

GRI Summary

Johnson Matthey continues to develop sustainability metrics and reporting criteria in alignment with those developed by the Global Reporting Initiative (GRI). More information on the GRI Reporting Framework can be found at the GRI's website.



The report has been prepared according to the GRI G3 Sustainability Reporting Guidelines and has been assessed by Corporate Citizenship using the AA1000AS assurance standards. This third party assurance of the report allows a declaration of a GRI B+ standard.

Report Application Level	C	C+	B	B+	A	A+
Standard Disclosures G3 Profile Disclosures OUTPUT	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15	Report Externally Assured	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17	Report Externally Assured	Same as requirement for Level B	Report Externally Assured
G3 Management Approach Disclosures OUTPUT	Not Required		Management Approach Disclosures for each Indicator Category		Management Approach Disclosures for each Indicator Category	
G3 Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental.		Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human rights, Labor, Society, Product Responsibility.		Report on each core G3 and Sector Supplement* Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission	

*Sector supplement in final version

A summary of our reporting principles, reporting guidance and standard disclosures (including performance indicators) is given in the following tables.

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1. Profile

Description	Location / Section
1.1 Statement from the most senior decision maker of the organisation	Annual Report 2010 <ul style="list-style-type: none"> ➤ Chief Executive's Statement ➤ Chief Executive's Introduction
1.2 Description of key impacts, risks and opportunities Section 1 – Impacts upon sustainability, challenges and opportunities Section 2 – Prioritisation of sustainability topics, target review, governance of sustainability	<ul style="list-style-type: none"> ➤ Material Issues Annual Report 2010 <ul style="list-style-type: none"> ➤ Sustainability ➤ Risks and Uncertainties ➤ Company Website – Sustainability 2017 ➤ Key Performance Indicators
2. Organisational Profile	
Description	Location / Section
2.1 Name of the organisation	➤ Sustainability Report 2009/10 Home
2.2 Primary brands, products and / or services	Annual Report 2010 <ul style="list-style-type: none"> ➤ The Group at a Glance

2.3	Description	Location / Section
2.3	Operational structure of the organisation	Annual Report 2010 > The Group at a Glance
2.4	Location of organisation's headquarters	Annual Report 2010 > Company Details
2.5	Number of countries where the organisation operates	Annual Report 2010 > Introduction
2.6	Nature of ownership and legal form	Annual Report 2010 > Principal Subsidiaries and Associate Annual Report 2010 > Company Details
2.7	Markets served	Annual Report 2010 > The Group at a Glance Annual Report 2010 > Group Activities Annual Report 2010 > Operations Review
2.8	Scale of the reporting organisation	Annual Report 2010 > Note 12, Employee and key management personnel costs Annual Report 2010 > Consolidated Income Statement Annual Report 2010 > Five Year Record, sales excluding the value of precious metals Annual Report 2010 > Note 2, Revenue Annual Report 2010 > Consolidated and Parent Company Balance Sheets Annual Report 2010 > Other Statutory Information, Major Shareholders Annual Report 2010 > Shareholder Information Annual Report 2010 > Sustainability, Employees by Region
2.9	Significant changes during the reporting period regarding size, structure or ownership	Annual Report 2010 > Note 40, Acquisitions Annual Report 2010 > Note 41, Discontinued operations
2.10	Awards received during the reporting period	> Our Stakeholders > Case Studies – Service to the Community Recognised in Royston > Company Website – Innovation

3. Reporting Parameters, Report Scope & Boundary

	Description	Location / Section
3.1	Reporting period	<ul style="list-style-type: none"> ➤ About this Report
3.2	Date of most recent report	<ul style="list-style-type: none"> ➤ About this Report
3.3	Report cycle	<ul style="list-style-type: none"> ➤ About this Report
3.4	Contact point for questions regarding the report or its contents	<ul style="list-style-type: none"> ➤ Contact Us ➤ Feedback
3.5	Process for defining report content, including materiality, prioritising topics, identifying stakeholders	<ul style="list-style-type: none"> ➤ Material Issues ➤ About this Report ➤ Our Stakeholders ➤ Case Study – Getting our Reporting Right
3.6	Boundary of the report	<ul style="list-style-type: none"> ➤ About this Report
3.7	Limitation on the scope of the report	<ul style="list-style-type: none"> ➤ About this Report
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities and other entities that can significantly affect comparability from period to period	<ul style="list-style-type: none"> ➤ About this Report
3.9	Data measurement techniques and the bases of calculations	<p>Annual Report 2010</p> <ul style="list-style-type: none"> ➤ Accounting Policies ➤ Performance Summary ➤ Performance Summary – Social ➤ Performance Summary – Health and Safety ➤ Performance Summary – Environment ➤ Social: Our Performance ➤ Health: Our Performance ➤ Safety: Our Performance ➤ Environment: Our Performance ➤ About this Report
3.10	Explanation of the effect of any restatements of information provided in earlier reports	<ul style="list-style-type: none"> ➤ About this Report ➤ Environment: Our Performance ➤ Health: Our Performance ➤ Safety: Our Performance
3.11	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report	<ul style="list-style-type: none"> ➤ About this Report
3.12	Table identifying the location of the standard disclosures in the report	<ul style="list-style-type: none"> ➤ GRI Summary
3.13	Policy and current practice with regards to seeking external assurance for the report	<ul style="list-style-type: none"> ➤ Verification and Assurance

