

Social

Our people are respected as the company's most valuable resource and they will continue to play a vital role in the process of building a sustainable business. We are committed to recruiting high calibre employees and providing them with the information, training and working environment they need to perform to the highest standards. We encourage all our people to develop to their maximum potential and support them with human resources policies and practices that are strategically linked to the needs of our business and our customers.

Read more about our human resources policies

We have a strong tradition in Johnson Matthey for good community relations – building and maintaining these are an integral part of making ours a more sustainable business. We have an important contribution to make to the economic development of our local communities, not only as an employer but also through collaboration and investment, both financial and in kind.

Read more about community investment



CASE STUDY

Investing in the Community >

Read about a local scheme to benefit the town of Royston, home to Johnson Matthey's largest site

Recruitment, Training and Development

Our success depends on the skills, qualities and wellbeing of our people. We have an effective, streamlined recruitment procedure to meet our steady requirement for high calibre graduates and offer a variety of career foundation training to engage new recruits. We also offer training and development programmes at middle and senior manager levels. Our aim is to retain high potential and high performing staff. Training is provided at our facilities around the world with a high level of attendance by employees from Asia, reflecting the increasing importance of this region. We also encourage employees from acquired businesses to attend programmes to expose them to our wider company culture and help them integrate. Presentations from senior executives anchor all these programmes to the company's strategies and progress.



CASE STUDY

Attracting the Best Talent >

Read about the work we've done to enhance our recruitment systems



CASE STUDY

Tradition of Training at Redwitz >

Read about our training scheme for young apprentices



CASE STUDY

Our Aim to Become an Employer of Choice >

Find out if we stood the test of 'employer of choice'

Providing career development opportunities for employees assists staff retention and in turn,



>£1 million
donated over 3 years to
the causes we support

succession planning and the sustainability of management. Recruiting well qualified staff is vital to support business development in new and emerging markets. This challenge will be met through appropriate manpower planning, local recruitment and the encouragement of international mobility. Cross divisional movement is encouraged among our employees and monitored as an important part of the annual management development and succession planning review process. We have continued to develop the management skills inventory database which provides the group with a powerful means of helping to identify and match suitably qualified internal candidates to promotional and development opportunities globally and / or across our divisions.

Read more about training to support employees in achieving the Sustainability 2017 Vision

Employee Relations and Communication

Johnson Matthey recognises the importance of effective employee communications and particularly the value of face to face dialogue. We communicate through our in house magazine, attitude surveys, regular news bulletins, presentations to staff and team briefings. Employees are also encouraged to access the company's intranet and website.



CASE STUDY

Engaging our Employees and Enhancing Performance with Better Visual Communication >

Read about the initiatives at our Germiston site in South Africa

The company supports employee share ownership and employees have the opportunity to participate in share ownership plans, where practicable. Under these plans, employees can buy shares in the company which are matched by a company funded component.

Employees in six countries worldwide are able to contribute to a company share ownership plan or a 401k approved savings investment plan. Through these ownership plans, Johnson Matthey current and former employees collectively held 1.76% of the company's shares at 31st March 2009.

Johnson Matthey also sponsors pension plans for its employees worldwide. These pension plans are a mixture of defined benefit or defined contribution pension arrangements, savings schemes and provident funds designed to provide appropriate retirement benefits based on local laws, custom and market practice.

We have continued to strengthen and improve communication and engagement with employees through site satisfaction and attitude surveys. This year, Emission Control Technologies (ECT), our largest business, ran a global attitude survey of all its employees. Over 76% of the employees invited to participate completed the survey and overall satisfaction levels were very positive, with 81% of participants feeling satisfied or very satisfied working for ECT.



CASE STUDY

Improving Employee Engagement and Satisfaction >

Read about our employee satisfaction survey

Effective communication with and among employees has continued to play a vital role in working towards Sustainability 2017. Click here for more on our communications activities and initiatives in the year.

Health and Wellbeing


Helping our employees achieve an optimum level of health and wellbeing is a core principle of our sustainability vision. We have significantly increased access to workplace programmes that provide employees with encouragement and resources to realise the full potential of their health at work and in the community. Examples include health risk appraisal

programmes, coaching on health improvement topics, confidential information, advice and counselling services and a range of activities to improve physical fitness. These programmes are also believed to have contributed to sustaining the reduced rate of sickness absence achieved over the last four years.

