# Financial statements

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# Independent auditors' report to the members of Johnson Matthey plc

## Report on the audit of the financial statements

### Opinion

In our opinion:

- Johnson Matthey plc's group financial statements and parent company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2026 and of the group's loss and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise:

- the Consolidated Statement of Financial Position and Parent Company Statement of Financial Position as at 31 March 2026;
- the Consolidated Income Statement and Consolidated Statement of Total Comprehensive Income, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity and Parent Company Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in note 4, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

## Our audit approach

### Overview

#### Audit scope

- Following our assessment of the risks of material misstatement of the consolidated financial statements, we conducted full scope audits at 11 profit centres and performed specified procedures over targeted balances and transactions at a further 14 profit centres, for reporting on the continuing group.
- The profit centres on which audit procedures were performed together account for 82% of continuing group revenue and 63% of continuing group underlying profit before tax from continuing operations.
- For the discontinued operations, the group engagement team audited specific accounts across three profit centres, in addition to targeted risk assessment procedures.
- As part of the group audit supervision process, the group engagement team met with and discussed the approach and results of audit procedures with component teams and reviewed a selection of audit files and final deliverables. In-person site visits to components in the UK, Macedonia, China and the US were also performed. Remote oversight was also conducted for other in-scope locations through video calls and reviews.
- The group engagement team audited the parent company and other centralised functions including those covering the group treasury operations, corporate taxation, post-retirement benefits, discontinued operations and assets held for sale, and certain goodwill and asset impairment assessments. The group engagement team also performed audit procedures over the group consolidation and financial statements disclosures.
- For non-full scope components, which were not considered inconsequential components, we either performed audit procedures over specific account balances or targeted risk assessment procedures.

## Independent auditors' report to the members of Johnson Matthey plc continued

- The group engagement team performed centralised audit testing for certain reporting components who are supported by Johnson Matthey Global Solutions.
- The group engagement team performed substantive procedures over all of the significant balances and transactions of the parent company.

### Key audit matters

- Refinery metal accounting (group and parent)
- Claims and uncertainties (group and parent)
- Property, plant and equipment impairment – Hydrogen Technologies (group)

### Materiality

- Overall group materiality: £13.6 million (2025: £17.7 million) based on 5% of profit before tax from continuing operations, adjusted for profit / (loss) on disposal of businesses, gains and losses on significant legal proceedings and major impairment and restructuring charges ("underlying profit before tax").
- Overall company materiality: £67.4 million (2025: £77.4 million) based on 1% of total assets. However, materiality is capped at £12.2 million (2025: £15.7 million) for the purpose of the audit of the consolidated financial statements, being the maximum allocation of group audit materiality to a component.
- Performance materiality: £10.1 million (2025: £13.3 million) (group) and £9.1 million (2025: £11.8 million) (company).

## The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

## Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Carrying value of goodwill (group and parent), which was a key audit matter last year, is no longer included because of the announced disposal of the Catalyst Technologies business during the year, for proceeds significantly in excess of the carrying value of the cash generating unit. Otherwise, the key audit matters below are consistent with last year.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Refinery metal accounting (group and parent)**<br><br>Refer to the Significant issues considered by the Audit Committee within the Audit Committee Report and note 1 and 36 to the financial statements.<br><br>As part of its refining activities, the group processes a significant amount of metal on behalf of third parties, whereby the group must return pre-agreed recoverable quantities of refined metal to those parties at an agreed date. Any metal in excess of this pre-agreed quantity is retained by the group. As such, the group makes an estimate of how much metal it will recover as part of its refining operations. The majority of metal processed at refineries is owned by customers and is not held on the financial balance sheet of the group. As such, the group performs a metal balance sheet reconciliation to ensure quantities of precious metals held at year-end are appropriately understood, classified as either owned by Johnson Matthey or by the customer and reconciled to its financial position. This ensures that only the group-owned inventory is recorded on the balance sheet and that the price allocated to this owned inventory is at the lower of cost and net realisable value. | We evaluated the design and operation of key controls at the main refining locations over refinery stocktakes and metal assaying procedures. We tested that the metal balance sheet was prepared and reviewed monthly. We tested the classification of precious metals at year-end on the metal balance sheet to determine if metal was owned by the group or the customer.<br><br>Our procedures included sending confirmations to customers and testing the balance of customer metal that was in the refining process, but not contractually due.<br><br>We assessed management's policy for recognising stocktake gains and losses arising from stocktakes. We attended physical stock counts at sites where these stocktakes were performed. The purpose was to verify the existence of inventory and adherence to the group's stocktake processes and to assess the reasonableness of stocktake gains and losses at these sites.<br><br>We assessed the quantum of process loss provisions recorded between the date of the stocktake and the year-end date, including comparing the provisions to historical trends and refinery stocktake results. We tested the journal entries posted to record stocktake gains and losses recorded during the year. |

