



Anti-Bribery and Corruption Policy

Global

Version 2.0

Approved by OneJM Policy Committee

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1 Purpose

Johnson Matthey's ("JM", "our", "we", "us") Anti-Bribery and Corruption ("ABC") Policy sets out our **zero-tolerance approach to bribery and corruption**. This policy should be read in conjunction with JM's Gifts, Hospitality and Charitable Donations ("GH&C") Policy.

We, our employees, and the third parties we engage are subject to a number of anti-bribery and corruption ("ABC") laws in all the countries where we operate globally, including but not limited to, the U.K. Bribery Act of 2010 ("UKBA") and the U.S. Foreign Corrupt Practices Act ("FCPA"), both of which can apply to acts committed anywhere in the world. Violations of ABC laws are treated very seriously by enforcement authorities across the world, and may result in severe criminal, civil and regulatory penalties for JM and any involved individuals. Criminal penalties may include significant fines and imprisonment.

JM's involvement or perceived involvement in bribery or corruption could significantly damage our reputation and harm the trust we have established with our workers, customers and the communities where we work.

The nature of our business operations means we are exposed to bribery and corruption risks that must be mitigated. We have operations throughout the world, including in countries and industries that are high-risk from a bribery and corruption perspective. The exposure is heightened when interacting with Public Officials, which includes when we do business with state-owned entities. In addition, where we engage Third Party Intermediaries ("TPI") to act on our behalf, their actions or potential misconduct may create liability for us regardless of whether we are aware of such actions or misconduct.

You must comply with this policy, all applicable laws (including local ABC laws) that apply and any additional requirements imposed by your Sector or Group Function. If there is a conflict between the requirements of this policy, your Sector or Group Function's policy and local laws, you must comply with the most stringent requirement.

When reviewing this policy, you should refer to the Definitions set out in Section 11.

Johnson Matthey Plc's Board of Directors and its Group Management Committee ("GMC") are fully committed to this policy and to supporting your compliance with it.

2 Applicability/Scope

What does this policy cover?

This policy sets out the principles and requirements you must follow to avoid engagement in bribery and corruption.

Bribery involves the offering, giving, requesting or receiving of money, anything of value or anything else that may be considered a bribe as an inducement or reward for an improper act or to influence someone in the performance of their role. For purposes of assessing a bribery risk, "**an improper act**" generally refers to someone performing (or failing to perform) a function or activity in a manner that is illegal, unethical, in bad faith or in breach of a position of trust. Bribes are sometimes called "kickbacks". "**Anything else of value**" includes, but is not limited to the following:

- Gifts (including cash equivalents, such as gift cards or vouchers)
- Favourable commercial arrangements (eg, favourable contracts)
- Hospitality, such as meals, hotel stays, tickets or invitations to sporting or cultural events
- other promotional expenses (such as travel and accommodation expenses)
- favours that are of value to the recipient (such as offers of employment, work experience or internships for a directly involved party or a relative of a party)
- Free use of company services, facilities or property
- Political contributions
- Charitable Donations

Corruption refers to the misuse of public office or power for private gain, or the misuse of private power in relation to business. Corruption can take many forms, such as fraud, extortion, bribery or facilitation payments.



Facilitation payments, sometimes called “grease payments”, are unofficial payments or gifts made to secure, facilitate or speed up a Public Official’s performance of a non-discretionary government action or process. These government actions or processes include, but are not limited to, issuing licenses or permits, scheduling inspections and loading/unloading cargo.

Who does this policy apply to?

This policy applies to everyone who works for us whether on a permanent or temporary basis, in any of our Group businesses, anywhere in the world, including all employees, contractors and temporary staff (collectively, “Workers”) unless otherwise specified.

All individuals, groups of individuals and entities working on our behalf or providing services to JM will be held to the same ethical standard as our Workers, including but not limited to agents, distributors, resellers, logistics providers and government intermediaries (collectively, “TPIs”).

3 The Policy

This policy sets out our **zero-tolerance approach to bribery and corruption**. You must comply with the rules set out below at all times and in all aspects of your work.

This policy does not provide exhaustive guidance for every possible bribery and corruption risk. It is **your responsibility** to be alert to bribery and corruption risks, provide information to your line manager about these risks, and seek further guidance from the Legal Team or Group Ethics and Compliance (“GE&C”) as necessary.

A. General Prohibition Against Bribery

You **must not offer, give, request or accept bribes**, whether directly or indirectly (such as bribes made through TPIs), to or from **any** entity or individual.

