



# SLAVERY AND HUMAN TRAFFICKING STATEMENT FOR JAGUAR LAND ROVER AUTOMOTIVE PLC AND ITS SUBSIDIARIES (JLR) FOR THE YEAR ENDED 31 MARCH 2019

JLR's Slavery and Human Trafficking Statement is made pursuant to Section 54 of the Modern Slavery Act 2015 "Transparency in Supply Chains". This Statement sets out the steps JLR has taken to address the risk of slavery and human trafficking taking place within its own operations and supply chains.

Please note for the purposes of this Statement JLR's joint venture arrangements are treated as being part of our supply chain. JLR's 50.5% subsidiary SPARK44 (JV) Limited, which publishes its own Slavery and Human Trafficking Statement, has also been treated as part of our supply chain.

## OUR ORGANISATION

### Business Sector

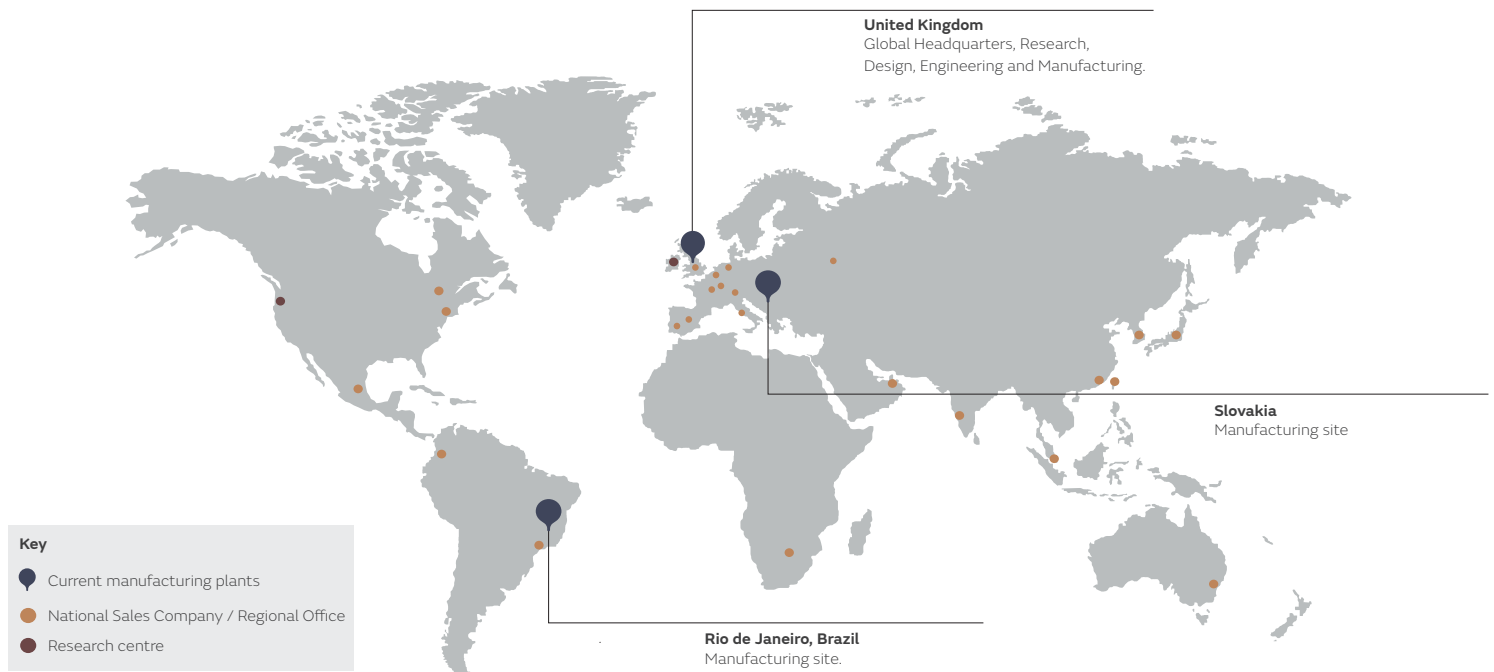
JLR's primary business is the manufacture of premium automobiles. JLR has two globally-recognised brands: Land Rover, a manufacturer of premium all-terrain vehicles and Jaguar, a manufacturer of sports cars, sports utility vehicles and saloons. JLR is active in motorsport with Jaguar Racing. JLR also supplies automotive parts, services and branded merchandise; offers a range of driving experiences and provides mobility and smart transportation services.

