



# Johnson Matthey

## The Role of our Board and Committees

### The board

Our board's role is to provide leadership of the company and direction for management. It is collectively responsible and accountable to our shareholders for the long term success of the group and for ensuring the group is appropriately managed and operates responsibly, with effective controls, as it pursues its objectives.

The board reviews the performance of management and the operating and financial performance of the group as a whole. In particular, the board is responsible for the key areas of setting strategy, determining risk appetite, ensuring appropriate risk management and internal controls are in place, ensuring good governance, decision making, promoting good behaviour and setting the company's values and standards. The board also ensures that plans are in place for orderly succession for appointments to the board and to senior management, so as to maintain an appropriate balance of skills and experience within the company and on the board.

In order to carry out its work, the board, which usually meets formally six times a year, agrees an annual agenda plan to ensure all necessary matters are covered and to allow sufficient time for debate and challenge. In particular, the board has sought to ensure there is sufficient time to discuss strategy so that the non-executive directors have a good opportunity to challenge and help develop strategy proposals. The board also takes time to review past decisions where necessary.

At board meetings, the board receives and considers papers and presentations from management on relevant topics, including one or more business or strategy presentations from the division directors and senior managers. Effective review and decision making is supported by providing the board with high quality, accurate, clear and timely information including input from experts and independent advisers where necessary. The board seeks to work in the best interest of Johnson Matthey and its stakeholders.

For further details on the principal activities of the board during 2015/16, please refer to the company's [2016 Annual Report and Accounts](#).

### Board Committees

Our Board has three committees: the Audit Committee, the Nomination Committee and the Remuneration Committee to which it delegates certain tasks. Further details on the responsibilities of these committees can be found within their [terms of reference](#), which are reviewed periodically and approved by the board.

The board ensures that its committees are provided with sufficient resources to undertake their duties, including access to the services of the Company Secretary as required. Each committee has the authority to seek any information that it requires from any officer or employee of the company or its subsidiaries. Each committee is also authorised by the board to take independent advice (including legal or other professional advice), at the company's expense, as it considers necessary. Each committee may request information from, or commission investigations by, external advisers. The committees formally report to the board on their proceedings after each meeting and generally on all matters and activities for which they are responsible through the committee chairmen and via committee minutes.

Each independent non-executive director is a member of each board committee. No one other than the board committee chairmen and members is entitled to be present at committee meetings. Others may attend, but only by invitation. Executive directors are not members of the board committees. When deciding the chairmanship and membership of board committees, the board takes into account the value of ensuring that committee membership is refreshed and seeks to ensure that undue reliance is not placed on particular individuals.

## **Executive committees**

Responsibility for implementing operational decisions and for the day to day management of the business is delegated by the board to the Chief Executive, who is supported by the Group Management Committee. In turn, the Group Management Committee is supported for four sub-committees.

**Group Management Committee:** Responsible for the executive management of the group's businesses and recommends strategic and operating plans to the board.

**Group Policy and Compliance Committee:** Provides leadership, oversight and assurance in relation to certain environment, health and safety, sustainability, human resources and ethics and compliance matters.

**Finance and Administration Committee:** Responsible for certain of the group's finance and corporate restructuring matters.

**IT Committee:** Responsible for oversight of the group's IT.

**Contracts Review Committee:** Reviews contract and litigation risk for the group.