B. Prohibition Against Bribing Public Officials

Bribes are strictly prohibited in all circumstances but interactions with **Public Officials** present a heightened bribery risk. Public Officials include, but are not limited to:

- individuals (whether elected or appointed) who hold positions of any kind in any national, local or municipal government (eg, legislative, administrative or otherwise) or in any regulatory agency, exchange or listing authority;
- individuals who exercise a public function for or on behalf of any branch or public agency of any national, local or municipal government;
- officers, employees or representatives of any State Owned Entity (“SOE”);
- officers, employees or representatives of any public international organisation or non-governmental organisation (“NGO”);
- individuals acting in any judicial capacity; and
- politicians, political candidates or employees of any political party.

C. Making Facilitation Payments

You **must not make Facilitation Payments of any kind**, whether directly or indirectly (ie, through another person or company), even if they are customary business practice in a particular country. If a Public Official requests you make a facilitation payment, you must report it in accordance with this policy.

D. Requirement to Comply with Gifts, Hospitality, and Charitable Donations Policy

All **Gifts, Hospitality** or **Charitable Donations** that you give or receive must comply with this policy and JM’s GH&C Policy (and any applicable Local Policy Supplement).



E. Prohibition Against Political Contributions

You must not use JM funds for Political Contributions unless specifically authorised in advance and in writing by the GMC. Political Contributions include, but are not limited to, contributions to political candidates, political parties or political party/action committees. If you are unsure if your donation or contribution constitutes a Political Contribution, you must consult the Legal Team or GE&C.

F. Requirements When Engaging and Paying TPIs

You must always assess and address the bribery and corruption risks presented by TPIs engaged to represent or provide services to or on behalf of JM and provide information on these risks to your line manager. If the TPI falls within the scope of JM's Engaging High-Risk Third Party Intermediaries Procedure (2017) or Third Party Intermediary Risk Review (2014), then the requirements of the applicable procedure must be followed.

G. Requirement to Report Actual or Suspected Violations or Red Flags

i. You must report known or suspected violations of this policy.

If you observe, become aware of or suspect conduct has occurred that violates this policy or otherwise implicates JM in bribery or corruption, you must notify JM immediately through the Legal Team, GE&C or the Speak Up process.

A non-exhaustive list of bribery and corruption red flags is contained in Annex 1.

ii. You must report bribery or corruption red flags involving Third Parties.

You must report to the Legal Team any red flags that arise during the course of a relationship (or prospective relationship) with a Third Party as soon as you become aware of them. If a decision is taken not to work with a Third Party (or continue working with them) due to bribery or corruption concerns, the Legal Team must inform GE&C so the decision can be recorded in the JM Group register/watchlist.

4 Exceptions

Payments In The Face of Imminent Harm

Payments that would otherwise violate this policy may be made on an exceptional basis when you or another Worker faces a threat of imminent harm, such as loss of life, liberty or personal injury if payment is not made. If you are not able to notify the Legal Team or GE&C in advance of taking any action (including making any payments) in accordance with this exception to the policy, you must notify them (together with your line manager) as soon as possible thereafter, document any transactions in accordance with this policy and ensure any relevant payments are accurately recorded in accounts, books and records.

There are no other exceptions to this policy.

5 Accountabilities and Responsibilities

Accountabilities

The Chief Executive has overall accountability for compliance with this policy.

Each member of the GMC is accountable for, and must be able to demonstrate, ABC compliance in relation to his/her Sector or Group Function. This includes ensuring:

- The Sector/Group Function is provided with sufficient resources and personnel, and appropriate systems and reporting requirements are in place to implement and ensure compliance with this policy;
- The Sector/Group Function keeps accurate and complete financial records;
- That Relevant Workers in the Sector/Group Function are provided with and complete designated ABC training;
- That due diligence and functional controls to address ABC risks are understood and applied by Relevant



Workers in the Sector/ Group Function; and

- JM's systems and processes are regularly tested in the Sector/Group Function to assess compliance.

Each member of the GMC may appoint delegates to carry out the Sector/Group Function's responsibilities and to assist with their accountability for this policy.

Responsibilities

All Workers (first line of defence)

- Read this policy and, where requested, complete any related ABC training; and
- Raise ABC concerns and queries in accordance with this policy.

All Relevant Workers (first line of defence)

- Ensure that relationships with Third Parties are conducted in accordance with the principles and requirements set out in this policy;
- Raise concerns of bribery and corruption in accordance with this policy; and
- Comply with any specific Sector/Group Function procedure enacting this policy, any Local Policy Supplements and additional local law requirements.