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Refinery metal accounting (group and parent) (continued)**<br><br>During the refining process, there are a series of complex estimates including:<br>i. Estimation of the level of metal contained in the carrier material entering the refining process, the refined metal that leaves the refining process and the residual metal in the refining process at year-end;<br>ii. Estimates of the process losses of precious metals that may be lost during the refining and fabrication process and the adequacy of these provisions;<br>iii. Estimates of the metal in the refinery process as informed by refinery stocktakes and the subsequent sampling and assaying to assess the precious metal content in stocktake samples; and<br>iv. Estimates of the net realisable value of unhedged metal held at year-end.<br><br>Each of these estimates impacts different areas of the audit. The refining process and its associated estimates are an area of focus for our audit due to the inherent complexity of the accounting and the amount of metal processed. | We tested that all unhedged metal was being held at the lower of cost and net realisable value, on an individual metal by metal basis, with reference to external metal price data.<br><br>We considered the adequacy of the group's disclosures about the degree of estimation involved in arriving at the value of metal inventory.<br><br>Based on the procedures performed, we noted no material issues arising from our work. |
| **Claims and uncertainties (group and parent)**<br><br>Refer to the Significant issues considered by the Audit Committee and notes 1, 22, 32, 36 and 48 to the financial statements.<br><br>This risk covers litigation matters across the group. There is inherent judgement and estimation involved in determining when and how much to provide for claims and uncertainties.<br><br>The assumptions underpinning these claims and the identification of when such claims arise are inherently judgemental. Careful consideration needs to be given as to how the claim and any potential exposure are estimated and subsequently accounted for.<br><br>The group is involved in various legal proceedings, including actual or threatened litigation and regulatory investigations. The number and nature of claims vary from year to year; note 32 discloses the major developments in the year. The most significant is the contingent liability arising following the sale of the Health Business in May 2022.<br><br>The group discloses such risks as contingent liabilities where it is unable to make a reliable estimate of potential exposures or where it believes a material outflow is possible but not probable. If the group is unable to successfully defend against such claims, these risks could give rise to a future liability. | For litigation matters, we read management's summary of major litigation matters and held discussions with group and sector level general counsel to assess legal exposures and the expected outcome of new and material cases across the group. For new matters with potential material exposures, we obtained supporting evidence to evaluate management's position. We reviewed board minutes and made inquiries of management to address the risk of undisclosed claims and uncertainties.<br><br>We applied professional scepticism in auditing both the likely outcome and quantification of exposures, including performing audit procedures over claims management determined to be immaterial and being sceptical of where a constructive obligation existed but management considered a reliable estimate could not be made.<br><br>Where settlements or judgements have occurred during the year, we have agreed these to settlement agreements or court rulings between the company and the claimant.<br><br>We assessed the level of provisioning and contingent liability disclosures, where relevant, in response to known claims.<br><br>Based on the procedures performed, we noted no material issues arising from our work. |

## Key audit matter

**Property, plant and equipment impairment – Hydrogen Technologies (group)**

Refer to the Significant issues considered by the Audit Committee within the Audit Committee Report and notes 1, 5 and 6 to the financial statements.

A strategic business review of the Hydrogen sector was performed during the year in response to recent regulatory and political developments and the resulting impact on Hydrogen Technologies market projections.

This review triggered management's decision to exit certain product lines and geographies, and shift focus to capitalise on the Chinese market in the near term.

These external and internal factors represented impairment triggers, and the carrying amount of the Hydrogen Technologies cash generating unit (CGU) was tested for impairment as at 31 March 2026.

Management prepared an impairment assessment that reflects its best estimates of future cashflows on a value-in-use basis. The carrying amount for the Hydrogen Technologies CGU exceeded its value-in-use and a £54 million impairment charge was recognised, representing a write-off of the CGU's asset base. A residual value of £3 million remains on the balance sheet relating to land, based on its fair value less costs to sell. The other property, plant and equipment assets were determined by management to have no fair value based on the lack of a readily available market for sale.

## How our audit addressed the key audit matter

We obtained management's value in use impairment model and understood and evaluated key judgements and estimates.

We focused on the key assumptions in the forecasts and the value in use model, corroborating assumptions to supporting evidence where available, which included both internal and external sources of evidence. We assessed the impact of climate change on the prospects of the market and considered the committed strategic decisions made by the group in the current year.

We engaged in discussions with the group's internal market specialists and used our valuations experts to assess certain assumptions. This included consideration of market projections given recent regulatory developments and the associated risk factors related to the current stage of business maturity. We engaged with our valuations experts to evaluate the post-tax discount rate and the long-term growth rate applied.

We tested the mathematical integrity of the value in use model and agreed the carrying values in management's impairment models to underlying accounting records. We assessed management's sensitivity analysis and performed our own independent sensitivity analysis, noting that reasonable changes to assumptions did not change the impairment conclusion.

We considered the inputs to the fair value less costs to sell assessment and concluded that these were reasonable and based on appropriate supporting evidence.

We challenged management on the appropriateness of the related disclosures.

Based on the procedures performed, we noted no material issues arising from our work.

## How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The continuing group is structured across three sectors: Clean Air, PGM Services and Hydrogen Technologies, as well as the central corporate unit. The financial statements are a consolidation of approximately 140 profit centres.

We have identified each individual profit centre as a component. These components comprise the group's operating businesses and holding companies across the three sectors and corporate.

Based on our risk and materiality assessments, we determined which components required an audit of their complete financial information having considered the relative significance of each entity to the group, locations with significant inherent risks and the overall coverage obtained over each material line item in the consolidated financial statements.

We identified 11 profit centres which, in our view, required an audit of their complete financial information, due to size or risk characteristics.

In addition to the profit centres in full scope, we performed specified procedures at 14 profit centres covering revenue, trade and other receivables and deferred income, cash, inventory, metal inventory, accruals, fixed assets and depreciation, cost of sales and operating expenses and we tested manual journal entries. This ensured that appropriate audit procedures were performed to achieve sufficient coverage over these financial statement line items.

The total 25 in-scope profit centres are located in numerous countries around the world. We used local teams in these countries to perform the relevant audit procedures. In addition, senior members of the group engagement team have visited component teams across all group's major segments in the UK, Macedonia, China and the US. These visits were in person for these locations. They included meetings with the component auditor and with local management.

