Johnson Matthey Inspiring science, enhancing life

Catalysing the net zero transition

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Agenda

JM: a company driven by a strong purpose

Sustainability in action

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Robust governance to drive sustainable performance



One of the world's most experienced clean technology companies

Clean solutions built on 205+ years of chemistry know-how

Now catalysing the net zero transition for customers in automotive, chemicals and energy

Sustainable technology platforms:

| Autocatalysts | Chemicals and fuels catalysts and processes | Recycling | Performance components for fuel cells and hydrogen electrolysers |
|---------------|---|-----------|---|
|---------------|---|-----------|---|

Drawing on a unique set of core skills:





Our key markets are in transition, with attractive opportunities for JM

1.8-3.0m

Automotive

new sales of fuel cell heavy duty trucks and light duty vehicles in 2030

JM

c.30%

chemicals

decrease in emission intensity by 2030 required to reach net zero trajectory in chemicals production

7 to 9x

Energy

increase in sustainable fuels demand by 2040



2021/22 performance

Financial performance

| Revenue | Sales | Underlying operating profit | Free cash flow |
|---------------------------|-----------------------|-----------------------------|----------------------|
| £16,025m +4% | £3,778m +3% | £553m +17% | £221m -25% |
| Non-financial performance | | | |

| Products and ser | vices | Operations | | People | | |
|---|---|--|--|--|--|---------|
| Sales contributing to four priority SDGs | R&D spend contributing to four priority SDGs | Scope 1 and 2 GHG emissions | Upstream Scope 3 GHG emissions | Total recordable injury and illness rate | Diversity and inclusion | People |
| 83.8% | 88.1% | 399,906 CO ₂ tonnes equivalent | 3.01m CO ₂ tonnes equivalent | 0.59 | 27% women across all management levels | 13,000+ |

Capital allocation will set us up for long-term sustainable growth

We will invest in growth areas with attractive returns



c.50%

of the next 3 years' group capex will be spent on growth, 30% on maintenance and 20% on replacement

Sustainability

internal carbon price included in capital project analysis



Global envelope of projects to be aligned with net zero trajectory and 2030 sustainability targets

| c.£1bn | | |
|--------|--------------------------|---|
| | Hydrogen Technologies | Growth capex with larger upfront scale up investments and lower capex from the middle of the decade |
| | Catalyst Technologies | Capital light business with low near-term investment needs but larger growth investments in the medium term |
| | Air | Decreasing capex to c.£50m by 2024/25 – shift to maintaining a solid asset base |
| | PGM Services | Substantial replacement capex in the near- term to secure leading position; shifting towards lighter maintenance beyond 2026/27 |
| | Other | Investment in IT and maintaining technology leadership |

2022/23-2024/25 cumulative capex

Growth driven by Catalyst Technologies and Hydrogen Technologies

| Development of operating profit | underlying | | |
|--|---|--|---------------------------------------|
| | Medium term | Long term | |
| Jnderlying operating orofit growth | Accelerating to high single-digit ¹ | Strong growth | c.40% of profit from our growth |
|)rivers | Clean Air volume recovery and new legislation Catalyst Technologies existing business ² Early sales from growth businesses (Catalyst Technologies and Hydrogen Technologies) | Hydrogen Technologies Catalyst Technologies growth businesses ³ | businesses by 2031/324 |
| | Transformation benefits | | |

^{1.} At constant precious metal prices and FX rates (2021/22 average).

^{2.} Catalyst Technologies existing business refers to current business and not future growth areas.

^{3.} Catalyst Technologies growth businesses: blue hydrogen, sustainable aviation fuels, and low carbon solutions.

^{4.} Growth businesses: Hydrogen Technologies and Catalyst Technologies growth businesses (blue hydrogen, sustainable aviation fuels and low carbon solutions).

We have launched a culture transformation to deliver on our strategy and uphold our sustainability values



Leader-led

Refreshed approach to performance management



Management incentives linked to sustainability performance



Our transformation will support the delivery of our sustainability targets and other strategic objectives

We have clear milestones until end of 2023/24

| | | End of: | |
|----------------|---|---------|---------|
| | | 2022/23 | 2023/24 |
| Customers | Win at least 2 large scale strategic partnerships in Hydrogen Technologies | | |
| | Win targeted Euro 7 business and deliver on £4bn+ trajectory for Clean Air | | |
| | Win >10 additional large scale projects ¹ | | |
| Investments | Expand PGM Services refining capacity in China | | |
| | Complete construction of Hydrogen Technologies CCM plant in UK ² | | |
| | Targeted capacity expansion (fuel cells catalyst, formaldehyde catalyst) | | |
| | Complete divestment of Value Businesses | | |
| People | Increase employee engagement score by 1ppt in 2022/23 and 3ppt by 2023/24 | 3 | |
| Sustainability | Achieve c.10% reduction in scope 1+2 CO2e emissions | | |
| | Help customers reduce CO₂e emissions by >1mt p.a. through use of our product | S | |



3. Baseline – employee engagement score of 65% in 2020/21.



JM: a company driven by a strong purpose

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Robust governance to drive sustainable performance



We have ambitious sustainability objectives...