Each Sector/Relevant Group Function (second line of defence)

- Identifies all Relevant Workers in the Sector/Group Function;
- Embeds the policy within the Sector/Group Function, ensures all Relevant Workers in the Sector/Group Function have completed any intended ABC training and maintains current training records for a period of at least five years;
- Creates/conducts and maintains any applicable due diligence and financial controls to prevent JM's involvement in bribery and corruption;
- Maintains appropriate internal controls that govern payments to TPIs;
- Maintains accurate books, records and accounts; and
- Informs GE&C of Third Parties who are rejected for bribery or corruption reasons.

Each Sector/Function GC

- Advises on the applicability and requirements of this policy;
- Escalates any queries or concerns arising from the application of this policy to GE&C as needed;
- Coordinates within Sector/Function all ABC training provided to Relevant Workers via webinar or face-to-face;
- Trains Relevant Workers on this policy to ensure they are aware of ABC risk and the requirements of this Policy as needed; and
- Maintains records for all GH&C training provided via webinar or face-to-face for period of at least five years.

Each Sector/Function GC may appoint delegates to help them carry out their responsibilities under this policy.

Group Head, Ethics and Compliance (second line of defence)

- Informs and advises JM and its Relevant Workers of their obligations under this policy and applicable ABC laws;



- Monitors compliance with this policy and applicable ABC laws;
- Creates and maintains ABC training materials, and ensures trainings are available to Relevant Workers;
- Maintains records for all online ABC training provided for period of at least five years;
- Implements and manages JM's ABC compliance programme;
- Maintains Group register/watchlist of Third Parties who are rejected for bribery or corruption reasons;
- Maintains Group register of High-Risk TPis the Legal Risk Committee has approved; and
- Acts as the internal contact point for any relevant authority investigating bribery and corruption issues potentially involving JM.

The Group Head, Ethics & Compliance may appoint delegates to help them carry out their responsibilities under this policy.

JM Corporate Assurance and Risk (third line of defence)

- Monitors the design and effectiveness of the processes and controls in place at both the first and second lines of defence and provides assurance to the GMC and the JM Plc Board of Directors.

6 Key Controls

Key Risk	Key Controls
Provision of payments or other things of value to customers, potential customers and/or Public Officials to try to win favour and/or influence decision making.	<p>Training</p> <ul style="list-style-type: none"> • All Relevant Workers must undergo annual online ABC awareness training together with periodic face-to-face/webinar training addressing the ABC risks in specific contexts and covering the principles in this policy and the GH&C Policy. • Each Sector/Group Function maintains accurate training records. <p>Escalation Procedure</p> <p>Sectors and Group Functions have an established and documented Escalation Procedure if bribery and corruption red flags are identified by Workers at any point.</p> <p>GH&C Policy</p> <p>The GH&C Policy contains specific approval and recording requirements in respect of the provision, promise or receipt of GH&C.</p>
TPis provide payments to Public Officials and other potential customers to try to win favour and influence decision making to win JM business.	<p>Due Diligence</p> <p>TPis must be subject to appropriate vetting, due diligence checks and ongoing monitoring pursuant to the Johnson Matthey Group - Engaging High-Risk Third Party Intermediaries Procedure (2017) and 2014 Third Party Intermediary Risk Review, as applicable.</p>



<p>TPIs that are rejected due to bribery or corruption concerns are later engaged by JM without knowledge of the prior rejection.</p>	<p>Maintain Watchlist</p> <p>Members of the Legal Team must inform GE&C of TPIs rejected due to bribery or corruption concerns so they can be added to a Group register/watchlist, which must be referenced before a TPI is engaged.</p>
<p>JM funds are utilised for bribery or corruption-related reasons.</p>	<p>Complying with JM’s Minimum Financial Controls</p> <p>The Finance function must implement the minimum financial control standard and Relevant Workers in the Finance function must comply with the financial controls set out in JM’s Minimum Financial Controls.</p>

7 Consequences of Breaches

Consequences of Breach

Failure to comply with this policy will be a disciplinary offence and may result in disciplinary action up to and including dismissal. In serious cases, acts of bribery or corruption could be a criminal offence and could result in law enforcement agencies taking action against the Worker and/or JM.

Raising Concerns

Concerns relating to any actual, alleged or suspected breach of this policy should be raised as described in the Johnson Matthey Group Speak Up Policy via any number of channels, including:

- your line manager or HR manager;
- any member of Group Legal or Group Ethics & Compliance;
- the Speak Up Line; or
- anonymous email.

We take seriously any claims of retaliation, reprisal or detrimental treatment against anyone as a result of them raising a concern or assisting in an investigation. We will deal with retaliation by taking disciplinary action in order to protect those who do the right thing by speaking up.