4. Governance, Commitments & Engagement

	Description	Location / Section
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such setting strategy or organisational oversight	<p>Annual Report 2010</p> <ul style="list-style-type: none"> ➤ Corporate Governance ➤ Governance ➤ Managing Sustainability <p>Annual Report 2010</p>

Description	Location / Section
	Sustainability, Governance
4.2 Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organisation's management and the reasons for this arrangement)	Annual Report 2010 Corporate Governance Annual Report 2010 Board of Directors
4.3 For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and / or non-executive members	Annual Report 2010 Corporate Governance Annual Report 2010 Board of Directors
4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Annual Report 2010 Corporate Governance, Relations with Shareholders Our Stakeholders Governance – Business Integrity and Ethics
4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance)	Annual Report 2010 Remuneration Report
4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided	Annual Report 2010 Other Statutory Information, Directors' Conflicts of Interests
4.7 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics	Annual Report 2010 Corporate Governance, Directors and the Board Annual Report 2010 Nomination Committee Report
4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	Company Website – Sustainability 2017 Company Website – Our Approach Our Progress
4.9 Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	Governance Managing Sustainability Annual Report 2010 Corporate Governance Company Website – Sustainability Governance
4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance	Annual Report 2010 Corporate Governance Annual Report 2010 Corporate Governance, Directors and the Board
4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organisation	Company Website – Sustainability Governance

4.12	Description	Location / Section
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses	<ul style="list-style-type: none"> ➤ Governance – Business Integrity and Ethics ➤ Our Stakeholders
4.13	Memberships in associations	<ul style="list-style-type: none"> ➤ Our Stakeholders ➤ Regulatory Matters <p>Annual Report 2010</p> <ul style="list-style-type: none"> ➤ Sustainability, Social – Stakeholder Engagement
4.14	List of stakeholder groups engaged by the organisation	<ul style="list-style-type: none"> ➤ Our Stakeholders ➤ Community Investment <p>Annual Report 2010</p> <ul style="list-style-type: none"> ➤ Sustainability, Social – Stakeholder Engagement, Community Investment
4.15	Basis for identification and selection of stakeholders with whom to engage	➤ Our Stakeholders
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	➤ Our Stakeholders
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	<ul style="list-style-type: none"> ➤ Our Stakeholders ➤ Case Study – Getting our Reporting Right ➤ Case Study – JMNY Leading the Way – Responsible Supplier Policy

5. Management Approach and Performance Indicators (core indicators shown in bold)

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ECONOMIC

Management Approach

Financial viability is a key element of sustainability. Continued growth in profit is an important aspiration of our Sustainability 2017 Vision and we have set a target to more than double our underlying earnings per share by 2017.

The two major thrusts of our vision are about being more efficient with the resources we use and designing new products that help our customers to be more sustainable. Using fewer resources as a business will save us money, it will enable us to maintain or improve our margins and allow us to invest more in R&D and infrastructure. Designing innovative new products for our customers will allow us to maintain or strengthen our competitive position in the markets we serve today and benefit from the growth opportunities in emerging markets within the sustainability sector.

Sound, prudent financial management and consideration and management of risks to the business means that we can ensure a sustainable business delivering benefits to all stakeholders – shareholders, customers, local communities, society, humanity and the planet.

Also see Financial section of this report.

Indicator	Requirement / Disclosure	Location / Section
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	<p>Annual Report 2010</p> <ul style="list-style-type: none"> ➤ Financial Highlights – 2010 <p>Annual Report 2010</p> <ul style="list-style-type: none"> ➤ Group Performance Review <p>Annual Report 2010</p> <ul style="list-style-type: none"> ➤ Financial Review <p>Annual Report 2010</p> <ul style="list-style-type: none"> ➤ Note 11, Earnings per ordinary share <p>Annual Report 2010</p>