Under three pillars:



Underpinned by **17 targets to 2030**¹

...and are being recognised by leading ESG rankings

AAA rated



97th top percentile

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

92nd top percentile



Platinum rated

We aim for 95% of sales and R&D spend to align to four priority UN SDGs

SDG JM product area



- Emissions control
- Industrial purification
- NO_x and sulphur oxide emission mitigation

- 7 AFFORDABLE AND
- Low carbon hydrogen
- Electrolytic hydrogen

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

• PGM recycling





- Sustainable aviation fuel
- Fuel cell components

2021/22 % sales from products contributing to priority UN SDGs



Protecting our planet and the environment

Net zero by 2040 for Scope 1, 2 and 3 emissions

By 2030:

- 33% reduction in Scope 1 and Scope 2 GHG emissions¹
- 20% reduction in Scope 3 emissions from purchased goods and services¹
- 50 million tonnes of greenhouse gas (GHG) emissions avoided per year using technologies enabled by JM's products and solutions, compared to conventional offerings

Scope 1, 2 and 3 emissions targets validated by the Science Based Targets initiative

UN Global Compact's Business Ambition for 1.5°C signatory

34% electricity from certified renewable sources – target 60% by 2025

Avoided emissions methodology validated by



Key contributor to preserving resources, protecting nature and building a circular economy

2030 targets:

- 50% reduction in total hazardous waste produced
- 25% reduction in net water usage
- 40% reduction in NOx emissions from our operations
- Increase recycled platinum group metal (PGM) content in JM's manufactured products to at least 75%



World leader largest secondary recycler of PGMs by volume



Pioneering created one of the world's first circular economies in PGMs



70% recycled PGMs used to manufacture our products



Scope 3 CO₂ reduction secondary PGMs have up to 60x lower carbon intensity



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Strong management team, with incentives linked to long-term sustainability performance

New leadership team and CEO, with clear accountabilities and a strong focus on creating sustainable value

Two sustainability targets shared by all Group Leadership Team (GLT) members:

- Employee engagement
- Sustainability target roadmap implementation

20% of LTIP is based on **three sustainability scorecard criteria**:

- Products and services: tonnes of GHG emissions avoided during the year JM technology
- Operations: reduction in Scope 1 and 2 GHG emissions (2019/20 baseline)
- People: percentage of female representation across management levels



Experienced, diverse leadership with sustainability top of agenda

- Experienced Board from diverse industries and backgrounds
- Societal Value Committee, established to define sustainability strategy and oversee initiatives behind our sustainability targets
- Sustainability Council, an executive body to implement roadmaps and take decisions on sustainability (CSO and GLT members)

| Non-executive director industry leadership and experience | | | | | | | | | | |
|---|-------------------|---------------|-------------------|-------------------|----------------|----------------------|--------------|--|--|--|
| | Patrick Thomas | Rita Forst | Jane Griffiths | John O'Higgins | Xiaozhi Liu | Chris Mottershead | Doug Webb | | | |
| Automotive | ٠ | ٠ | | • | • | | | | | |
| Battery technologies | | | | | ٠ | | | | | |
| Chemicals | • | | | • | | | | | | |
| Energy | | | | • | ٠ | • | | | | |
| Oil and gas | ٠ | | | • | | • | | | | |
| Pharmaceuticals | • | | ٠ | | | • | | | | |
| Manufacturing | ٠ | | | • | ٠ | | • | | | |
| Professional services | | | | | | | • | | | |
| Technology | • | ٠ | | • | ٠ | • | ٠ | | | |
| Sustainability | ٠ | ٠ | • | | | • | | | | |