### Organisational Structure

The average number of staff working for JLR was approximately:

Average Staff Numbers ('000)	Year Ended 31 March 2019			Year Ended 31 March 2018		
	UK	Overseas	Total	UK	Overseas	Total
Direct Employees (Salaried)	16.0	3.5	19.5	16.5	3.2	19.7
Direct Employees (Hourly Paid)	16.6	1.0	17.6	15.7	0.9	16.6
Agency Staff	5.7	0.2	5.9	6.5	0.2	6.7
Total	38.3	4.7	43.0	38.7	4.3	43.0

JLR has a global sales network across 128 countries and approximately 1,565 franchised dealer sites worldwide. We service 24 international markets with JLR owned National Sales Companies (NSCs). Other markets are serviced through export and import partners.



JLR's traditional manufacturing base is in the UK. A JLR wholly-owned factory in Brazil started production during the year ended 31 March 2017. In September 2017, Magna Steyr commenced contract manufacturing for JLR at Graz, Austria. During the year ended 31 March 2019, a JLR wholly-owned factory in Slovakia became operational. Chery Jaguar Land Rover, the Company's joint venture in China with Chery Automobile Company Ltd, has been treated as part of JLR's supply chain for the purposes of this Statement.

### Responding to the Modern Slavery Act

JLR has a cross-functional working group, under the sponsorship of the Executive Director of Human Resources and Global Purchasing, to respond to the requirements of the Modern Slavery Act 2015. The working group has representation from Group Compliance, Purchasing, Human Resources and Corporate Social Responsibility. We have an ongoing programme to improve our response to slavery and human trafficking risk. Existing policies and practices are regularly reviewed and updated as required. The JLR Audit Committee has been kept informed of progress with this programme.

## **POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING**

In light of the Modern Slavery Act 2015, during the year end 31 March 2016 we updated JLR's Corporate Policies to be more explicit about slavery and human trafficking. A new JLR Code of Conduct was issued during the year ended 31 March 2017. During the year ended 31 March 2019 the Human Rights Policy and JLR Code of Conduct were reviewed but not changed.

### **Code of Conduct**

The JLR Code of Conduct (the Code) is applicable to all personnel working for and on behalf of JLR globally (JLR Personnel), including direct employees and agency and contract staff. The Code states that:

- We shall respect the human rights and dignity of all our stakeholders.
- We do not employ anyone under the age of 15 at our workplaces.
- We do not use forced labour in any form. We do not confiscate personal documents of JLR Personnel or force them to make any payment to us or to anyone else in order to secure employment with us or to work with us.

All JLR direct employees are required to sign up to the Code on joining the business. The Code is available to JLR Personnel on the JLR intranet and to external parties via the JLR Corporate website.

The JLR Annual Compliance Declaration process requires all JLR salaried staff globally and selected other personnel to confirm that they are aware of the Code and acknowledge that they are bound by it. For the January 2019 declaration process, 100% of this population of nearly 22,000 people have completed their declaration.

### **Human Rights Policy**

JLR's Human Rights Policy articulates JLR's requirements with regards to the protection of human rights. The Policy applies to all JLR Personnel and has been distributed company-wide and is available for external parties via the JLR Corporate website. It sets out our commitment to respecting human rights and complying with laws, rules and regulations governing human rights in the territories in which we operate. This includes specific provisions addressing slavery, human trafficking, forced labour, child labour and upholding each employee's right to freedom of association.

### **Recruitment Practices**

JLR undertakes "right to work" checks on all direct employees prior to them commencing their roles with the Company. This includes checking, where applicable, that the employee has a valid work visa and is of an appropriate age to work.

### **Trade Unions and Other Bodies Representing Workers**

Through the Code, Human Rights Policy and employment practices, JLR recognises and respects each employee's right to freedom of association, including the right to join trade unions.

### **Access to Remedy for Victims**

If JLR Personnel identify any potential signs of slavery, human trafficking or other human rights abuses, they are encouraged to report this to JLR management directly or through our externally run "Speak Up" confidential reporting facility. The guidance in our Confidential Reporting Policy includes examples around reporting concerns regarding slavery and human trafficking.

To date, JLR has received no reports of concerns regarding slavery or human trafficking in our operations. In the event that such issues were reported to us, we would undertake an urgent thorough investigation into the concerns raised under the supervision of members of the JLR Board of Management. If the investigation confirmed the concerns, we would put in place robust action plans to address the issue and protect the victims.

## **TRAINING ON SLAVERY AND HUMAN TRAFFICKING**

We have redistributed our modern slavery briefing sheet to all JLR Personnel globally, including translated versions in local languages.

Training has been delivered to those individuals in roles most likely to be in a position to identify and address potential modern slavery risks, including our Human Resources and Purchasing functions. At the date of this report, 99.2% of the target population have completed this training.

