



# **Conflict Minerals Policy**

## **Tin, Tantalum, Tungsten & Gold**

Global

Version 1.0

Approved by the Group Management Committee on 18 December 2020



## 1 Purpose

In conflict-affected and high-risk areas<sup>1</sup> (“**CAHRAs**”) the mining and trade of Tin, Tantalum, Tungsten and Gold (“**3TGs**”) can be used to finance conflict between armed groups, fuel forced labour and other human rights abuses, and support unethical business practices, such as corruption and money laundering. While Johnson Matthey<sup>2</sup> has no mining operations in CAHRAs, the 3TGs Johnson Matthey purchases from its suppliers (“**Suppliers**”) though its global supply chain, potentially could originate from such areas, in certain instances.

Johnson Matthey is committed to value chain transparency and sustainability, as well as ensuring management of materials from CAHRAs. The purpose of this Policy is to ensure that:

- the sourcing of 3TGs in our supply chain does not directly or indirectly contribute to armed conflict, unethical business practices or human rights abuses in CAHRAs; and
- we are able to support local economies in CAHRAs responsibly, by allowing the use of verified conflict-free 3TGs from CAHRAs in our supply chains.

This Policy is consistent with our commitment to respect human rights in our own operations and in our supply chain, as set out in our Code of Ethics, Supplier Code of Conduct and Procurement Policy. We are committed to doing business in line with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from CAHRAs (“**OECD Guidelines**”) and all applicable laws.

Johnson Matthey Plc’s Board of Directors and its Group Management Committee are committed to this Policy fully and to supporting its Workers in complying with it.

## 2 Applicability/ Scope

This Policy applies to everyone working in the Johnson Matthey Group worldwide, at any level and in all Johnson Matthey companies. This includes senior managers, officers, directors, employees, consultants, contractors, trainees, homeworkers, part-time and fixed-term workers, casual and agency staff and volunteers (collectively “**Workers**” or “**you**”) unless otherwise specified.

Workers within the Sectors and Group Functions who are: (i) responsible for the relationship with a Supplier; or (ii) responsible for the relationship with a customer requesting information regarding whether there are 3TGs in products they purchase from Johnson Matthey, and if so, the origin of the 3TGs (“**Customer Requests**”); or (iii) responsible for assisting with (i) and (ii) above, have specific responsibilities under this Policy, as detailed in Section 5, and they are referred to throughout this Policy as (“**Relevant Workers**”).

## 3 Policy

### Our Policy Commitments

When sourcing 3TGs, Johnson Matthey will not do business:

- with Suppliers that benefit from, contribute to, assist with, or facilitate the commission by any party of: (i) any forms of torture, cruel, inhumane or degrading treatment; (ii) forced or compulsory labour; (iii) child labour; (iv) other gross human rights violations and abuses such as widespread sexual violence; or (v) war crimes or other violations of international humanitarian law, crimes against humanity or genocide;
- with Suppliers who provide direct or indirect support to non-state armed groups through the extraction, transport, trade, handling or export of minerals, nor those who provide direct or indirect support to public or private security forces who illegally control mine sites, transportation routes and upstream actors in the supply chain;
- with Suppliers engaged in bribery and corruption. Johnson Matthey has a zero-tolerance approach to bribery and corruption. Bribery and corruption are never acceptable in connection with Johnson Matthey

<sup>1</sup> Countries or areas with high demand minerals, who are either suffering from a state of armed conflict or fragile post-conflict, as well as areas witnessing weak or non-existent governance and security and widespread and systematic violations of international law.

<sup>2</sup> Johnson Matthey Group, including all affiliates and subsidiaries.



business. Our commitment and responsibilities to anti-bribery and corruption are set out in the Johnson Matthey Global Anti-Bribery and Corruption Policy;

- with Suppliers engaged in any form of financial crime. Johnson Matthey's Global Financial Crime Policy sets out our commitment and responsibilities with regards to mitigating the risk of participating in, or facilitating in financial crime, including money laundering, tax evasion, facilitation of tax evasion, terrorist financing and other illegal activities that hide the origin of criminal proceeds; and
- (directly or indirectly) that violates international sanctions or trade and export controls laws, (together, the "**Policy Commitments**").

We expect our Suppliers to comply with our Policy Commitments, and our Code of Ethics and Supplier Code of Conduct set out the individual and collective responsibilities of our Suppliers.

The Policy Commitments require adherence by Johnson Matthey to the below actions.

### **Supply chain due diligence and on-going monitoring**

The Relevant Worker responsible for the relationship with the Supplier must ensure that Supplier due diligence is conducted in accordance with the relevant Johnson Matthey due diligence procedure ("**DD Procedure**"). On-going monitoring and periodic Supplier due diligence must be conducted in accordance with the DD Procedure during the relationship with the Supplier. The Relevant Worker responsible for the relationship with the Supplier must keep a record of all the monitoring and due diligence steps undertaken, with the outcomes.

