

## Chief Executive Officer's statement

Liam Condon  
Chief Executive Officer



## Reset, reshaped and refocused

2025/26 was a year of strategic reset for Johnson Matthey (JM), underpinned by solid performance. A year in which we announced a final agreement for the divestment and sale of Catalyst Technologies (CT) and made progress towards becoming a more streamlined, focused and cash-generative business, with sustainable returns.

### Our performance in 2025/26

Despite challenging market conditions and a volatile geopolitical climate, we delivered a solid performance in 2025/26 and made good progress on our priorities, including working capital reduction and cash improvements. We increased underlying operating profit by 6% at constant platinum group metal (PGM) prices; delivered Clean Air margin improvement of 270 basis points to 14.5%; and Platinum Group Metal (PGM) Services margin of 28.3%. We also achieved run-rate breakeven for Hydrogen Technologies (HT), although evolving external dynamics led us to take additional impairments on the majority of our HT assets, reflecting slower market growth.

JM continued to take a conservative view of markets, focusing on improving profit, reducing costs and managing capex. Our focus is on controlling the controllables and not being dependent on market tailwinds to drive performance. With the foundations for our new cash-focused business model in place, we saw a material step-up in free cash flow, plus improved working capital across the Group and a reduction in overheads of c.£70 million. As a result, we are on track to deliver sustainable free cash flow of at least £250 million p.a. by 2027/28 and beyond.

### Focusing on our core competencies

In late February 2026, we announced our agreement with Honeywell to extend the Long Stop Date for the sale of our CT business. We expect to complete the transaction by the end of August 2026, having agreed to sell CT at a revised enterprise value of £1,325 million. Since we first announced the transaction in May 2025, the market environment has changed, with significant headwinds impacting all players, including CT. In this context, we believe the revised agreement is a positive outcome, representing substantial value for JM and our shareholders.

The sale of CT is a major development for JM. It has presented a unique opportunity to reset our strategic direction and reshape our organisation. It has also enabled us to refocus on the organisation's core competencies. Post-CT, we are doubling down on the disciplines in which JM has excelled for over 200 years (precious metal chemistry and catalysis), further strengthening our market-leading positions in Clean Air and PGM Services. Previously, our combined portfolio of growth and value created a mixed picture for stakeholders. Now this picture is clearer, as we present a simpler, fully circular offering focused on driving value to our customers and investors.

However, these changes won't undermine our growth prospects. JM is leveraging its technological expertise and assets through the stability of its core markets, while pursuing capex-light growth optionality through Clean Air Solutions (CAS), Hydrogen Technologies and PGM Products.

Crucially, the Clean Air market has greater longevity than previously thought,<sup>1</sup> and we are building lasting partnerships with leading OEMs in this space. In 2025/26, we signed a major contract with a global manufacturer focused on the growing market segment of hybrid light-duty gasoline platforms. We also signed a significant new deal with a major US industrial company for off-grid power generation emission control.

1. S&P Global.

## Chief Executive Officer's statement continued

In another important development, in May 2026 we announced the acquisition of CORMETECH Inc., the leading SCR catalyst manufacturer for stationary applications, for an enterprise value of \$360 million. With a significant presence in the large and growing US power generation market, CORMETECH Inc. is expected to deliver strong growth in sales and profit in the near, medium and long term. Its acquisition will materially enhance the scale of our CAS business and create a global leader in stationary emission control, including for the rapidly growing data centre market.

### Leading with purpose

The result of our solid performance and refined offer is a greater understanding of our role and the value we bring, which we express through our purpose.

JM has always been a purpose-driven organisation. As the world shifts and our priorities evolve, it is important we revisit our purpose to ensure JM remains culturally cohesive and continues to have a positive impact.

During 2025/26, JM redefined its purpose and reaffirmed the behaviours that will ensure we deliver on our targets. Our newly articulated purpose centres on 'metals that matter, for a healthier world', reflecting our expertise in precious metals, and the value of JM products and services to our customers and society.