Board composition

| 🛟 🖞 Patrick Thomas | Chair |
|--|---------------------------------------|
| 🌔 🍿 Liam Condon | Chief Executive |
| 🛟 🖞 Stephen Oxley | Chief Financial Officer |
| e 🍦 🧌 Rita Forst | Independent Non-Executive Director |
| <table-of-contents> 🧍 Jane Griffiths</table-of-contents> | Independent Non-Executive Director |
| 🌔 👖 John O'Higgins | Senior Independent Director |
| 😜 🦞 Xiaozhi Liu | Independent Non-Executive Director |
| 👫 🖞 Chris Mottershead | Independent Non-Executive Director |
| 🛟 🖞 Doug Webb | Independent Non-Executive Director |

JM: a unique opportunity to contribute to net zero and circularity

200+ year history of innovation and protecting people and the planet

A driving force in the decarbonisation of the auto, energy and chemicals sectors

Strong growth opportunities in hydrogen and catalyst technologies

Circularity at the heart of what we do

Clear, ambitious milestones and targets

Refreshed, experienced management team





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Our sustainability goals and targets

| | Our goal | 2030 target | |
|--------------|--|---|-------------------|
| Product and | Product and innovate for a | Sales contributing to four priority UN SDGs | >95% |
| services | cleaner, healthier world | R&D spend supporting four priority UN SDGs | >95% |
| | Drive lower global greenhouse gas (GHG) emissions | GHG emissions avoided per year using technologies enabled by JM's products and solutions, compared to conventional offerings | 50 million tonnes |
| | Enable less harmful air pollution globally | Additional NOx removed from vehicle tailpipes per year using technologies enabled by JM's products, compared to regulated baseline levels | 700,000 tonnes |
| | Conserve scarce resources | Recycled PGM content in JM's manufactured products | At least 75% |
| Operations | Achieve net zero by 2040 | Reduction in Scope 1 and Scope 2 GHG emissions | 33% |
| | | Reduction in Scope 3 emissions from purchased goods and service | 20% |
| \mathbf{Q} | Reduce water consumption | Reduction in net water usage | 25% |
| | and waste | Reduction in total hazardous waste produced | 50% |
| | Minimise environmental | Reduction in NOx emissions from our operations | 40% |
| | footprint | Cradle-to-gate life cycle analysis (LCA) information availability for our products | >95% |
| People | Keep people safe | Total recordable injury and illness rate for employees and contractors | <0.25 |
| | | ICCA process safety severity rate | 0.4 |
| | Create a diverse, inclusive and | Employee engagement score | >75% |
| | engaged company | Female representation across all management levels | 40% |
| | Uphold human rights in our value chain | Value chain partners assessed for human rights risks and remedial plans in place where high risks identified | 100% |
| . JN/ | Invest in our local communities | Days of corporate volunteering annually | 6,000 |
| | | | 22 |

22

Scope 1 and 2 greenhouse gas (GHG) footprint and energy efficiency

| | | | 2020/21 | | | 2021/22 | |
|--|-----------|---------|---------------------|-----------|---------|---------------------|----------------------|
| | Global | UK only | Global (excl UK) | Global | UK only | Global (excl UK) | % change (global) |
| Scope 1 (tonnes CO ₂ eq) | 203,930 | 66,634 | 137,296 | 219,846 | 68,282 | 151,564 | +7.8% |
| Scope 2 – market based method (tonnes CO_2 eq) | 181,525* | 3,969 | 181,005 | 180,060 | 1,488 | 178,572 | -0.8% |
| Scope 2 – location based method (tonnes CO_2 eq) | 227,381 | 34,871 | 192,510 | 240,897 | 29,768 | 211,129 | +5.9% |
| Total operational carbon footprint – Scope 1 and 2 market based method (tonnes CO_2 eq) | 385,455* | 70,603 | 318,301 | 399,906 | 69,770 | 330,136 | +3.8% |
| Total operational carbon footprint – Scope 1 and 2 location based method (tonnes CO_2 eq) | 431,311 | 101,505 | 329,806 | 460,742 | 98,049 | 362,693 | +6.8% |
| Total Scope 1 and 2 carbon intensity – market based (tonnes CO ₂ eq/tonnes sales) | 3.4 | 7.1 | 3.1 | 3.5 | 13.0 | 3.0 | +2.9% |
| | | | 2020/21 | | | 2021/22 | |
| | Global | UK only | Global (excl UK) | Global | UK only | Global (excl UK) | % change (global) |
| Total energy consumption (MWh) | 1,312,084 | 431,466 | 880,618 | 1,380,234 | 422,225 | 958,009 | +5.2% |
| Total energy efficiency (MWh/tonne) | 11.5 | 43.4 | 8.5 | 12.1 | 78.7 | 8.8 | +2.5% |