Investigations

Any concerns relating to a breach of this policy will be investigated and coordinated by the Group Head, Ethics & Compliance, reporting to the General Counsel & Company Secretary.

8 References

Code of Ethics: Doing the Right Thing

Conflicts of Interest Guidance

Engaging High-Risk Third Party Intermediaries Procedure (2017)

Financial Crime Policy

Gifts, Hospitality, & Charitable Donations Policy

Third Party Intermediary Risk Review (2014)



9 Policy Owner

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

10 Document Control

Document Control

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11 Definitions

Bribery

The giving or receiving of money or anything else of value as an inducement or reward for an improper act. "Anything else of value" may include, but is not limited to the following:

- Gifts (including cash equivalents, such as gift cards)
- Favourable contracts
- Hospitality, such as meals, hotel stays, tickets or invitations to sporting or cultural events
- Other promotional expenses (such as travel and accommodation expenses)
- Favours that are of value to the recipient (such as offers of employment for a directly involved party or a relative of a party)
- Free use of company services, facilities or property
- Political contributions
- Charitable Donations

Charitable Donation

Voluntary philanthropic contributions and non-commercial sponsorships in the form of monetary or non-monetary Gifts, for which no return payment or service is expected or made.

Corruption

The misuse of public office or power for private gain, or the misuse of private power in relation to business. Corruption can take many forms, such as fraud, extortion, facilitation payments or bribery.

Escalation Procedure

If bribery or corruption suspicions or red flags are identified, these are required to be reported as specified in this policy. Suspicions or red flags will be assessed and, where appropriate, investigated.

Facilitation Payment	Unofficial payments or gifts made to secure, facilitate or speed-up a Public Official's performance of a necessary government action or process. These government actions or processes include, but are not limited to, issuing licenses or permits, scheduling inspections and loading/unloading cargo.
Gifts	All products, services, cash or cash equivalents (such as cheques, traveller's cheques, gift cards, vouchers, loans and shares) and all business courtesies, gratuities, discounts, favours and other things of any value—even if nominal—for which the recipient does not pay the fair value.
GMC	Group Management Committee.
Group Function	Group Functions with potential heightened risk for encountering bribery and corruption, including but not limited to: Group Finance, Group Accounts, Group Tax & Treasury, Group Procurement, Group Legal and Group HR.
Hospitality	All meals, drinks, entertainment (including, but not limited to, tickets or invitations to sporting or cultural events), recreation, travel, accommodation (such as hotel stays) and other courtesies which are of any value—even if nominal—and for which the recipient does not pay the fair value.
Improper Act	Generally refers to someone performing (or failing to perform) a function or activity in a manner that is illegal, unethical, in bad faith or in breach of a position of trust.
JM	Johnson Matthey, as defined in Section 1 of this policy.
Legal Team	A legal advisor in the relevant Sector/Function Legal team.
Local Policy Supplement	Any local supplement to this policy that might apply in a given country.
Minimum Financial Controls	The workbook of internal financial controls Group Finance maintains.
Political Contribution	Include, but are not limited to, contributions to political candidates, political parties or political party/action committees.
Public Official	Includes (but is not limited to): <ul style="list-style-type: none"> • individuals (whether elected or appointed) who hold positions of any kind (such as legislative, administrative, military or judicial) in any national, local or municipal government; • individuals who exercise a public function for or on behalf of any branch or public agency of any national, local or municipal government; • officers, employees or representatives of any government/state-owned or controlled commercial enterprise ("SOE"), public international organisation, non-governmental organisation or of any regulatory agency, exchange or listing authority; and • politicians, political candidates or employees of any political party.
Relevant Workers	Workers who: <ul style="list-style-type: none"> • give or receive Gifts/Hospitality; • have responsibility for approving Gifts/Hospitality provided, received or proposed; • have responsibility for selling JM's products/services to customers;



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- have responsibility for selecting vendors/suppliers to provide products/services to JM;
 - onboard and/or are involved in the due diligence of TPIs;
 - have regular contact with TPIs;
 - handle financial information related to TPIs; or
 - have otherwise been identified as someone who may encounter bribery and corruption red flags while exercising their job function.

State Owned Entity/SOE Any government/state-owned or controlled commercial enterprise (the concept of "SOEs" is interpreted broadly, requiring an analysis of the enterprise's ownership, control, purpose and activities).

Third Party/Third Parties Actual or potential customers, suppliers of goods and services, TPIs or any other third party with whom JM has a direct relationship.