The scope of our health and wellbeing programmes includes a number of serious diseases. We consider HIV / AIDS to have the greatest potential impact on our employees, their families and / or community members. Our facility in Germiston, South Africa, has developed an HIV / AIDS assistance programme, working with employees, their families and community members. The scope of the programme is outlined in the table below.

Assistance Programme for HIV / AIDS 2008/09								
Programme recipients	Education / training		Counselling		Prevention / risk control		Treatment	
	Yes	No	Yes	No	Yes	No	Yes	No
Employees	✓		✓		✓		✓	
Employees' families		✓	✓			✓	✓	
Community members	✓		✓		✓			✓

The programme involves a number of activities and social investment initiatives with regard to HIV / AIDS. There is a formal Employee Assistance Programme (EAP) through ICAS for all employees, their families and friends living with them. Voluntary counselling and testing for HIV is provided at the on-site clinic and all permanent employees are on a medical aid that includes a comprehensive HIV / AIDS management benefit. The site also supports a number of local HIV / AIDS charities: during the year, R450,000 was donated to St Francis to help subsidise the services of community care workers providing total care for HIV / AIDS patients; donations totalling R375,000 were made to the Topsy Foundation and to Lambano, both orphanages for children suffering from HIV / AIDS. Each year the site celebrates World AIDS Day where various activities are arranged to promote further awareness among employees.



CASE STUDY

Sustainable Health and Wellness at Germiston >
 Read more about initiatives at our Germiston site in South Africa

Read more about our health and safety performance and achievements

Our Performance and Achievements

Annual group wide data collection processes are used to gather core information on Johnson Matthey's employees and the key data sets are presented below. Employee data relates to the financial year 2008/09 (unless otherwise stated) for the continuing businesses and excludes 841 employees transferred out of the group with the completion of the sale of the Argillon Insulators and Alumina businesses on 26th November 2008.

Employee Numbers

The following tables set out the average number of people employed by Johnson Matthey and the net change in the number of people employed during the 2008/09 financial year by geographical region and by employment contract.

Average Number of People Employed

Average headcount for 2008/09 financial year (continuing businesses)

Region	Permanent employees	Temporary contract employees	Total
Europe	4,416	202	4,618
North America	2,486	5	2,491
Asia	904	30	934
Rest of World	696	3	699
Group	8,502	240	8,742

Annual Change in People Employed

Net change between 31st March 2008 and 31st March 2009 (continuing businesses)

Region	Permanent employees	Temporary contract employees	Total net change
Europe	-6	+22	+16
North America	-111	-68	-179
Asia	+95	+23	+118
Rest of World	-139	+2	-137
Group	-161	-21	-182

Although in overall terms the group employed 729 more people on average in 2008/09 than in 2007, the table above shows that there has been a net annual reduction of 182 people in the group between 31st March 2008 and 31st March 2009. This reduction is largely made up of decreases in North America and the Rest of World, offset to an extent by increases in Asia and an increase in temporary contract employees in Europe. Within North America and the Rest of World, the largest reductions in employee numbers were in South Africa (-157), Mexico (-123) and the USA (-56).

The quality of our employee relations is a priority for Johnson Matthey and the company is proud of the high level of commitment and loyalty from its employees. We have a low voluntary staff turnover (6.4% in the financial year 2008/09) with many employees staying with the company for their whole careers. The table below sets out the employee turnover for the financial year 2008/09 by geographical region. The employee turnover figure is calculated by reference to the total number of leavers during the year expressed as a percentage of the average number of people employed during the year. The analysis does not include agency workers not directly employed by Johnson Matthey.