Indicator	Requirement / Disclosure	Location / Section
		<ul style="list-style-type: none"> ➤ Note 12, Employee and key management personnel costs Annual Report 2010 ➤ Note 13, Share-based payments Annual Report 2010 ➤ Other Statutory Information, Charitable Donations Annual Report 2010 ➤ Other Statutory Information, Political Donations and Expenditure ➤ Financial ➤ Financial: Our Performance
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	<ul style="list-style-type: none"> ➤ Material Issues Annual Report 2010 ➤ Operations Review – Precious Metal Products Division Annual Report 2010 ➤ Research & Development ➤ Financial ➤ Feature: Carbon Strategy
EC3	Coverage of the organisation's defined benefit plan obligations	<ul style="list-style-type: none"> Annual Report 2010 ➤ Note 14, Post-employment benefits Annual Report 2010 ➤ Sustainability, Social – Employee Relations and Communication
EC4	Significant financial assistance received from government	<ul style="list-style-type: none"> ➤ Financial
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind, or pro bono engagement	<ul style="list-style-type: none"> ➤ Community Investment

ENVIRONMENTAL

Management Approach

Environmental responsibility is a key element in making Johnson Matthey a more sustainable business. We have an impact on the environment in many ways – through the resources we use, the way we operate our processes and the action of our products and services on enhancing the environment for others.

We take raw materials and apply our knowledge and expertise to turn them into more valuable products. The costs of these raw materials are likely to increase in future as they are depleted or become harder to access. By increasing the efficiency with which we use these valuable resources, we will generate cost savings for our business today and help to conserve resources for the future.

The recycling and reuse of key resources (e.g. precious metals) are a fundamental element of what we do. We shall continue to draw on our expertise in this area to benefit the resource efficiency of our own operations and provide enhanced solutions and services for our customers.

Environmental targets are a key part of our Sustainability 2017 Vision. The group aims to become carbon neutral, achieve zero waste to landfill and to halve the key resources per unit output consumed by 2017. In order to meet these aspirations, long term environmental improvement plans and performance indicators have been established.

Due consideration is given to the environmental impact of our business in all aspects of our operations. Through management systems and policies, we ensure, as far as is possible, compliance (as a minimum) with relevant regulation and legislation in order to protect the environment. We have set a target to have all of our major manufacturing sites ISO 14001 registered and certified in 2010.

Also see Environment section of this report.

Indicator	Requirement / Disclosure	Location / Section
EN3	Direct energy consumption by primary energy source	<ul style="list-style-type: none"> ➤ Environment: Our Performance

Indicator	Requirement / Disclosure	Location / Section
EN4	Indirect energy consumption by primary source	➤ Environment: Our Performance
EN8	Total water withdrawal by source	➤ Environment: Our Performance
EN16	Total direct and indirect greenhouse gas emissions by weight	➤ Environment: Our Performance
EN17	Other relevant indirect greenhouse gas emissions by weight	➤ Environment: Our Performance
EN20	NOx, SOx and other significant air emissions by type and weight	➤ Environment: Our Performance
EN21	Total water discharge by quality and destination	➤ Environment: Our Performance
EN22	Total weight of waste by type and disposal method	➤ Environment: Our Performance
EN23	Total number and volume of significant spills	➤ Environment: Our Performance
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	➤ Environment: Our Performance
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	➤ Environment: Our Performance

LABOUR PRACTICES AND DECENT WORK

Management Approach

Johnson Matthey's employees are respected as the company's most valuable resource and play a vital role in 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. All employees are encouraged to develop to their maximum potential, supported by human resources policies and practices that are strategically linked to the needs of our business and our customers.

Health and safety is a key element of our sustainability strategy. We are committed to providing our employees with a safe working environment and supporting and enhancing their health and wellbeing. For us, any accident is unacceptable and our target is zero accidents. We are also working to reduce annual incidence of occupational illness cases by at least 30% by 2013/14.

Also see Johnson Matthey's Business Integrity and Ethics Policy, the Governance, Social: Our Performance, Health: Our Performance and Safety: Our Performance sections of this report.

Indicator	Requirement / Disclosure	Location / Section
LA1	Total workforce by employment type, employment contract and region	<i>Partial Disclosure</i> ➤ Social: Our Performance
LA2	Total number and rate of employee turnover by age group, gender and region	<i>Partial Disclosure</i> ➤ Social: Our Performance (Employee Turnover) <i>Partial Disclosure</i> ➤ Social: Our Performance (Diversity)
LA4	Percentage of employees covered by collective bargaining agreements	➤ Social: Our Performance
LA7	Rates of injury, occupational diseases, lost days, and absenteeism and number of work related fatalities by region	➤ Health: Our Performance ➤ Safety: Our Performance ➤ Performance Summary – Health and Safety ➤ Social: Our Performance ➤ Performance Summary – Social
LA10	Average hours of training per year per employee by employee category	<i>Partial Disclosure</i> ➤ Social: Our Performance

HUMAN RIGHTS

Management Approach

The company strives to maintain the highest standards of ethical conduct and corporate responsibility worldwide through the application of the principles within its Business Integrity and Ethics Policy. These issues are further safeguarded through

corporate governance processes and monitoring by the board and its committees. All employees have a duty to follow the principles set out in the Business Integrity and Ethics Policy. It is integrated into the Group Control Manual and is available to staff at all sites.