Third Party Intermediaries/TPIs Individual or group of individuals JM engages to represent, act on behalf of or provide services to JM, including but not limited to, agents, distributors, resellers, logistics providers and government intermediaries.



ANNEX 1 Red Flags

Below is a non-exhaustive list of Red Flags you might encounter related to financial crime, bribery and corruption, or trade and export control concerns. If you encounter these or any other red flags, you must report them to your line manager and the Legal Team.

Third Party's Non-Compliance with JM's Due Diligence Process

- Third Party refuses or is reluctant to provide (or provides insufficient, false, or inconsistent) information in response to JM's due diligence questions.
- Third Party exhibits unusual concern about complying with JM's policies.
- Third Party is reluctant or refuses to allow JM to visit office or production site.

Third Party's Background

- Third Party lacks apparent qualifications, experience or resources, or has difficulty describing the nature of its business.
- Third Party's ownership structure appears unusual or excessively complex.
- Third Party is based in a high risk jurisdiction (from an anti-bribery perspective, see the Johnson Matthey Group - Engaging High-Risk Third Party Intermediaries Procedure (2017), and from a Financial Crime perspective, see Annex 2 of the Johnson Matthey Group – Financial Crime Policy - Manual).
- Third Party or its address is similar to one of the parties found on a restricted party list such as those issued by the UK, EU or US.
- Third Party has a reputation for having a "special relationship" with a government, political party or other Public Official or has been specifically requested by a Public Official.
- Third Party communicates in an unusual or suspicious way, for example using personal email accounts (such as Gmail and Hotmail).
- Third Party (or person or entity associated with Third Party) has questionable background or is subject of news reports indicating possible criminal, civil or regulatory violations.
- Third Party demands services, gifts or hospitality before commencing or continuing contractual negotiations or offers you an unusually generous gift or lavish hospitality.

Nature and Structure of Business Relationship or Transaction

- Third Party wishes to engage in a transaction that appears to lack business sense, is inconsistent with Third Party's stated business strategy or is unusual for the Third Party.
- Third Party is evasive regarding purpose of business relationship or transaction.
- Third Party appears to be acting as agent for undisclosed principal, but declines or is reluctant, without legitimate commercial reasons, to provide information regarding that person or entity.
- Third Party requests or requires the use of an agent, intermediary, consultant, distributor or supplier without legitimate commercial reasons.
- Third Party refuses to put agreed terms in writing or asks for contracts or other documentation to be backdated.
- Third Party requests that a transaction is structured to evade normal record-keeping or reporting requirements.
- Third Party is interested in purchasing JM products, but is:
 - unfamiliar with the product's performance characteristics;
 - purchasing a product incompatible with the technical level of the destination country;
 - evasive about the end use of the product; or
 - evasive about whether the product is for domestic use, export, or reexport.



Payment Terms

- Third Party offers to pay its fees to JM through upfront cash payments.
- Third Party requests payment in cash (or cash equivalent such as a money order).
- Third Party requests that payment is made through another party that has no contractual relationship with JM, instead of being made directly to the Third Party.
- Third Party requests that payment be made to a country, jurisdiction or geographic location that is different from where the Third Party is understood to reside or conduct business, or to a jurisdiction which does not impose tax or could be regarded as a tax haven.
- Third Party has multiple accounts under a single name or multiple names, with a large number of inter-account or other Third Party transfers, without any apparent legitimate reason.
- Third Party's account has unexplained or sudden extensive wire activity, especially in accounts that had little or no previous activity.
- Money or property is passed through a Third Party (such as a consultant or representative) to a Public Official.

Third Party's Invoicing Practices

- Third Party requests that invoices are addressed to a different entity, where JM did not provide services to such entity directly.
- Third Party asks JM to change the description of services rendered on an invoice with no explanation or in a way that seems designed to obscure the nature of the services provided.
- Third Party invoices JM for a commission or fee payment that appears too large, given the service stated to have been provided.
- Third Party refuses to provide an invoice or receipt for a payment, or you receive an invoice or receipt that appears to be non-standard.

Third Party's Performance

- Third Party makes regular overpayments of its invoice and then requests refunds of the excess amounts it has paid.
- Indications that a freight forwarder assisting with the transport of goods has been paying terrorist organisations to transport goods through a region.
- Goods are being received and you suspect a bribe or "facilitation" payment may have been paid to a customs official to release those goods.
- Third Party makes excessive or very unusual requests (e.g. ordering large and unexplained volumes of products).
- Third Party declines JM's routine installation, training, or maintenance services.
- Third Party purchasing products from JM requests delivery dates that are vague, deliveries to out of the way destinations, or deliveries to freight forwarders.