line up all salaries for employees identifying as white, and all salaries for employees identifying as AEM. Then we find the middle salary for each and calculate the difference in percentage.



KEY DRIVERS FOR RESULTS



ETHNICITY REPRESENTATION

Our representation of AEM employees across all levels of Jaguar Land Rover is not as high as it should be. We know we have a lot of work to do to create a more diverse workforce and we are working on resolving this. With a lower percentage of those categorised as AEM included in our results, this has a direct impact on our pay gap.



DISTRIBUTION OF OUR GRADES

As we review our grades across the organisation, we would expect to see the ethnicity representation in each grade reflect the overall Jaguar Land Rover ethnicity split. Unfortunately, this is not the case, and we see a higher percentage of those categorised as AEM (all ethnic minorities) within the junior and associate grades and a higher percentage of those categorised as white within the senior leadership grades.

OUR RESULTS - ETHNICITY

QUARTILES

The data to the right shows the proportion of those categorised as white and those categorised as AEM in each pay quartile of the organisation. All relevant employees are ranked from the lowest rate of hourly pay to the highest, then the list is split into four equal quartiles and the percentage of white and AEM employees in each quartile is calculated.



Q1 - LOWER PAY QUARTILE

AEM 18%

WHITE 82%

Q3 - UPPER MIDDLE PAY QUARTILE

AEM 13%

WHITE 87%

Q2 - LOWER MIDDLE PAY QUARTILE

AEM 16%

WHITE 84%

Q4 - UPPER PAY QUARTILE

AEM 12%

WHITE 88%

OUR RESULTS - BONUS PAY



40%
of those
categorised as
white received a
bonus

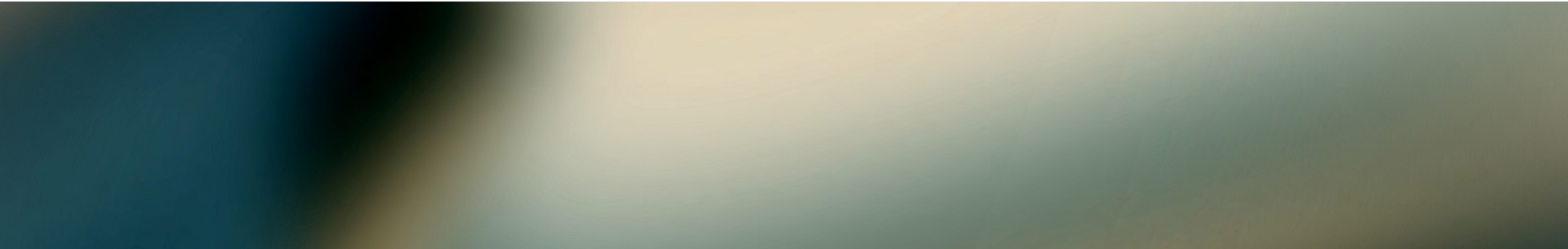
This calculation shows the proportion of those categorised as white who received a bonus compared to the total population of our white workforce.



44%
of those
categorised as
AEM received a
bonus

This calculation shows the proportion of those categorised as AEM who received a bonus compared to the total population of our AEM workforce.

We have a high number of those categorised as white sitting in our senior management grades, who typically receive higher bonus targets compared to the lower grades.



44%

MEAN BONUS GAP

The mean bonus gap tells us the difference in the average bonus payment for white and AEM employees.

0.0%

MEDIAN BONUS GAP

The median bonus gap is the difference in the bonus pay between the middle AEM employee and the bonus pay of the middle white employee when white and AEM employees are listed in order of bonus payment.

CLOSING STATEMENT

At Jaguar Land Rover we are passionate about our people. We are committed to fostering a more diverse, inclusive and unified culture that is representative of our customers and the society in which we live; a culture where every one of our employees can bring their authentic self to work and feel empowered to reach their full potential.

We have identified three strategic pillars to achieve our goals, which will shape our global diversity and inclusion activity over the next five years. How they are implemented around the globe will vary and will be driven by the needs of the countries we operate in.

We respect that assisting our organisation to become truly inclusive with visible diversity at all levels requires aligned and sustained action which then goes on to produce tangible and measured outcomes. Our continued commitment to closing the gender and ethnicity pay gaps is an evolution that requires time and commitment to collaboratively change for the betterment of all. This is a journey that we embrace and welcome to truly embody our company purpose in everything we do.

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Educate, communicate and measure inclusive behaviours regularly and systematically, improving the employee experience for all

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