Also see Governance section of this report and the Sustainability Governance section of the company's website.

Indicator	Requirement / Disclosure	Location / Section
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	<p>➤ Governance – Business Integrity and Ethics</p> <p>Annual Report 2010</p> <p>➤ Sustainability, Governance – Policies and Management Systems, Business Integrity and Ethics</p> <p>➤ Company Website – Sustainability Governance</p>
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	<p><i>Partial Disclosure</i></p> <p>Annual Report 2010</p> <p>➤ Sustainability, Governance – Policies and Management Systems, Business Integrity and Ethics</p> <p><i>Partial Disclosure</i></p> <p>➤ Governance – Business Integrity and Ethics</p>
HR6	Operations identified as having significant risk for incidents of child labour and measures taken to contribute to the elimination of child labour	<p><i>Partial Disclosure</i></p> <p>Annual Report 2010</p> <p>➤ Sustainability, Governance – Policies and Management Systems, Business Integrity and Ethics</p> <p><i>Partial Disclosure</i></p> <p>➤ Governance – Business Integrity and Ethics</p> <p><i>Partial Disclosure</i></p> <p>➤ Company Website – Sustainability Governance</p>
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour and measures to contribute to the elimination of forced or compulsory labour	<p><i>Partial Disclosure</i></p> <p>Annual Report 2010</p> <p>➤ Sustainability, Governance – Policies and Management Systems, Business Integrity and Ethics</p> <p><i>Partial Disclosure</i></p> <p>➤ Governance – Business Integrity and Ethics</p> <p><i>Partial Disclosure</i></p> <p>➤ Company Website – Sustainability Governance</p>

SOCIETY

Management Approach

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.

The company strives to maintain the highest standards of ethical conduct and corporate responsibility worldwide through the

application of the principles within its Business Integrity and Ethics Policy. Johnson Matthey's ethical policy is integrated into the Group Control Manual and is available to employees at all sites. Measures are in place to identify and prevent fraud or money laundering through activities undertaken by Johnson Matthey or on behalf of customers.

Many of Johnson Matthey's products have a material impact on various areas of government policy. Examples include pollution control from transportation and industrial sources, the use of catalysts in resource efficient processes and the shift to zero emission fuel cell technologies. We are proactive in engaging in public policy debate where we have the skills, experience and resources to make a material contribution.

Also see Our Stakeholders, Governance and Social sections of this report and the Sustainability Governance section of the company's website.

Indicator	Requirement / Disclosure	Location / Section
SO1	Nature, scope, and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting	<ul style="list-style-type: none"> ➤ Community Investment ➤ Our Stakeholders Annual Report 2010 <ul style="list-style-type: none"> ➤ Sustainability, Social – Community Investment ➤ Company Website – Community and Charity
SO2	Percentage and total number of business units analysed for risks related to corruption	<i>Partial Disclosure</i> Annual Report 2010 <ul style="list-style-type: none"> ➤ Corporate Governance – Accountability, Audit and Control
SO5	Public policy positions and participation in public policy development and lobbying	<ul style="list-style-type: none"> ➤ Our Stakeholders
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	Annual Report 2010 <ul style="list-style-type: none"> ➤ Other Statutory Information, Political Donations and Expenditure

PRODUCT RESPONSIBILITY

Management Approach

Product stewardship involves an integrated approach to products, materials and services management designed to objectively assess and then minimise or eliminate the environmental and health related impacts of products. As part of our commitment to sustainability, we appreciate that all the chemicals we use must be managed responsibly. Our product stewardship systems are aligned to a key goal in the 2002 Johannesburg World Summit on Sustainable Development to 'use and produce chemicals in ways which will lead to the minimisation of significant adverse effects on human health and the environment'.

A systematic product responsibility reporting scheme conforming to the Global Reporting Initiative Sustainability Reporting Guidelines is used to monitor the performance of Johnson Matthey's operations and maintain surveillance of the company's products.

Significant attention is given to the impact of our business throughout the supply chain and in particular in those aspects where we are providing products to our customers. Life cycle assessment methods are used in different parts of the business to assess the environmental and social impacts and benefits of our operations and products. Compliance with relevant international laws and standards and the provision of accurate information (e.g. relating to environmental, health and safety matters or product specifications and performance) to accompany our products is critical to ensure that they are provided fit for purpose.

Also see Product Stewardship section of this report.

Indicator	Requirement / Disclosure	Location / Section
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	<ul style="list-style-type: none"> ➤ Product Stewardship
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	<ul style="list-style-type: none"> ➤ Product Stewardship
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes	<ul style="list-style-type: none"> ➤ Product Stewardship
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	<ul style="list-style-type: none"> ➤ Product Stewardship