6.4%

voluntary employee turnover

Spend on training

up 12%

Employee Turnover by Region

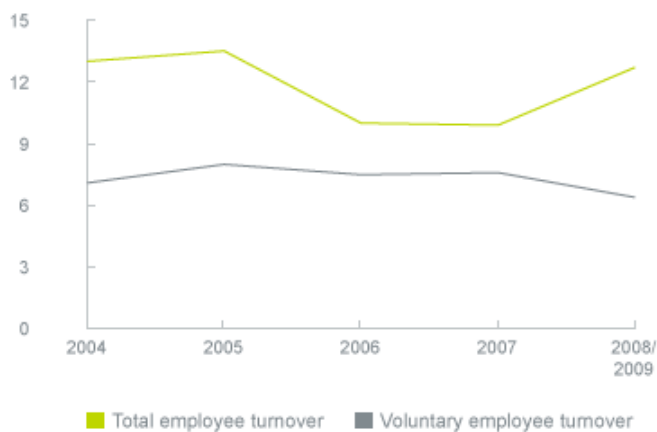
For 2008/09 financial year (continuing businesses)

Region	Total leavers	Employee turnover	Voluntary employee turnover
Europe	377	8.5%	5.4%
North America	425	17.1%	6.8%
Asia	109	12.1%	8.2%
Rest of World	171	24.6%	8.8%
Group	1,082	12.7%	6.4%

The graph below sets out the group's employee turnover over the past five years. Voluntary employee turnover has fallen year on year since 2005 but overall group employee turnover has increased in the 2008/09 financial year. As a result of the global economic slowdown, a number of Johnson Matthey sites around the world have had to reduce employee numbers and adjust working patterns, particularly those facilities which supply the automotive related markets. In most cases these adjustments necessitated the release of agency and temporary staff, although some have also required redundancies among permanent staff. These difficult decisions were not taken lightly. In all cases, consultations were held with those affected and, where appropriate, their union representatives, in accordance with local legal and best practice requirements.

Employee Turnover

%



	Total employee turnover	Voluntary employee turnover
2004 ¹	13.0%	7.1%
2005 ¹	13.5%	8.0%
2006 ¹	10.0%	7.5%
2007 ¹	9.9%	7.6%
2008/09²	12.7%	6.4%

1. Data presented on a calendar year basis.

2. Data presented on a financial year basis from 1st April to 31st March.

Trade Union Representation

Johnson Matthey continues to maintain good and constructive relations with all recognised trade unions which collectively represent 34% of all group employees worldwide (34% in calendar year 2007). The following table sets out the average number and percentage of Johnson Matthey's employees who were covered by collective bargaining arrangements and represented by trade unions by geographical region during the financial year 2008/09.

Trade Union Representation

Average headcount for 2008/09 financial year (continuing businesses)

Region	Average headcount	Average represented	% represented
Europe	4,416	2,086	47%
North America	2,486	511	21%
Asia	904	6	1%
Rest of World	696	286	41%
Group	8,502	2,889	34%

From 2nd June to 11th July 2008, production was affected at the company's precision casting plant in St Catharines, Canada, by a six week strike involving 47 members of the USW (United Steelworkers) union. The matters at issue were finally settled by local negotiations and production resumed on 12th July. Other than this event, no working time was lost elsewhere within the group due to employee action.

Our autocatalyst plant at Germiston, South Africa, was affected by two one day national 'stay-aways' on 23rd July and 21st August 2008. This was not due to direct employee action against Johnson Matthey. The 'stay-aways' were part of the COSATU (Confederation of South African Trade Unions) organised rolling mass action campaign protesting at job losses in South Africa due to the effect of power cuts, particularly in the mining sector. Production at the Germiston plant was affected on both days but Johnson Matthey customer deliveries were not interrupted.

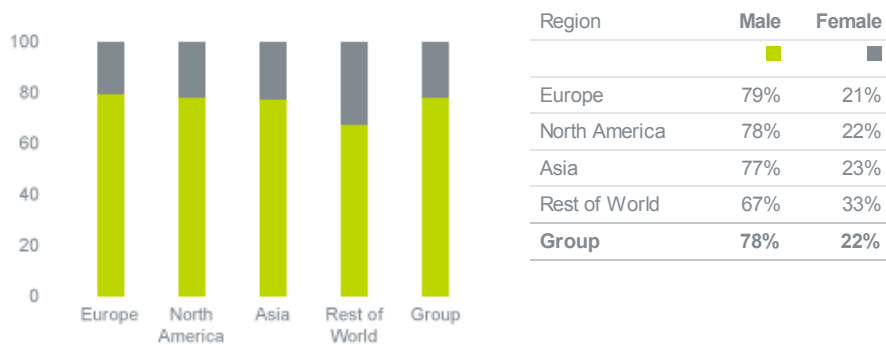
Diversity

The figures below set out the gender breakdown of Johnson Matthey's employees by geographical region and the gender breakdown of employees recruited into the group for the 2008/09 financial year.