We issued formal written instructions to all component auditors setting out the audit work to be performed by each of them and maintained regular communication with the component auditors throughout the audit cycle. These interactions included attending certain component clearance meetings and holding regular conference calls, as well as reviewing and assessing any matters reported. The group engagement team also reviewed selected audit working papers for certain component teams to evaluate the sufficiency of audit evidence obtained and fully understand the matters arising from the component audits.

For the discontinued operations, the group engagement team audited specific accounts across three profit centres, in addition to targeted risk assessment procedures.

The group consolidation, financial statement disclosures and corporate functions were audited by the group engagement team. This included our work over the consolidation, litigation provisions, centrally recognised tax balances, goodwill, post-retirement benefits, earnings per share and treasury related balances. This scope of work, together with additional procedures performed at the group level, accounted for approximately 82% of group revenue and approximately 63% of group underlying profit before taxation from continuing operations. In addition, the group engagement team undertook procedures over the result from discontinued operations and the assets and liabilities classified as held for sale. This provided the evidence we needed for our opinion on the consolidated financial statements taken as a whole. This was before considering the contribution to our audit evidence from performing audit work at the group level, including targeted analytical review procedures, which covers non-significant components that were not directly included in our group audit scope. Our audit of the Parent Company financial statements was undertaken by the group engagement team and included substantive procedures over all material balances and transactions.

## The impact of climate risk on our audit

Climate change is expected to present both risks and opportunities for the group. As explained in the Sustainability section of the Strategic Report, the group has plans towards a Net Zero pathway by 2040. Management's climate change initiatives and commitments will impact the group in a variety of ways. While the group has started to quantify some of the impacts that may arise on its net zero pathway, the future financial impacts are clearly uncertain given the medium to long term horizon. Disclosure of the impact of climate change risk based on management's current assessment is incorporated in the Task Force on climate related financial disclosures ("TCFD") section of the Annual Report.

As part of our audit, we made enquiries of management to understand the extent of the potential impact of climate change on the group's business and the financial statements, including reviewing management's climate change risk assessment. Using our knowledge of the business, we challenged the completeness of management's risk assessment. This included reading CDP submissions made by the group and its competitors to ensure appropriate consistency with the judgements and disclosures reflected in the financial statements.

We assessed that the key areas in the financial statements which are more likely to be materially impacted by climate change are those areas that are based on future cash flows. As a result, we particularly considered how climate change risks and the impact of climate commitments made by the group would impact the assumptions made in the forecasts prepared by management that are used in the group's impairment analysis, determining deferred tax asset recoverability and for going concern purposes. Our procedures did not identify any material impact on our audit for the year ended 31 March 2026. We also checked the consistency of the disclosures in the TCFD section of the Annual Report and Accounts with the relevant financial statement disclosures, including note 1 and the going concern section of the accounting policies, and with our understanding of the business and knowledge obtained in the audit.

We confirmed with management and the Audit Committee that the estimated financial impacts of climate change will be reassessed prospectively and our expectation is that climate change disclosures will evolve as the understanding of the actual and potential impacts on the group's future operations is established with greater certainty.

## Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

| | Financial statements – group | Financial statements – company |
|---|---|---|
| **Overall materiality** | £13.6 million (2025: £17.7 million) | £67.4 million (2025: £77.4 million) |
| **How we determined it** | Approximately 5% of profit before tax from continuing operations, adjusted for profit / (losses) on disposal of businesses, gains and losses on significant legal proceedings and major impairment and restructuring charges ("underlying profit before tax"). | Approximately 1% of total assets. However, materiality is capped at £12.2 million (2025: £15.7 million) for the purpose of the audit of the consolidated financial statements, being the maximum allocation of group materiality to a component. |
| **Rationale for benchmark applied** | Underlying profit before tax from continuing operations is used as the materiality benchmark. Management uses this measure as it believes that it reflects the underlying performance of the group and this is how the executive directors and key management personnel are measured on their performance. | We considered total assets to be an appropriate benchmark for the parent company given that, while it does include trading businesses, it is the ultimate holding company, incurs corporate costs and enters into financing on behalf of the group. The parent company is also a component of the group audit. The materiality level was capped at £12.2 million, being the maximum allocation of group materiality to a component. |

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £0.9 million and £12.2 million. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2025: 75%) of overall materiality, amounting to £10.1 million (2025: £13.3 million) for the group financial statements and £9.1 million (2025: £11.8 million) for the company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £0.7 million (group audit) (2025: £0.9 million) and £0.7 million (company audit) (2025: £0.9 million) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

### Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- Evaluation of management's base case and downside case scenarios, understanding and evaluating the key assumptions, including assumptions related to inflation and other macro-economic factors;
- Validation that the cash flow forecasts used to support management's impairment, going concern and viability assessments were consistent;
- Assessment of the historical accuracy and reasonableness of management's forecasting;
- Consideration of the group's available financing and debt maturity profile;
- Testing of the mathematical integrity of management's liquidity headroom, covenant compliance, sensitivity analysis and stress testing calculations;
- Assessment of the reasonableness of management's planned or potential mitigating actions; and
- Reviewing the related disclosures in the Annual Report and Accounts.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 March 2026 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

### Directors' Remuneration

In our opinion, the part of the Remuneration Committee report to be audited has been properly prepared in accordance with the Companies Act 2006.

## Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

## Responsibilities for the financial statements and the audit

### Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the Annual Report and Accounts 2026, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to environmental legislation, health and safety regulations (EHS), and anti bribery and corruption laws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in making accounting estimates and judgements. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- Discussions with internal audit, management including the group's in-house legal counsel and head of ethics and compliance in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading the minutes of board meetings and sub-committee meetings, and assessment of "Speak Up" matters through the ethics reporting line and the results of management's investigation into these matters;
- Reviewing financial statement disclosures to supporting documentation to assess compliance with applicable laws and regulations;
- Challenging management's significant judgements and estimates in particular those relating to the recoverable amount of property, plant and equipment, post-employment benefits, refining processes and stocktakes, metal accounting and provisions and contingent liabilities;
- Identifying and testing unusual journal entries, in particular journal entries posted with unusual account combinations, and testing all material consolidation journals;
- Incorporating unpredictable procedures into our audit approach including varying the timing and nature of testing performed; and
- Considering the outcome of key transactions in the year and assessing the appropriateness of related accounting and disclosure within the financial statements.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

### Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements and the part of the Remuneration Committee report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### Appointment

We were first appointed by the company for the financial year ended 31 March 2019. Our uninterrupted engagement covers eight financial years.

## Other matter

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Graham Parsons (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
27 May 2026

# Consolidated Income Statement

for the year ended 31st March 2026

| | Notes | **2026 £m** | 2025 £m* |
|---|---|---|---|
| **Revenue** | 2, 3 | **12,573** | **11,022** |
| Cost of sales | 2 | (11,944) | (10,338) |
| **Gross profit** | | **629** | **684** |
| Distribution costs | | (46) | (52) |
| Administrative expenses | | (243) | (333) |
| Profit on disposal of businesses | 27 | 5 | 482 |
| Gain on significant legal proceedings | 4 | 8 | – |
| Major impairment and restructuring charges | 4, 6 | (192) | (327) |
| **Operating profit** | 2, 4 | **161** | **454** |
| Finance costs | 8 | (182) | (141) |
| Investment income | 8 | 113 | 87 |
| Share of (losses) / profits of associates | 15 | (1) | 3 |
| **Profit before tax from continuing operations** | | **91** | **403** |
| Tax expense | 9 | (182) | (93) |
| **(Loss) / profit for the year from continuing operations** | | **(91)** | **310** |
| (Loss) / profit after tax from discontinued operations | | (5) | 63 |
| **(Loss) / profit for the year** | | **(96)** | **373** |

| | | **pence** | pence |
|---|---|---|---|
| **(Loss) / earnings per ordinary share** | | | |
| Basic | 10 | **(57.2)** | 211.8 |
| Diluted | 10 | **(56.9)** | 211.2 |
| | | | |
| **(Loss) / earnings per ordinary share from continuing operations** | | | |
| Basic | 10 | **(54.1)** | 176.0 |
| Diluted | 10 | **(53.9)** | 175.5 |

* Restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

# Consolidated Statement of Total Comprehensive Income

for the year ended 31st March 2026

| | Notes | 2026 £m | 2025 £m |
|---|---|---|---|
| **(Loss) / profit for the year** | | **(96)** | **373** |
| **Other comprehensive (expense) / income** | | | |
| *Items that will not be reclassified to the income statement in subsequent years* | | | |
| Remeasurements of post-employment benefit assets and liabilities | 24 | (16) | 37 |
| Fair value losses on equity investments at fair value through other comprehensive income | | – | (2) |
| Tax on items that will not be reclassified to the income statement[1] | | 4 | (8) |
| **Total items that will not be reclassified to the income statement** | | **(12)** | **27** |
| *Items that may be reclassified to the income statement* | | | |
| Exchange differences on translation of foreign operations | 25 | (10) | (82) |
| Amounts charged to hedging reserve | 25 | (32) | (38) |
| Fair value (losses) / gains on net investment hedges | | (15) | 7 |
| Tax on above items taken directly to or transferred from equity[2] | | 8 | 10 |
| **Total items that may be reclassified to the income statement in subsequent years** | | **(49)** | **(103)** |
| **Other comprehensive expense for the year** | | **(61)** | **(76)** |
| **Total comprehensive (expense) / income for the year** | | **(157)** | **297** |
| | | | |
| **Total comprehensive (expense) / income for the year arises from:** | | | |
| Continuing operations | | (142) | 238 |
| Discontinued operations | 26 | (15) | 59 |
| | | **(157)** | **297** |

1. The tax credit on other comprehensive (expense) / income that will not be reclassified to the income statement of £4 million (2025: tax charge of £8 million) relates to remeasurements of post-employment benefit assets and liabilities.
2. The tax credit on other comprehensive expense that may be reclassified to the income statement of £8 million (2025: £10 million) relates to tax on amounts charged to hedging reserve.

# Consolidated Statement of Financial Position

as at 31st March 2026

| | Notes | 2026 £m | 2025 £m |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 11 | 1,147 | 1,411 |
| Right-of-use assets | 12 | 33 | 53 |
| Goodwill | 13 | 86 | 347 |
| Other intangible assets | 14 | 206 | 288 |
| Investments in associates | 15 | 70 | 71 |
| Investments at fair value through other comprehensive income | 28 | 36 | 38 |
| Other receivables | 17 | 183 | 98 |
| Derivative financial instruments | 18 | 2 | 4 |
| Deferred tax assets | 23 | 43 | 135 |
| Post-employment benefit net assets | 24 | 232 | 238 |
| **Total non-current assets** | | **2,038** | **2,683** |
| **Current assets** | | | |
| Inventories | 16 | 865 | 1,011 |
| Taxation recoverable | | 11 | 15 |
| Trade and other receivables | 17 | 1,430 | 1,532 |
| Financial assets held at amortised cost | | 4 | – |
| Cash and cash equivalents | | 536 | 898 |
| Derivative financial instruments | 18 | 22 | 55 |
| Assets classified as held for sale | 26 | 1,068 | – |
| **Total current assets** | | **3,936** | **3,511** |
| **Total assets** | | **5,974** | **6,194** |

