

## Our Stakeholders

Johnson Matthey has a wide range of stakeholders with an interest in hearing from or working with the company. These include customers, employees, fund managers, shareholders, communities, governments, non-governmental organisations (NGOs) and national and international trade associations.

We aim to provide meaningful and transparent communications to meet the needs of all stakeholder groups and deliver information to them in the most appropriate format. These formats may include annual performance reports, participation in performance indices (Carbon Disclosure Project, FTSE4Good, Dow Jones Sustainability Index, London Benchmarking Group, for example) or one to one discussions on specific topics. We communicate with our stakeholders throughout the year and engagement is integrated into business decision making processes.

### How We Engage

Stakeholder	Ongoing dialogue	Surveys / Questionnaires	Regular meetings	Reviews	Audits	Sustainability Report	Annual Report
Employees	*	*	*	*		*	*
Shareholders	*	*	*			*	*
Institutional investors / analysts	*	*	*			*	*
Suppliers	*	*	*	*	*	*	*
Customers	*	*	*		*	*	*
NGOs		*	*			*	*
Regulatory bodies	*					*	*
Trade associations			*			*	*
Ethical investment markets		*				*	*
Voluntary schemes (CDP)		*				*	*



#### CASE STUDY

JMNY Leading the Way – Responsible Supplier Policy



#### Q&A

What does sustainability mean to you?

For me, sustainability is ultimately about ensuring ...



#### Q&A

What does sustainability mean to you?

It means improving business performance and quality of life ...




FTSE4Good



## Our Stakeholders

Johnson Matthey is actively involved with the key trade associations that are relevant to its business activities. We play an active role within the Chemical Industries Association (CIA) and hold positions on the CIA Executive Committee, Council and other strategy boards. We have also continued to play a leading advisory role through participation in a number of sector trade associations and government bodies, including Eurometaux, the European Precious Metals Federation, the International Platinum Group Metals Association, the Association for Emissions Control by Catalyst (AECC), the European Catalysts Manufacturers Association, the Methanol Institute, the UK Hydrogen Association, the Fuel Cell UK Association and a number of national trade associations for the colours and pigments industry. We are also engaged with national and local government to inform the development of policy in areas where Johnson Matthey's technology and products can play a pivotal role.




**CASE STUDY**  
**Bitrex Promotes Child Safety**

Neil Carson, Chief Executive of Johnson Matthey, is a prominent member of the Corporate Leaders Group and is a member of the Advisory Board for the Cambridge Programme for Sustainability Leadership. A number of the company's senior management are involved in the UK government's sustainability and climate change initiatives. Johnson Matthey's executives have also made a contribution to a range of organisations and committees during the year, such as the Carbon Trust, and the company continues to participate in numerous government consultations. We have also continued to support the activities of Forum for the Future and Green Alliance.

At regular meetings with the company's major shareholders, matters relating to sustainability and corporate social responsibility may be discussed together with the performance and development of the group's businesses.

During the year Johnson Matthey was placed in the bronze classification in sustainability leaders within the chemicals sector in the SAM 11th annual assessment of corporate sustainability practices which forms the basis for the Dow Jones Sustainability Index. In addition, the company was awarded the Chemical Industries Association 2009 Award for Environmental Leadership. Johnson Matthey also received two awards at the inaugural Institute of Chartered Secretaries and Administrators (ICSA) Hermes Transparency in Governance Awards, one for Best Practice Disclosure on Sustainability and a second for Best Practice Disclosure on Stakeholder Engagement. The company is committed to achieving high standards of reporting and disclosure to enhance openness and dialogue between the company's board and its investors and other stakeholders. Winning these two awards recognises our commitment to maintaining a well run company and to achieving best practice in our corporate governance reporting.

Feedback from stakeholders is an important mechanism for ensuring we are delivering the right information to the right people in the right format. This year the company has engaged with its stakeholders to garner their views on how we report our sustainability performance and the level of confidence it provides. A survey was conducted by an independent third party on our behalf and input was received from suppliers, customers, NGOs and institutional investors. This feedback has been used to direct the structure of this year's report and provides valuable guidance for our future reports.



**CASE STUDY**  
**Getting our Reporting Right**

# Our Stakeholders

## Employees First

The commitment of employees to our goals is vital in making Sustainability 2017 a success. Employee engagement has remained a key priority with the focus on giving employees a clear view of the importance of sustainability to the overall business strategy and equipping them with the information they need to take forward their own sustainability ideas. Training, communication and progress updates have all continued this year.

