

Global Procurement Policy

1. Purpose

This policy defines how Johnson Matthey (JM) apply controls and standards to its' procurement processes, ensuring a compliant and efficient process is implemented, in line with JM's values and strategy, protecting JM's interests and respecting and working ethically with suppliers.

The policy requires all JM employees who are involved in any aspect of dealing with suppliers, and procuring materials, products and services on behalf of JM to be aware of the policy principles defined below and to follow the detail of the JM Procurement Standards, Procedures and guidelines including the those in the JM Procurement Handbook and Code of Ethics.

Suppliers will be selected as a result of the procurement process, with consideration of their ethical, sustainable and compliance behaviours.

2. Definitions

Word	Definition
Materials, Products and Services	ALL goods and services including but not limited to raw materials from development and new product introduction to series production (including substrates, excluding PGM), all non-production materials, products and services, capital expenditure, real estate, mergers, acquisitions and divestments.
PO	Purchase Orders, Contracts, Outline Agreements and Delivery Schedules and Letters of Intent.

3. Policy

3.1 JM and all employees will ensure that:

- All purchases of any materials, products and services are conducted in line with JM's Procurement Handbook, Standards, processes and guidelines and other JM associated policies, standards and procedures.
- All procurement activity is conducted legally and in compliance with international laws, regulations and restrictions (including sanctions and embargoes).
- Procurement processes are conducted ethically, free from bribery and corruption, collusion and conflicts of interest in line with our Code of Ethics.
- We fully understand the requirements that need to be met in addition to the responsibility and implication that any third party is to undertake on behalf of JM.
- JM apply fair, respectful, honest, timely, unbiased, procurement processes safeguarding JM's reputation and interests and the interests and data of both JM and the supplier ensuring issues are resolved and agreeable to both parties.
- We maintain and utilise a preferred supplier program designed to maintain a rationalised supplier base and ensure high standards, maintain healthy supplier competition, improve the speed and efficiency of the procurement process and deliver competitive economics from the global supply market.
- We advocate for action to combat climate change and support other sustainability goals consistent with the UN Sustainable Development Goals.
- We will not knowingly conduct business with suppliers who support and are known to be involved with modern slavery, human trafficking, use of child labour, the extraction of conflict minerals, or other human rights violations.
- We seek to engage with a diverse supply base, supporting a balance of local and minority owned, small, medium and large organisations in our supply base.
- We seek to purchase from suppliers who are innovative and pro-active in developing their products or services and working collaboratively with JM to support our mutual growth and financial success.
- We are a responsible customer and conduct appropriate and regular due diligence of our suppliers via audit, third party research, evaluation and benchmarking, supplier performance reviews, etc. to ensure we

maintain high standards amongst our supplier base, and underpinning JM's ethical and sustainable reputation.

- We respect our suppliers, applying JM's Code of Ethics in our dealings with suppliers in all parts of the world.

3.2 Procurement will:

- Define, maintain and make available JM's Procurement Standards, Handbook, procedures and guidelines as required both to our procurement professionals and to all employees
- Support all procurement activity working with the final customer of the materials, products or services to ensure the correct buying channel is used, that the safety, quality, performance and delivery requirements are met by the successful supplier whilst ensuring competitive pricing, terms and conditions, insurance, legality and compliance with relevant internal and external regulations are applied, competitive, appropriate, proportionate to risk and in line with the needs of JM.
- Provide market knowledge and insights specific to the categories of procurement required by JM.
- Ensure all competitive bids and tendering processes are conducted fairly, professionally and with appropriate protection of confidential commercial data.
- Provide leadership on contract management and ensure user awareness of the appropriate details of supply contracts, including the contracts process and the application of the JM Delegation of Authority in the procurement process.
- Provide data and analysis of procurement spending, savings, market price movements and the general supply market.
- Provide leadership and support in managing and mitigating supply risks including, but not limited to, single sourced materials, products and services and sole source supplier risks.

3.3 All suppliers will:

- We require our suppliers to conduct their business in a legal, ethical and fair manner and to operate in full compliance with all legislation and additional standards of business integrity
- Be committed to protecting the environment and to net zero climate impact. Advocating action to combat climate change and support other sustainability goals consistent with the UN Sustainable Development Goals
- Ensure health, safety and wellbeing of people involved in their operations and supply chains is a priority and operate in accordance with the UN Global Compact in all aspects of their operations
- Take responsibility for sourcing their own materials, products and services in an ethical and environmentally sustainable manner, particularly in relations to materials sourced from high risk and conflict affected areas
- Take responsibility for establishing effective communication and improvement processes within their own organisation and that of related supply partners in pursuit of attaining standards set out in Johnson Matthey's Supplier Code of Conduct
- Adhere to JM's No PO No Work approach. Ensuring that no work is undertaken and materials, products services are not supplied without receiving a PO in advance.
- Where issues arise, work with JM to resolve them in a timely manner suitable to both parties without adverse effects on our partnership.