| | Notes | 2026 £m | 2025 £m |
|---|---|---|---|
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 19 | (2,154) | (1,984) |
| Lease liabilities | 12 | (4) | (6) |
| Taxation liabilities | | (28) | (45) |
| Cash and cash equivalents – bank overdrafts | | (35) | (24) |
| Borrowings | 20 | (20) | (333) |
| Derivative financial instruments | 18 | (9) | (14) |
| Provisions | 22 | (51) | (69) |
| Liabilities classified as held for sale | 26 | (230) | – |
| **Total current liabilities** | | **(2,531)** | **(2,475)** |
| **Non-current liabilities** | | | |
| Borrowings | 20 | (1,322) | (1,301) |
| Lease liabilities | 12 | (24) | (40) |
| Deferred tax liabilities | 23 | (14) | (4) |
| Employee benefit obligations | 24 | (30) | (38) |
| Derivative financial instruments | 18 | (13) | (9) |
| Provisions | 22 | (17) | (26) |
| Trade and other payables | 19 | (7) | (6) |
| **Total non-current liabilities** | | **(1,427)** | **(1,424)** |
| **Total liabilities** | | **(3,958)** | **(3,899)** |
| **Net assets** | | **2,016** | **2,295** |
| | | | |
| **Equity** | | | |
| Share capital | 25 | 197 | 197 |
| Share premium | | 148 | 148 |
| Treasury shares | | (6) | (10) |
| Other reserves | 25 | (100) | (51) |
| Retained earnings | | 1,777 | 2,011 |
| **Total equity** | | **2,016** | **2,295** |

The accounts were approved by the Board of Directors on 27th May 2026 and signed on its behalf by:

L Condon
A Judge

Directors

# Consolidated Statement of Cash Flows

for the year ended 31st March 2026

| | Notes | **2026 £m** | 2025 £m* |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit before tax from continuing operations | | 91 | 403 |
| *Adjustments for:* | | | |
| Share of losses / (profits) of associates | | 1 | (3) |
| Profit on disposal of businesses | | (5) | (482) |
| Depreciation | | 103 | 111 |
| Amortisation | | 46 | 45 |
| Impairment losses | | 136 | 216 |
| Profit on sale of non-current assets | | – | (1) |
| Share-based payments | | 6 | 6 |
| (Increase) / decrease in inventories | | (96) | 184 |
| (Increase) / decrease in receivables | | (142) | 179 |
| Increase / (decrease) in payables | | 373 | (222) |
| (Decrease) / increase in provisions | | (17) | 16 |
| Contributions less than / (in excess of) employee benefit obligations charge | | 2 | (42) |
| Changes in fair value of financial instruments | | (12) | 7 |
| Net finance costs | | 69 | 54 |
| Disposal costs | | (1) | (18) |
| Income tax paid | | (59) | (123) |
| Net cash (outflow) / inflow from operating activities – discontinued operations | 26 | (30) | 51 |
| **Net cash inflow from operating activities** | | **465** | **381** |
| **Cash flows from investing activities** | | | |
| Interest received | | 97 | 78 |
| Purchases of property, plant and equipment | | (217) | (249) |
| Purchases of intangible assets | | (22) | (52) |
| Proceeds from redemption of investments held at fair value through other comprehensive income | | 3 | 3 |
| Net cash movements of financial assets held at amortised cost | | (4) | – |
| Proceeds from sale of non-current assets | | 5 | 1 |
| Proceeds from sale of businesses | 27 | 8 | 587 |
| Net cash outflow from investing activities – discontinued operations | 26 | (54) | (71) |
| **Net cash (outflow) / inflow from investing activities** | | **(184)** | **297** |

| | Notes | **2026 £m** | 2025 £m* |
|---|---|---|---|
| **Cash flows from financing activities** | | | |
| Purchase of treasury shares | | – | (251) |
| Proceeds from borrowings | | – | 318 |
| Repayment of borrowings | | (316) | (105) |
| Net cash movements from hedging activities | | 9 | – |
| Dividends paid to equity shareholders | 25 | (129) | (138) |
| Interest paid | | (186) | (148) |
| Principal element of lease payments | | (4) | (6) |
| Net cash outflow from financing activities – discontinued operations | 26 | (4) | (3) |
| **Net cash outflow from financing activities** | | **(630)** | **(333)** |
| **Change in cash and cash equivalents** | | **(349)** | **345** |
| Exchange differences on cash and cash equivalents | | 4 | (1) |
| Cash and cash equivalents at beginning of year | | 874 | 530 |
| Cash and deposits transferred to assets classified as held for sale | 26 | (28) | – |
| **Cash and cash equivalents at end of year** | | **501** | **874** |
| Cash and deposits | | 284 | 463 |
| Money market funds | | 280 | 435 |
| Bank overdrafts | | (35) | (24) |
| Cash and deposits transferred to assets classified as held for sale | 26 | (28) | – |
| **Cash and cash equivalents** | | **501** | **874** |

* Restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

# Consolidated Statement of Changes in Equity

for the year ended 31st March 2026

| | Share capital £m | Share premium £m | Treasury shares £m | Other reserves (note 25) £m | Retained earnings £m | Total equity £m |
|---|---|---|---|---|---|---|
| At 1st April 2024 | 215 | 148 | (17) | 36 | 1,998 | 2,380 |
| Profit for the year | – | – | – | – | 373 | 373 |
| Remeasurements of post-employment benefit assets and liabilities | – | – | – | – | 37 | 37 |
| Fair value losses on investments at fair value through other comprehensive income | – | – | – | (2) | – | (2) |
| Exchange differences on translation of foreign operations | – | – | – | (82) | – | (82) |
| Amounts charged to hedging reserve | – | – | – | (38) | – | (38) |
| Fair value gains on net investment hedges taken to equity | – | – | – | 7 | – | 7 |
| Tax on other comprehensive (expense) / income | – | – | – | 10 | (8) | 2 |
| Total comprehensive (expense) / income | – | – | – | (105) | 402 | 297 |
| Dividends paid (note 25) | – | – | – | – | (138) | (138) |
| Purchase of treasury shares (note 25) | (18) | – | – | 18 | (251) | (251) |
| Share-based payments | – | – | – | – | 18 | 18 |
| Cost of shares transferred to employees | – | – | 7 | – | (18) | (11) |
| **At 31st March 2025** | **197** | **148** | **(10)** | **(51)** | **2,011** | **2,295** |
| Loss for the year | – | – | – | – | (96) | (96) |
| Remeasurements of post-employment benefit assets and liabilities | – | – | – | – | (16) | (16) |
| Exchange differences on translation of foreign operations | – | – | – | (10) | – | (10) |
| Amounts charged to hedging reserve | – | – | – | (32) | – | (32) |
| Fair value losses on net investment hedges taken to equity | – | – | – | (15) | – | (15) |
| Tax on other comprehensive expense | – | – | – | 8 | 4 | 12 |
| Total comprehensive expense | – | – | – | (49) | (108) | (157) |
| Dividends paid (note 25) | – | – | – | – | (129) | (129) |
| Share-based payments | – | – | – | – | 15 | 15 |
| Cost of shares transferred to employees | – | – | 4 | – | (12) | (8) |
| **At 31st March 2026** | **197** | **148** | **(6)** | **(100)** | **1,777** | **2,016** |

# Guide to financial statement disclosures

for the year ended 31st March 2026


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# Notes on the Accounts

for the year ended 31st March 2026

## 1 Material accounting policies

### The Company and the Group

Johnson Matthey plc (the 'Company') is a public company limited by shares incorporated under the Companies Act 2006 and domiciled in England in the United Kingdom. The consolidated accounts of the Company for the year ended 31st March 2026 consist of the audited consolidation of the accounts of the Company and its subsidiaries (together referred to as the 'Group'), together with the employee share ownership trust and the group's interest in associates.

### Basis of accounting and preparation – group

The financial statements of the group have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The accounts are prepared on the historical cost basis, except for certain assets and liabilities which are measured at fair value as explained below.

The group accounts comprise the accounts of the parent company and its subsidiaries, including the employee share ownership trust, and include the group's interest in associates. Entities the group controls are accounted for as subsidiaries. Entities that are associates are accounted for using the equity method of accounting. Transactions and balances between group companies are eliminated. Profit recognised on transactions between group companies is eliminated on consolidation.

The results of businesses acquired or disposed of in the year are consolidated from or up to the effective date of acquisition or disposal, respectively. The net assets of businesses acquired are recognised in the consolidated accounts at their fair values at the date of acquisition.

#### Going concern

The directors have reviewed a range of scenario forecasts for the group and have reasonable expectation that there are no material uncertainties that cast doubt about the group's ability to continue operating for at least twelve months from the date of approving these annual accounts.

As at 31st March 2026, the group maintains a strong balance sheet with around £1.5 billion of available cash and undrawn committed facilities. Free cash flow was strong in the year at £168 million although net debt increased by £70 million. Net debt at 31st March 2026 was £880 million at 1.8 times net debt to underlying EBITDA which was within our target range.

Although inflationary pressures have remained steady over the past twelve months and interest rates have started to fall, significant headwinds remain due to ongoing global auto sector weakness, political uncertainty and persistent geopolitical tensions, particularly in relation to the Middle East conflict, which may give rise to renewed inflationary pressures and demand reduction. Despite these challenges, the group demonstrated resilience during the period, with underlying operating profit (at constant exchange rate and metal prices and excluding the impact of divestments) growing 6%. For the purposes of assessing going concern, we have revisited our financial projections using the latest budget for our base case scenario. This excludes Catalyst Technologies, in light of its planned divestment. The scenario assumes the receipt of net proceeds of £1.2 billion from the divestment of Catalyst Technologies, of which £1 billion is returned to shareholders and £200 million is retained. However, this event does not impact the going concern or viability conclusions as the group would maintain sufficient liquidity and covenant compliance regardless. The base case scenario was stress tested to a severe-but-plausible downside case which reflects lower demand across our markets to account for significant disruption from external factors and a deep recession.

The severe-but-plausible case for Clean Air modelled scenarios assuming a smaller light and heavy duty vehicle market from reduced vehicle production and/or market consumer demand disruption, which could be caused by general changes to the market environment, or greater share of zero emission vehicles in market. This was assumed to result in a 7-8% drop in sales. For PGM Services, it also assumed a reduction in sales and associated operating profit based on adverse scenarios. An additional impact has also been applied in relation to the Middle East conflict based on a further market demand reduction and higher utilities costs. Finally, we have included a reduction in operating profit based on the failure to deliver fully on cost reduction initiatives.