I was personally delighted to see the positive response from employees in helping to redefine our purpose. Indeed, a clear demonstration of organisational progress can be found in the following three metrics: Safety, Employee Engagement and Customer Focus, and JM is improving in all three areas. That JM's employee engagement survey results and customer-focused net promoter scores increased during a year of significant change is impressive – clear evidence that JM is moving in the right direction.

Safety of course remains our number-one priority, and in 2025/26 we made good progress in our process safety performance. However, there is room for further improvement and we are committed to achieving zero harm across our operations.

### Refreshing our long-term strategy

Following the redefinition of our purpose, in early 2026 we refreshed our strategy, initiating a multi-year transition for JM.

#### Our purpose

Metals that matter, for a healthier world

#### Our refreshed strategy

Our strategy is focused on refreshed priorities – grounded in science-led advantage and disciplined execution – generating strong and sustainable returns.

See more on pages 10 to 12

#### Our focused delivery

We deliver through an integrated, fully circular operating model – combining technology, services and materials to support customers across the full lifecycle.

See more on pages 8 and 9

Our aim was to reflect market developments, build on progress and outline just how attractive the long-term outlook for JM is.

As we explain in this report, our refreshed strategy refocuses JM on our core strengths, scaling businesses and selective emerging growth pathways. We believe this strategic approach will help us generate substantial and sustainable returns, not only in the near and medium term, but also in the long term.

### Structural realignment

It is important our organisation reflects and supports our strategic direction. To this end, we implemented leadership changes and a new organisational structure designed to improve efficiency, accountability and execution.

As part of the streamlining of our Group Leadership Team (GLT), we appointed our former Chief Financial Officer (CFO) Richard Pike to the position of Chief Operating Officer (COO). Through this change, Richard undertakes responsibility for our three key businesses, Clean Air, PGM Services and Hydrogen Technologies. With extensive operational experience in manufacturing, recycling and refining, he will assume direct oversight of our business management teams.

Richard's successor as CFO is Alastair Judge. Previously both interim CEO of Clean Air and CEO of PGM Services, Alastair has an intricate knowledge of the JM business plus extensive financial experience. I look forward to working closely with Richard and Alastair in their new capacities, together with the rest of our six-person executive team.

These developments reflect our organisational shift towards a more integrated, streamlined and agile way of working. Stripping out complexity, all functions now operate within a unified governance model. In this way, the rebasing of our business has given us the platform to perform and supports the development of a high-performance business with a bright outlook.

### Boosting our refining capacity

The changes we undertook during the year are all part of the new JM. The organisation is still in a stage of transition, but the new JM is very much here, and transition doesn't mean uncertainty. For the new JM, it means maintaining momentum ahead of entering an era of sustained productivity and greater stability, when our new world-class Royston facility, the Third Century Refinery (3CR), comes online next year.

JM's biggest ever capital investment, 3CR will significantly boost our refining capacity and accelerate the throughput of customers' materials, with meaningful benefits likely to be felt from late 2027/28. It will ensure we can achieve our financial commitments and cash delivery goals, ultimately providing a source of sustainable growth.

In 2025/26, we encountered setbacks in the 3CR construction process, leading to cost overruns which will impact our planned capex reduction. However, these issues are now resolved, and working with our contractors and onsite teams we are increasing the pace of delivery as we move into the commissioning phase.

### Looking ahead

Looking to the future with confidence, we are fully focused on delivering on our promises, and confident in our abilities to do so. Reset and reshaped around our compelling purpose, JM is well positioned for future success.

I would like to thank my GLT colleagues and board members for their continued support. I would also like to thank all JM employees for their hard work and commitment during this period of change. By working together towards our shared goals, we will continue to drive high performance, grow great talent and help create a healthier world.

An exciting new chapter has begun.

**Liam Condon**  
Chief Executive Officer