Feedback from employees on Sustainability 2017 is an important aspect in directing what we do going forward. Following the initial roll out and as local initiatives began to gather pace, a strong message emerged that employees were particularly interested in hearing more about how other businesses in Johnson Matthey are working towards the group goals and that there was a need to have some way of sharing ideas and best practice. As a result, a dedicated sustainability intranet site has recently been launched to provide a means for everyone in the group to feedback their ideas, share good practice on sustainability and to offer a central source of information which employees can draw upon to support their initiatives.

[Click here to read more on what Johnson Matthey's employees think about sustainability.](#)

The Johnson Matthey Sustainability Awards were launched in 2008/09 to recognise and share best practice across the group. In their first year, a very strong set of around 90 entries were received and the seven winners were announced in last year's Sustainability Report. The awards have generated very positive feedback from many people across the group and judging is now underway for the 2009/10 awards. Winners will be announced in September and presented on our website.

Work to develop an enhanced sustainability section on the company's corporate website is now well underway. Scheduled for launch during 2010/11, this will provide a wider range of materials for employees and for our other stakeholders.



### CASE STUDY

How Sustainable Do You Think You Are? Earth Day at Downington

## Employee Q&As



**Richard Martins**  
Environment, Health and Safety and Security Manager  
Emission Control Technologies, Germiston, South Africa  
2 years with Johnson Matthey

**Q1.** What does sustainability mean to you?

It is the potential for long term maintenance of wellbeing which in turn depends on the wellbeing of the natural world and the responsible use of natural resources. Sustainability is the opportunity to improve.

**Q2.** What contribution are you and your team or colleagues making to sustainability?

We meet on a regular basis to bring ideas together to improve, share new ideas to promote sustainability and bring awareness to all our colleagues at Johnson Matthey. We are always looking for new ideas to improve Johnson Matthey's impact on the environment.

**Q3.** Do you think being more sustainable is good for Johnson Matthey?

Yes, Yes and Yes! Being a green company we should be leaders in the race. The products that we make at our Emission Control Technologies facilities around the world provide environmental protection.

**Q4.** Do you think sustainability is important?

Definitely. We need to change the way we do things and sustainability is likely to be our only chance to change and protect the planet for future generations.

**Q5.** Is there anything else you think we could be doing?

Keep researching and keep motivating our staff to play their part. We need to be ahead in the game with regard to sustainability. Johnson Matthey has taken the right approach and should keep up with the good work.



**Morag Shaw**  
Process Engineering Team Leader  
Macfarlan Smith, Edinburgh, UK  
4 years with Johnson Matthey

**Q1.** What does sustainability mean to you?

For me, sustainability is ultimately about ensuring our children and grandchildren can continue to live to the same or better standards than we do today. For this to happen we must act now to reduce waste and improve resource efficiency. This is something we can all contribute to in our everyday lives both at home and at work.

**Q2.** What contribution are you and your team or colleagues making to sustainability?

We have made reductions in the use of solvents, nitrogen and paper. A recycling scheme was introduced last year and will be further extended this year. Several initiatives are underway to improve employee health and wellbeing and we continue to promote science, engineering and technology subjects to local school children.

**Q3.** Do you think being more sustainable is good for Johnson Matthey?

Being more sustainable has to be good for Johnson Matthey. It will make us more profitable and ensure we continue to be so for a long time to come. Also the fact that everyone in the organisation can get involved and do their bit to meet these objectives has a very positive effect on staff morale and motivation.

**Q4.** Do you think sustainability is important?

Sustainability is not just important, it is essential. It is now well established that current patterns of consumption of natural resources are not sustainable. Change is inevitable but by tackling the issues head on we can drive these changes for the good rather than being swept along in the resulting tsunami.

**Q5.** Is there anything else you think we could be doing?

Better communication and sharing ideas between sites would help. The new

sustainability intranet site goes a long way towards this but relies on contributions from as many different people as possible.



**Robert MacLeod**  
Group Finance Director  
Head Office, UK  
1 year with Johnson Matthey

**Q1.** What does sustainability mean to you?

To me, sustainability is all about adapting our business to the ever changing requirements of the world. It involves looking at ways in which we can improve our business to reduce our impact on the environment and at the same time develop products that help our customers to reduce their impact on the environment. Sustainability is not one dimensional, it covers all aspects of our business.

**Q2.** What contribution are you and your team or colleagues making to sustainability?

The finance team can help to develop metrics that enable us to report progress and incentivise sustainable solutions. Any incentive plan will, however, have unintended consequences and therefore before any plan is put in place, we must be aware of those possible implications.

**Q3.** Do you think being more sustainable is good for Johnson Matthey?

Undoubtedly being more sustainable is very important for all Johnson Matthey's stakeholders. Our current and, perhaps more importantly, our future employees demand us to act responsibly, our customers will increasingly be attracted to products that reduce their environmental impact – if successful, this will enable us to grow market share and possibly improve prices – and our shareholders realise that this will not only make us a good corporate citizen, but it will also add value to the group and hence to their investment.