Additionally, the group considered scenarios including the impact from metal price volatility, delays in key business projects and delivery of business-specific savings initiatives and slowdown of operations in China. We have also considered the impact of a refinery shutdown and the impact of a major plant (e.g. Clean Air Macedonia) shutdown for a prolonged period.

The group has a robust funding position comprising a range of long-term debt and a £1 billion five year committed revolving credit facility (RCF), maturing in April 2030, which was undrawn at year end. There was £529 million of available cash, principally held in money market funds or placed on deposit with highly rated banks. During March 2026, the maturity date for the majority of the RCF was extended by a year with £913 million maturing 9th April 2031 and £87 million remaining with maturity of 9th April 2030. £91 million of USPP debt will mature in the next 15 months. We assume no refinancing of this debt in our going concern modelling. As a long time, highly rated issuer in the US private placement market, the group expects to be able to access additional funding in its existing markets if required but the going concern conclusion is not dependent on such access as the Company has sufficient financing and liquidity to fund its obligations in the base and severe-but-plausible scenarios. The group also has a number of additional sources of funding available including uncommitted metal lease facilities that support precious metal funding. Whilst we would fully expect to be able to utilise the metal lease facilities, they are excluded from our going concern modelling.

# 1 Material accounting policies (continued)

## Basis of accounting and preparation (continued)

### Going concern (continued)

#### Conclusion

In the base case and severe but plausible scenarios, the group has sufficient headroom against committed facilities and key financial covenants are not in breach during the going concern period. Only in the unlikely event of all the additional risks identified above being overlaid on top of the severe but plausible trading scenario is there a small breach of the financial covenants. Mitigations could easily manage the breach, such as ensuring lower working capital if Clean Air volumes drop, utilising metal liquidity in case of refinery shutdown, or reducing future dividend distributions. To give further assurance on liquidity, we have also undertaken a reverse stress test on our base case for full year to March 2027, March 2028 and March 2029 to identify what additional or alternative scenarios and circumstances would threaten our current financing arrangements. This shows that we have headroom against either a further decline in profitability well beyond the severe-but-plausible scenario, or a significant increase in borrowings, or a significant increase in interest charges. Furthermore, as mentioned above, the group has other mitigating actions available which it could utilise to protect headroom.

The directors are therefore of the opinion that the group has adequate resources to fund its operations for the period of at least twelve months following the date of these financial statements and there are no material uncertainties relating to going concern so determine that it is appropriate to prepare the accounts on a going concern basis.

## Material accounting policies

The group's and parent company's accounting policies have been applied consistently during the current and prior year, other than where new policies have been adopted (see below). The group's and parent company's material accounting policies are as follows:

## Foreign currencies

Foreign currency transactions are recorded in the functional currency of the relevant subsidiary, associate or branch at the exchange rate for the month of the transaction. Foreign currency monetary assets and liabilities are retranslated into the relevant functional currency at the exchange rate at the balance sheet date.

Income statements and cash flows of overseas subsidiaries, associates and branches are translated into sterling at the average rates for the year. Balance sheets of overseas subsidiaries, associates and branches, including any fair value adjustments and related goodwill, are translated into sterling at the exchange rates at the balance sheet date.

Exchange differences arising on the translation of the net investment in overseas subsidiaries, associates and branches, less exchange differences arising on related foreign currency financial instruments which hedge the group's net investment in these operations, are taken to other comprehensive income. On disposal of the net investment, the cumulative exchange difference is reclassified from equity to operating profit. On repayment of a quasi-equity loan or share capital return, without a change in the parent's proportionate percentage shareholding, the group applies an accounting treatment whereby the cumulative exchange difference shall not be reclassified from equity to operating profit. In the event of a full or partial disposal, proportionate amounts of the cumulative exchange differences will be recycled from equity to operating profit.

Other exchange differences are recognised in operating profit.

## Revenue

Revenue represents income derived from contracts for the provision of goods and services by the parent company and its subsidiaries to customers in exchange for consideration in the ordinary course of the group's activities.

### Performance obligations

Upon approval by the parties to a contract, the contract is assessed to identify each promise to transfer either a distinct good or service or a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer. Goods and services are distinct and accounted for as separate performance obligations in the contract if the customer can benefit from them either on their own or together with other resources that are readily available to the customer and they are separately identifiable in the contract.

The group typically sells licences to its intellectual property together with other goods and services and, since these licences are not generally distinct in the context of the contract, revenue recognition is considered at the level of the performance obligation of which the licence forms part. Revenue in respect of performance obligations containing bundles of goods and services in which a licence with a sales or usage-based royalty is the predominant item is recognised when sales or usage occur.

### Transaction price

At the start of the contract, the total transaction price is estimated as the amount of consideration to which the group expects to be entitled in exchange for transferring the promised goods and services to the customer, excluding sales taxes. Variable consideration, such as trade discounts, is included based on the expected value or most likely amount only to the extent that it is highly probable that there will not be a reversal in the amount of cumulative revenue recognised. The transaction price does not include estimates of consideration resulting from contract modifications until they have been approved by the parties to the contract. The total transaction price is allocated to the performance obligations identified in the contract in proportion to their relative stand-alone selling prices. Many of the group's and parent company's products and services are bespoke in nature and, therefore, stand-alone selling prices are estimated based on cost plus margin or by reference to market data for similar products and services.

## 1 Material accounting policies (continued)

### Revenue (continued)

#### Revenue recognition

Revenue is recognised as performance obligations are satisfied as control of the goods and services is transferred to the customer.