Scope 3 GHG emissions by category

| (tonnes of CO ₂ equivalent) | | | | | |
|--|-----------------|----|----------|-----------|-----------|
| Category | Category number | | 2021/22 | 2020/21 | 2019/20 |
| Purchased goods and services | 1 | 3, | ,008,648 | 2,851,616 | 3,282,096 |
| Capital goods | 2 | | 349,214 | 308,835 | 399,630 |
| Fuel and energy-related activities | 3 | | 46,990 | 39,725 | 41,425 |
| Upstream transportation and distribution | 4 | | 168,750 | 102,552 | 102,552 |
| Waste generated in operations | 5 | | 5,775 | 5,257 | 5,303 |
| Business travel | 6 | | 1,336 | 67 | 9,202 |
| Employee commuting | 7 | | 15,718 | 29,957 | 29,957 |
| Upstream leased assets | 8 | | 698 | 602 | 5,094 |
| Use of sold products* | 11 | | 0 | 0 | 0 |
| Investments** | 14 | | 16 | 665 | 10,997 |
| Total | | 3, | ,597,145 | 3,339,276 | 3,886,256 |

* We have removed Use of sold products from our footprint by agreement with SBTi, as it determined that the emissions we reported in this category were 'indirect' and should not, therefore, be included. ** Investments category accounts for JM's Joint Ventures only.

| Five-year performance table | 2021/22 | 2020/21 | 2019/20 | 2018/19 | 2017/18 |
|--|-----------|-----------|-----------|-----------|-----------|
| Total energy consumption (MWh) | 1,380,234 | 1,312,084 | 1,355,295 | 1,444,890 | 1,431,360 |
| Total Scope 1 and Scope 2 (market based) GHG emission (tonnes CO_2 eq) | 399,906 | 385,455 | 391,459 | 423,130 | 445,509 |
| Total Scope 3 GHG emission(tonnes CO ₂ eq) | 3,597,145 | 3,339,276 | 3,886,256 | _ | _ |

Roadmap to net zero



Employee data 2021/22

| Progress against our 2030 targets | | |
|--|----------------------------|-------|
| Target | By 2030 | 21/22 |
| Female representation across all management levels | >40% | 27% |
| TRIIR – employees and contractors (per 200,000 hours worked) | <0.25 | 0.59 |
| ICCA process severity rate (per 200,000 hours worked) | 0.4 | 1.37 |
| Employee engagement | >75% | 65% |
| Corporate volunteering | >6,000 days per year | 1,322 |
| | | |

Total employees by region



A safe, inclusive organisation

2030 targets:

- Achieve a total recordable injury and illness rate for employees and contractors below 0.25
- Reduce our ICC process safety severity rate to 0.4
- Achieve an employee engagement score of more than 75%
- Achieve more than 40% of female representation across all management levels

2022: seven employee-led groups working towards inclusivity for LGBT+, female, black, disabled, early careers, veteran and carer employees.

LGBT+ inclusion:



Disability inclusion:



Ethnic minority inclusion:



We believe science is the key to solving the unprecedented set of challenges the world is facing

Our **community investment** activities are shaped in support of that belief.

Science and Me

Our flagship programme, helping young people overcome the barriers to entry of science and engineering education.

Volunteering

We give our people **two paid volunteering days** to make a difference in their local community.

2030 target: More than **6,000 days** of corporate volunteering annually

Match funding

We pledge to match the funds our people raise in support of the causes they care about, up to a value of $\pounds 1,000$ per employee per year.

Strong ethical standards

We expect everyone who works with JM to live by our value to 'act with integrity'.

Targets by 2030:

 100% of value chain partners assessed for human right risks and remedial plans in place where high risks identified

Our UK and USA refineries are on the London Platinum and Palladium Markets (LPPM) Good Delivery lists.

Our **Conflict Minerals Policy** commits us to sourcing 3TG¹ minerals to the highest standards. We only use materials from refiners and smelters that meet the Responsible Minerals Assurance Process (RMAP), listed on the Responsible Minerals Initiative Database.

UN Global Compact signatory 2022
77.5%
employees completed Code of Ethics training

158 Employee Speak Ups in 2022

Sustainable finance

- Internal carbon price used for our capital projects
- First in our industry in EMEA to implement a **Sustainability Linked Loan**
- US private notes and Export Development Guarantee term loan facility including a target related to our 2030 sustainability targets
- 65% of our debt finance will be **sustainability linked** by H2 2022/23
- Aiming to include sustainability metrics in supply-chain finance and other treasury transactions
- Sustainable tax strategy: open and cooperative relationship with governments and global tax authorities