**Q4.** Do you think sustainability is important?

Absolutely. Johnson Matthey is already a company that offers products to improve the environment – the market for such products can only increase. Strategically, the group is well placed and we should be able to benefit from further developments in the market. We must therefore look at other ways in which we can further enhance our already strong position and take advantage of these opportunities.

**Q5.** Is there anything else you think we could be doing?

Having recently joined Johnson Matthey, it is clear to me that most people in the group have really embraced the sustainability agenda. There is always more that we can do, but the key focus now is how to move forward from the relatively easy wins and take the next steps forward.



**Danjuan Liu**  
Technical Assistant  
Catalysts and Chemicals, Shanghai  
7 years with Johnson Matthey

**Q1.** What does sustainability mean to you?

For me, sustainability means a better life: fresh air, clean water, green trees and abundant natural resources. The most important thing is a sustainable planet for our future generations.

**Q2.** What contribution are you and your team or colleagues making to sustainability?

We are contributing to the sustainability of our manufacturing plant in a number of ways through precious metal and chemicals recycling, resource efficiency, waste and emissions reduction, process improvements and production efficiency.

**Q3.** Do you think being more sustainable is good for Johnson Matthey?

Yes indeed. As our Chief Executive, Neil Carson said, "Sustainability is a key element of our strategy for the future growth of our business." Being more sustainable means our products are more efficient, provide more environmental protection and deliver human health benefits. Thereby Johnson Matthey will be bringing more benefits to our customers, society and the employees.

**Q4.** Do you think sustainability is important?

In today's demands for increasing economic growth and environmental protection, sustainability is especially important. Sustainable long term growth is development with consideration of economic, environmental and social issues.

**Q5.** Is there anything else you think we could be doing?

Firstly, we should understand sustainability is a philosophy and a way of working – the way we want to run our business. Secondly, sustainability is not a thing just for one person, but it is for all of our employees. We need to work together and implement the good ideas in an efficient way at once and work hard towards the Sustainability 2017 Vision.



**Carl Wasylyszyn**  
Sales Administration / Material Control Planning  
Colour Technologies, Downingtown, USA  
17 years with Johnson Matthey

**Q1.** What does sustainability mean to you?

Sustainability is looking backwards and forwards to make careful decisions in the present with regard to the environmental, social and economic impacts of our actions and activities. It means being reflective about lessons learned from our past as well as fully sharing in the process of continually asking 'what if'? This will hopefully lead to the building of thriving enterprises and communities connected by integrity going into the future.

**Q2.** What contribution are you and your team or colleagues making to sustainability?

Thus far much of our site efforts have been to promote awareness so that everyone can identify with sustainability in some way. By first realising the personal dimensions, commitment to corporate initiatives will hopefully follow. Some employees are very committed to some aspects of sustainability while challenging some of the other concerns associated with it. With that in mind, we have given assurance to employees that all views and perspectives are important and indeed welcomed to the dialogue and debate necessary to develop our best collective critical thinking.

**Q3.** Do you think being more sustainable is good for Johnson Matthey?

Having committed itself to sustainability, Johnson Matthey is more engaged with its customers, suppliers, communities and other stakeholders. If we rightfully care about the resources that we provide, receive and share then we will be respected, resilient and profitable.

**Q4.** Do you think sustainability is important?

Yes, a view towards sustainability does matter because it brings our attention to the choices that we all make and take for granted every day. Helping people create and consume with the 'big picture' in mind is not necessarily a restricting path, but instead can be an enlightening and broadening journey.

**Q5.** Is there anything else you think we could be doing?

In many ways the sustainability agenda will lead to healthy competition in the future and as such, the company needs both coaches and champions who can get others engaged and understand and act on the sustainability agenda. Initially leadership has come from those who have a personal impetus to pursue sustainability. The next step is developing and defining the benefits and incentives to us as a company, which will gain more personal investment among all employees. The Johnson Matthey sustainability intranet launch has great potential to bring many others across the threshold by sharing good practice and helping many key aspects: interaction, information, integration, identification, influence and impact.



**Abraham Lu**  
Environment, Health and Safety Engineer  
Emission Control Technologies, Shanghai, China  
1+ years with Johnson Matthey

**Q1.** What does sustainability mean to you?

It means improving business performance and quality of life while using fewer resources, producing less unwanted matter such as pollutants, waste, greenhouse gases and at the same time making sufficient profits in business to provide returns to shareholders, customers and employees.

**Q2.** What contribution are you and your team or colleagues making to sustainability?

We are encouraging all of our colleagues to contribute:

Simple actions like double printing paper, turning off lights and air conditioning equipment on leaving.

Utilising more ecofriendly energy, solar energy.