Code of Conduct e-learning reiterating JLR's commitment to respecting human rights has been rolled out to all JLR salaried staff globally and selected other staff. To date, 99.0% of this population have completed this e-learning. This training includes a scenario addressing human rights concerns.

## **RISKS OF SLAVERY AND HUMAN TRAFFICKING IN JLR'S OWN OPERATIONS**

We have refreshed our assessment of slavery and human trafficking risks within JLR's own operations. We considered: the location of our operations; roles being performed; recruitment processes; and absence to date of reports of concerns regarding slavery and human trafficking.

As well as direct employees, JLR has agency and contract staff working at our sites. Contractual terms and conditions are in place with the companies that provide JLR with agency staff, requiring them to have policies and processes in place to protect human rights. During the year ended 31 March 2019, we have obtained assurances from all key providers of agency staff with regards to their commitment to respecting human rights, including supplying us with a copy of their Slavery and Human Trafficking Statement, where applicable.

Based on our risk assessments, we continue to deem the risk of slavery or human trafficking occurring within JLR's direct employee population, or our agency and contract staff population under our direct supervision, to be low.

## SLAVERY AND HUMAN TRAFFICKING RISKS WITHIN JLR'S SUPPLY CHAINS

JLR sources goods and services directly from a global network of approximately 8,850 active suppliers, based in 62 countries. These suppliers can be analysed by the area of the JLR business that they primarily supply goods and services to, as follows:

Area of JLR Business	Approximate Number of Suppliers	
	Year Ended 31 March 2019	Year Ended 31 March 2018
Production and Special Operations	550	500
Non-production and NSCs	7,350	8,500
After-market	900	950
Merchandising	50	50
Total	8,850	10,000

Like other automobile manufacturers, JLR's supply chain is highly complex. This complexity and limitations on the visibility beyond the first tier of the supply chain mean there are inherent challenges in efficiently and effectively assessing and addressing supply chain issues, such as human rights risks. Therefore, our work to address slavery and human trafficking risks within our supply chains has been focused primarily on our Tier 1 suppliers.

### RELATIONSHIPS WITH SUPPLIERS

JLR actively manages its relationships with its Tier 1 suppliers. There are clear contractual arrangements in place with all direct suppliers, who are required to sign up to JLR's Global Terms & Conditions (Global T&Cs).

JLR communicates the standards expected of its suppliers through a variety of mechanisms including: supplier conferences; Achilles (a supply chain management platform); Covisint (a global supplier portal); direct buyer interactions; emails to suppliers; and via the JLR Corporate website.

The importance of addressing the risk of slavery and human trafficking in our supply chains has been reiterated to key JLR suppliers at our supplier conferences in May each year from 2016 to 2019.

### EXPECTATIONS OF SUPPLIERS

The standards JLR expects its suppliers to meet, including standards equivalent to those articulated in the Code, are set out in the Global T&Cs, which also detail human rights requirements, including basic working conditions.

The Global T&Cs are supported by JLR's Global Sustainability Web Guide – Supplier Environmental & Social Requirements document, which articulates the minimum environmental and social standards JLR expects all its suppliers and business partners to adhere to. It addresses working conditions (including specific reference to the Modern Slavery Act), with expectations of processes and safeguards to demonstrate compliance. There is an accompanying Minimum Standard of Working Conditions Self-Assessment Checklist.

There are a number of processes in operation that address human rights risks within JLR's supply chains. These include:

- The Achilles Automotive Community platform, which is used to engage with production and construction suppliers. To date, 458 Production suppliers have completed self-assessment questionnaires, which include questions regarding forced / bonded and child labour. The Achilles questionnaire has been updated to specifically address the Modern Slavery Act. No slavery or human trafficking issues have been reported to us through these questionnaires.
- The Supplier Technical Assistance diagnostic tool assesses all potential new suppliers for Production and Special Vehicle Operations. It includes six questions on human rights. Suppliers are asked to confirm that they do not employ any form of forced or child labour. No slavery or human trafficking issues have yet been identified by this process.
- Manufacturing Site Self-Assessment (MSSA), which is a pre-qualification process for new suppliers of branded merchandise. The MSSA asks for information on labour standards, whistleblowing facilities and ethical / social audits completed. Responses have been received from 100% of current merchandising suppliers. No slavery or human trafficking issues have been reported to us through these self-assessments.
- JLR China Supplier Self-Assessments, which new suppliers to JLR China are asked to complete, addressing legal and regulatory obligations, including labour laws. We also undertake searches of publicly available sources to see whether concerns are highlighted. No slavery or human trafficking issues have been identified through these assessments.