Gender breakdown for the group is unchanged from that reported for calendar year 2007. In 2008/09, 29% of new recruits were female, an increase of 4% from calendar year 2007 (25%).

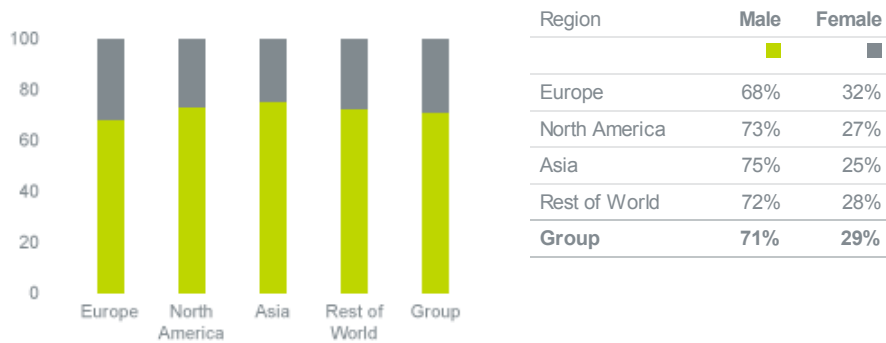
Employee Gender by Region

As at 31st March 2009



Gender of New Recruits by Region

2008/09 financial year (continuing businesses)



Training and Development

There has continued to be a high level of training activity during 2008/09 and the following table sets out, on a total and on a per employee basis, the days of training and the spend on training during the 2008/09 financial year. The training spend does not include the cost of in house training or the cost of the employees' wages during training.

The number of days of training per employee across the group is lower than in calendar year 2007 but the overall spend on training has increased by 12%, reflecting the ongoing investment in skills and training to continue the development of our employees.

Training Days and Spend on Training

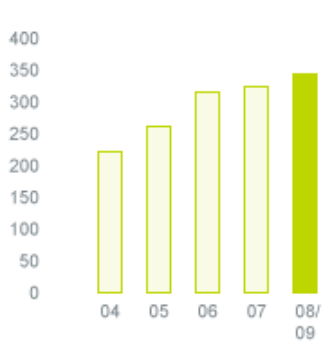
2008/09 financial year (continuing businesses)

Region	Total days / shifts training	Number of days / shift training per employee	Total training spend £	Spend per employee £
Europe	13,286	3.0	2,068,903	469
North America	4,179	1.7	527,588	212
Asia	3,242	3.6	138,968	154
Rest of World	1,473	2.1	209,556	301
Group	22,180	2.6	2,945,015	346

The graph below demonstrates the rising trend in total training spend per employee over the past five years. The strong and continuing commitment to the training and personal development of all our employees is reflected in the fact that during 2008/09, approximately 447 internal promotions were actioned. This represents 38% of all the appointments made in the year and is equivalent to one internal promotion per 19 employees within the group.

Total Spend per Employee

£



Spend per employee £

2004 ¹	221
2005 ¹	265
2006 ¹	317
2007 ¹	327
2008/09²	346

1. Data presented on a calendar year basis.
2. Data presented on a financial year basis from 1st April to 31st March.

Read more about recruitment, training and development

Attendance

The overall attendance rate during 2008/09 maintained the good performance reported in calendar year 2007. The average number of days lost per employee in 2008/09 due to sickness and unplanned absence was 5.3 days. This represents 2.0% of lost time per employee in the working year.

Attendance per Employee

Average headcount for 2008/09 financial year (continuing businesses)

Group	Number of days / shifts lost per employee	% of lost time per employee
	5.3	2.0%

The corporate sickness absence rate during 2008/09 was 2.0% compared to 2.1% for calendar year 2007 (2.1% for 1st January 2008 to 31st March 2008). Most businesses are increasing their investment in sustainable health and wellness programmes to support the longer term health, wellbeing and performance of employees.

Community Investment

Johnson Matthey is actively involved in programmes worldwide that promote good community relations to foster a relationship of understanding, trust and credibility. Guidance on site requirements is detailed in the group environment, health and safety management system. Data relating to our sites' community investment activities and the group's charitable donations is presented for the 2008/09 financial year.