Encouraging our teams to recycle or reuse packaging materials like plastic membranes, paper boxes, pallets etc.

Employing local staff to reduce travel distances and providing a public shuttle bus for those who live further away.

**Q3.** Do you think being more sustainable is good for Johnson Matthey?

Yes – it has to be the right thing to do for all.

**Q4.** Do you think sustainability is important?

Absolutely. We need to behave responsibly as it will have a great impact on our life and more importantly on future generations.

**Q5.** Is there anything else you think we could be doing?

- Encourage our staff to consider their travel options like using public transport or car sharing.
- Try to look for more local suppliers to reduce the impact of the movement of goods.
- Encourage and require our suppliers to focus on this philosophy as well.



**Sarah Watt**

Divisional Sustainability Coordinator  
Emission Control Technologies, Royston, UK  
3 years with Johnson Matthey

**Q1.** What does sustainability mean to you?

Sustainability means doing the right thing from a social, environmental and economic perspective. It is an opportunity to improve our society and environment through actively thinking about our choices and engaging with our communities.

**Q2.** What contribution are you and your team or colleagues making to sustainability?

I am working in partnership with my colleagues on ways in which sustainable systems and practices can be implemented within the organisation. The key focus has been on aligning and improving our reporting systems. We are working on our communication systems in order to help information sharing. I am looking forward to continuing to support our business as we move closer to 2017 and our sustainability goals.

**Q3.** Do you think being more sustainable is good for Johnson Matthey?

Without a doubt! Sustainability is both a challenge and an opportunity. It is a challenge as we need to show that we provide the best environmental products with the least environmental impact. Sustainability is also a fantastic opportunity to work with our customers to develop products to meet increasingly tough standards. For our employees it is about providing an environment where we can experiment with ideas, be challenged and develop new thinking.

**Q4.** Do you think sustainability is important?

Absolutely. It is clear that things cannot continue the way they are – a majority of our lifestyles are not sustainable. We have the opportunity to work in partnership with nature and not continue as her adversary.

**Q5.** Is there anything else you think we could be doing?

There is so much we could do. We have to maintain the course towards our 2017 goals and actively accelerate our actions and programmes to reach these goals. Our sustainability experts are each of our employees as they engage with our products and processes daily. We need to continue to actively share ideas and encourage improvements. We also need to have a greater understanding of our products from a

life cycle perspective and make improvements based our findings. Finally, we need to think of where the company will be in years to come and ensure that we position ourselves to take advantage of new market opportunities.



**Subhasish Deb**  
Works Manager  
Catalysts and Chemicals, Taloja, India  
22 years with Johnson Matthey

**Q1.** What does sustainability mean to you?

It is a way for all human beings to collectively live in a sustainable world. It is not only for human beings, but for all other species to maintain a balance which will enable our planet to accommodate all of us into the future. We have to remember that whatever we do, the earth will be impacted either positively or negatively. Living and working sustainably means that our positive local actions will provide benefits on a global scale.

**Q2.** What contribution are you and your team or colleagues making to sustainability?

For us at Johnson Matthey in Taloja, it means effective utilisation of existing resources and continually improving our operations through reengineering wherever possible to deliver improved productivity, reduction in costs, energy and resource conservation, emissions reduction and enhanced safety. We have also started to work with our local community on a range of programmes to assist in social development.

**Q3.** Do you think being more sustainable is good for Johnson Matthey?

Definitely. Johnson Matthey is one of the industry leaders in this area engaged in making products which contribute directly or indirectly to sustainability. Continual improvement of the way we do business means not only more value for our customers but each improvement is a step towards a sustainable future.

**Q4.** Do you think sustainability is important?

Yes, it means growing in a 'green' way, being more efficient in resource utilisation, being increasingly cost competitive through innovation and exploring alternative ways of doing things. This is the right path for Johnson Matthey and will be critical to the continued success of the business in the long term.

**Q5.** Is there anything else you think we could be doing?

Johnson Matthey is one of the pioneers in products for emissions reduction and in fuel cell technology. We are keen to apply these technologies further in our plant in Taloja. This would allow us to showcase Johnson Matthey's expertise in these areas of sustainability and show our capability and commitment to our local colleagues in industry.

It would also help immensely if sustainability leadership ensures that more information is shared across the group on existing sustainable technologies, for example, solar power. Help is also needed with the practicalities involved in investment options, payback etc. In addition, a central place where Johnson Matthey people looking for various options can get to know about good experience and practice at other sites and provide contact details.

Finally, consideration of the needs of the world's developing economies and also putting more emphasis on education. More education on sustainable development and why it is important for the planet will benefit all people. Johnson Matthey, as one of the pioneers in the area of sustainability, could look to collaborate further in the area of education which lays down the foundation for a sustainable future.