### **Concerns and risk mitigation**

Any concerns arising from Supplier due diligence or on-going monitoring must be escalated for resolution in accordance with the DD Procedure. Refusal, suspension or termination of business with the Supplier may result as circumstances require.

In accordance with our position in the 3TG supply chain, we will seek to engage with Suppliers, customers and other stakeholders, as applicable, to seek to mitigate the adverse impact of any concerns about our Suppliers which we have identified.

The Relevant Worker responsible for the relationship with the Supplier must make a written record of how the matter is resolved and the reasons for that decision.

### **Speak Up**

Concerns by Workers relating to any actual, alleged or suspected breach of this Policy should be raised in accordance with Johnson Matthey's Speak Up Policy.

The Relevant Worker responsible for the relationship with the Supplier must communicate to the Supplier (and require the Supplier's workers be informed) that our Speak Up Line can be used as a way of raising any concerns regarding breaches, by any party in the supply chain, of the Policy Commitments, Supplier Code of Conduct, OECD Guidelines or relevant legislation.

### **Training and resources**

Relevant Workers must receive appropriate training regarding compliance with the Policy and have access to relevant resources to comply with the Policy.

## **4 References**

This Policy must be read in conjunction with the DD Procedure and other Johnson Matthey codes, policies and procedures, as applicable.

## **5 Accountabilities & Responsibilities**

The **Chief Executive** has overall accountability for compliance with this Policy.



Each member of the **Group Management Committee** is accountable for, and must be able to demonstrate, compliance with applicable legislation and this Policy in relation to his/her Sector or Group Function. They may appoint executives to be responsible for ensuring such compliance.

**Relevant Workers** (first line of defence)

- Have read this Policy and the DD Procedure and, where requested, completed any related training;
- Must provide accurate annual 3TG data and identify Suppliers required to undertake due diligence;
- Coordinating with Group Functions to review Supplier due diligence for compliance with the Policy Commitments, Key Controls and the Supplier Code of Conduct, and raising any concerns in accordance with the DD Procedure;
- Responding promptly and accurately to Customer Requests and raising any concerns in accordance with the DD Procedure; and
- Maintaining records in accordance with the DD Procedure and coordinating with Group Functions for the purposes of relevant disclosure obligations.

**Each Sector** (second line of defence)

- Embeds the Policy and the DD Procedure within the Sector, demonstrates senior level commitment and ensures all Relevant Workers in the Sector have completed any required training;
- Must identify all Relevant Workers responsible for conducting Supplier due diligence and responding to Customer Requests;
- Responsible for maintaining records of Supplier due diligence and Customer Requests and responses;
- Ensuring concerns are escalated under the DD Procedure, risk mitigations are implemented and where required, refusal, suspension and termination of business with a Supplier is affected; and
- Coordinating with the relevant Group Functions for the purposes of Supplier due diligence, responding to Customer Requests and relevant disclosure obligations.

**Procurement** (second line of defence)

- Implements and oversees Johnson Matthey’s compliance with this Policy and makes training available to each Sector and relevant Group Function, as required;
- Coordinating with each Sector to annually collect 3TG data and identify Suppliers required to undertake due diligence; and
- Ensures this Policy and DD Procedure align with the Supplier Code of Conduct, Procurement Policy and evaluation of Suppliers.

**Group Ethics & Compliance** (second line of defence)

- Advises on legal compliance and reputational issues arising from the Supplier due diligence and Customer Requests; and
- Coordinates with Sectors and Group Functions to collate data and prepare JM’s annual disclosures, as required.

## 6 Key Controls

<i>Key Risk</i>	<i>Key Controls</i>
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<p><b>Through its supply chain, JM sources 3TGs that have contributed directly or indirectly to armed conflict, unethical business practices, or human right abuses in CAHRAs</b></p>	<p>The appropriate level of Supplier due diligence must be undertaken before entering any relationship with a Supplier and periodically throughout the duration of the relationship with the Supplier.</p> <p>Relevant Workers and relevant Group Functions are trained to: (i) conduct Supplier due diligence; (ii) identify and escalate Supplier concerns; and (iii) respond to Customer Requests.</p> <p>Expect the 3TG sourcing practices of our Suppliers, or the smelters and refiners used in their supply chain (as applicable), to have been validated by an independent third party audit programme (RMAP).</p> <p>Expect our Suppliers to have their own responsible sourcing policy, due diligence programme and management systems which are consistent with the OECD Guidelines, and implement their own responsible sourcing expectations with their suppliers.</p> <p>Where concerns have been identified, there is a clear escalation process that will include risk management strategies.</p> <p>Where a Supplier fails to meet the Policy Commitments and/or our Supplier Code of Conduct, suspension, refusal or termination of business may result as circumstances require.</p>
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## 7 Consequence of Breach

Failure to comply with this Policy (including any related procedures) will be a disciplinary offence and may result in disciplinary action up to and including dismissal.

## 8 Policy Owner

This Policy is owned by the General Counsel & Company Secretary.

## 9 Document Control

Document Control	
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