If we became aware of slavery or human trafficking concerns within our supply chains, we would seek to work with the relevant suppliers to improve conditions for their workforce. We reserve the right to deselect suppliers, if they were to fail to make required improvements within a reasonable timeframe. To date, JLR is not aware of any reports of slavery or human trafficking within our supply chains.

## ASSESSMENT OF RISKS OF SLAVERY AND HUMAN TRAFFICKING IN JLR'S SUPPLY CHAINS

JLR maintains a register of suppliers that have published Slavery and Human Trafficking statements, which we monitor as part of our assessment of suppliers' approaches to addressing modern slavery risks. To date, we have identified approximately 350 of our suppliers that have published a Statement setting out the actions they are taking to address slavery and human trafficking in their operations and supply chains.

In our Slavery and Human Trafficking Statement for the year ended 31 March 2018, we reported that we had identified 107 suppliers who were deemed to present an elevated risk of slavery and human trafficking. We distributed a Slavery and Human Trafficking Questionnaire to these suppliers, in order to seek additional assurance. Of these 107 suppliers:

- 67 provided a satisfactory initial response to the questionnaire;
- 2 required further follow-up but have now provided satisfactory responses;
- 19 required further follow-up and we are still working with the suppliers to obtain relevant assurances;
- 9 are no longer JLR suppliers; and
- In 10 cases (which are all of lower spend) we have not yet received a response.

For the year ended 31 March 2019, we have undertaken our annual exercise to assess slavery and human trafficking risk within JLR's supply chains. We have evaluated our Tier 1 suppliers by considering the countries where our suppliers are based, products and services being supplied and the volume of spend. The data was evaluated against recognised external indices of perceived slavery risk within sectors and geographic areas, to assess whether suppliers may represent an elevated modern slavery risk.

For the year ended 31 March 2019, our supply chain risk assessment has identified an additional 65 suppliers which may represent an elevated slavery or human trafficking risk. These suppliers span 9 countries: Brazil, China, Colombia, India, Mexico, Romania, Russia, Turkey and the United Arab Emirates. We are currently seeking further information to understand how these suppliers protect human rights within their operations.

In the year ended 31 March 2019, for the first time, we have formally exercised the right under the Global T&Cs to conduct social audits of suppliers. We appointed an independent assurance provider to undertake pilot social audits on a limited sample of our suppliers that we deem to present an elevated slavery or human trafficking risk. Six companies were selected for these pilot audits; two in Brazil; two in India; one in China; and one in Hungary. We are currently evaluating the reports from the independent assurance provider and will be working with the relevant suppliers to address matters raised in the reports.

Also for the year ended 31 March 2019, a JLR Modern Slavery Act Compliance Programme questionnaire has been completed to our satisfaction by each of JLR's joint ventures and JLR's 50.5% subsidiary SPARK44 (JV) Limited. SPARK 44 (JV) Limited publish their own Slavery and Human Trafficking Statement: to access it please click [here](#).

There are also a number of people working on our sites as employees of companies providing outsourced services, such as cleaning, logistics and catering. The nature of these services may mean there is an increased inherent risk of slavery and human trafficking. The companies that provide these services are subject to the Global T&Cs. We have sought and received additional assurances that they have identified actions to address the slavery and human trafficking risk within their operations and supply chain.

## EVOLVING APPROACH TO SLAVERY AND HUMAN TRAFFICKING RISK IN SUPPLY CHAINS

The Code, our Policies and contractual terms are clear on the need to protect human rights. However, we recognise that these measures only give a limited degree of comfort that slavery and human trafficking are not occurring within our supply chains. We will continue to assess how we might obtain further comfort over the effectiveness of anti-slavery and human trafficking measures beyond the first tier of our supply chain.

As our programme progresses, we have prioritised potentially higher risk suppliers for the risk mitigation measures we implement. We have obtained more granular data from suppliers, undertaken more detailed reviews of supplier information (particularly with regard to commodity level information) and rolled-out self-assessment questionnaires to additional higher risk suppliers.

As noted above, for the year ended 31 March 2019, we commissioned six pilot social audits. We are assessing the results of the pilot social audits and will use the learnings from those audits to develop a future social audit plan. We will also use the results of these audits to inform the development of our slavery and human trafficking programme for next year, including potentially undertaking further social audits on suppliers deemed to present an elevated slavery or human trafficking risk.

## APPROVAL

This statement has been reviewed by the Board of Directors of Jaguar Land Rover Automotive plc and is approved on the Board's behalf by the Chief Executive Officer.



**Dr Ralf Speth**  
**Chief Executive Officer of Jaguar Land Rover**  
**26.06.2019**