Our strong tradition of support for communities in which our operations are based has continued during 2008/09. Our annual review of community investment activities across the group has been carried out and shows that 95% of Johnson Matthey operations with over 50 employees participate in activities within their local communities. These activities are wide ranging and include charitable giving, support for educational projects, the advancement of science and economic regeneration projects. The review also indicates that for those operations with over 50 employees that are involved in community investment activities, 100% have a nominated person responsible for this area. Looking ahead to 2009/10, the review shows that 81% of operations with over 50 employees have set objectives for their community investment activities with 71% having planned activities for the year. The review also indicates that 76% of sites with over 50 employees have specific budgets allocated to community investment activities for the 2009/10 financial year.

Johnson Matthey's employees also participate in activities or hold community related roles outside of the work environment. The company is supportive of this broader community engagement, allowing employees time off during working hours as appropriate.

To support the further development of our community investment programmes around the world, Johnson Matthey has joined the London Benchmarking Group (LBG), a group of more than 120 major companies who develop and share best practice in this area. Through our membership of LBG, we are beginning to evaluate our community investment programmes using its successful and widely accepted model. As a first step, we have introduced more robust systems for our data collection processes which we have implemented for our 2008/09 data reporting.

Charitable Donations

Johnson Matthey's long history of support for charitable causes continues today through group and business programmes. At a group level we operate a corporate charitable giving programme which is administered by the charity committee and coordinated on a day-to-day basis by the Director of Investor Relations and Corporate Communications. An annual report of charitable activities is made to the Chief Executive's Committee and the causes we support are aligned with issues to which the group makes a contribution and to issues about which our employees are passionate.



CASE STUDY

Giving with a 'Giving Tree' at Christmas in West Deptford >

Find out how employees have been supporting the local community – year after year

In 2008/09, Johnson Matthey supported 48 charitable causes through its corporate annual donations programme. These included support for organisations working in the areas of environment, medical and health, science and education, social welfare and international development. Some 44% of these corporate donations were in support of medical and health causes. A total of 37 additional charitable causes received one-off donations through the corporate programme during the year.



95%

of operations engaging
with their local
communities



Corporate Annual Donations Programme

Charitable types supported 2008/09



■	Medical and Health	44%
■	Social Welfare	38%
■	Science and Education	8%
■	International Development	6%
■	Environment	4%

In 2008/09 we initiated a specific programme of support to promote the understanding and awareness of science among children and young people. We believe that encouraging the next generation of scientists is very important to the sustainability of our industry and we will continue to contribute our resources and expertise.



CASE STUDY

Generating Genius >

How we are working to promote awareness and understanding of science among young people

During 2008/09 the company also contributed £500,000 to the University of Cambridge to support chemical engineering research, particularly in the area of catalysis and reaction engineering. Our funding will also help support construction of new chemical engineering facilities at the university.

The Johnson Matthey Educational Trust was set up in 1967 to commemorate the 150th anniversary of the founding of the company. It awards scholarships to support the university education of the offspring of Johnson Matthey employees and retired employees. During the year the Trust approved grants totalling £52,000.

Johnson Matthey continues to operate its annual charity of the year programme and employee views are considered when deciding on the charity. The International Red Cross and Red Crescent Movement were chosen as our charity of the year for 2008/09. Johnson Matthey sites around the world also lend support to many other charities locally and nationally through donations, employee time or loans of company facilities.



CASE STUDY

Charity of the Year >

Read more about our 2008/09 charity partnership

In the financial year to 31st March 2009, Johnson Matthey donated £495,000 to charitable organisations. This figure only includes donations made by Johnson Matthey and does not include payroll giving, donations made by staff or employee time. The company made no political donations in the year.

Our Aims and Targets

Employees

The high levels of engagement and commitment of Johnson Matthey's employees continues to be key in delivering our Sustainability 2017 Vision. During the year we have extended the global programme of employee engagement activities and management seminars to enhance employees' understanding, promote local action and spread best practice across the group. This process will continue in 2009/10 to support our employees in working towards achieving the vision.

Community Investment

We will continue to offer further support to sites in developing and implementing meaningful community investment programmes through the application of the London Benchmarking Group methodology and through sharing best practice across the group. We will also continue to support a wide range of charitable causes in 2009/10 and further develop our science education programmes.