For each performance obligation within a contract, the group and parent company determine whether it is satisfied over time or at a point in time. Performance obligations are satisfied over time if one of the following criteria is satisfied:

- the customer simultaneously receives and consumes the benefits provided by the group's and parent company's performance as they perform;
- the group's and parent company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the group's and parent company's performance does not create an asset with an alternative use to the group and parent company and they have an enforceable right to payment for performance completed to date.

For more detail of our revenue recognition policy see note 3.

In the event that the group and parent company enter into bill-and-hold transactions at the specific request of customers, revenue is recognised when the goods are ready for transfer to the customer and when the group and parent company are no longer capable of directing those goods to another use.

Revenue includes sales of precious metal to customers and the precious metal content of products sold to customers.

Linked contracts under which the group and parent company sell or buy precious metal and commit to repurchase or sell the metal in the future and no revenue is recognised in respect of the sale leg.

No revenue is recognised by the group or parent company in respect of non-monetary exchanges of precious metal on the basis that the counterparties are in the same line of business.

#### Consideration payable to customers

Consideration payable to customers in advance of the recognition of revenue in respect of the goods and services to which it relates is capitalised and recognised as a deduction to the revenue recognised upon transfer of the goods and services to the customer.

#### Costs to fulfil a contract

Contract fulfilment costs in respect of over time contracts are expensed as incurred. Contract fulfilment costs in respect of point in time contracts are accounted for under IAS 2, *Inventories*.

#### Contract receivables

Contract receivables represent amounts for which the group and parent company have a conditional right to consideration in respect of unbilled revenue recognised at the balance sheet date.

#### Contract liabilities

Contract liabilities represent the obligation to transfer goods or services to a customer for which consideration has been received, or consideration is due, from the customer.

### Finance costs and investment income

Finance costs that are directly attributable to the construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset. Other finance costs and investment income are recognised in the income statement in the year incurred. Finance costs and investment income include the forward point movements from FX Swap contracts and select forward contracts in a net investment hedge relationship as designated in the hedge documentation (i.e. the interest rate differential between currencies specified in a FX Swap contract) and from metal Swap contracts (i.e. the interest rate differential between the spot equivalent metal price and forward contract price). Other finance costs and investment income are recognised in the income statement in the year incurred.

### Research and development

Research expenditure is charged to the income statement (cost of sales) in the year incurred. Development expenditure is charged to the income statement (cost of sales) in the year incurred unless it meets the recognition criteria for capitalisation. When the recognition criteria have been met, any further development expenditure is capitalised as an intangible asset.

### Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any provisions for impairment. Depreciation is provided at rates calculated to write-off the cost less estimated residual value of each asset over its useful life and is recognised within cost of sales and administrative expenses. Certain buildings and plant and equipment are depreciated using the units of production method as this more closely reflects their expected consumption. All other assets are depreciated using the straight-line method. The useful lives vary according to the class of the asset, but are typically:

- buildings – not exceeding 30 years; and
- plant and machinery – 4 to 10 years.
- land is not depreciated.

The expected lives of property, plant and equipment tends to be short to medium term, as such the physical risk posed by climate change in the long term is low.

Property, plant and equipment which are not yet being depreciated are subject to annual impairment reviews.

## 1 Material accounting policies (continued)

### Impairment

The group and parent company review the carrying amounts of its non-financial assets (including property, plant and equipment and intangible assets) regularly to determine whether there is any indication of impairment. Goodwill is tested for impairment annually or more frequently if there are indications that goodwill might be impaired.

If any indication of impairment exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of any impairment loss. Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value-in-use. In estimating value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or CGU) for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised as an expense immediately whenever the carrying amount of a non-financial asset or the CGU to which it belongs exceeds its recoverable amount. Impairment losses for goodwill are not reversable in subsequent reporting periods. Where an impairment loss subsequently reverses for a finite lived non-financial asset, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised as income when identified.

### Impairment of financial assets

The group and parent company has financial assets classified and measured at amortised cost and fair value through other comprehensive income that are subject to the expected credit loss requirements of IFRS 9. Cash and bank deposits are classified and measured at amortised cost and subject to impairment assessments however the expected credit loss is considered to be immaterial.

The group and parent company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost and contract assets. The group and parent company measures loss allowances at an amount equal to lifetime ECL, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial measurement which was measured as 12-month ECL. A simplified lifetime ECL model is used to assess trade receivables and contract assets for impairment. ECL is the present value of all cash shortfalls over the expected life of a trade receivable. Expected credit losses are based on historical loss experience on trade receivables, adjusted to reflect information about current economic conditions and reasonable and supportable forecasts of future economic conditions.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the group and parent company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the group and parent company's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the group or parent company is exposed to credit risk.

#### Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the group or parent company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

### Factoring arrangements

The group enters into factoring type arrangements in a small number of countries as part of normal business due to longer than standard payment terms, we seek to collect payments in the month following sale. The group and parent company derecognises trade receivables when the contractual rights to cash flows from the receivables have expired or when substantially all risks and rewards of ownership are transferred without recourse. Any loss from the derecognition is recognised in the statement of profit or loss as finance costs.

### Goodwill and other intangible assets

Goodwill arises on the acquisition of a business when the fair value of the consideration exceeds the fair value attributed to the net assets acquired (including contingent liabilities). It is subject to annual impairment reviews. Acquisition-related costs are charged to the income statement as incurred. The group and parent company have taken advantage of the exemption allowed under IFRS 1 and, therefore, goodwill arising on acquisitions made before 1st April 2004 is included at the carrying amount at that date less any subsequent impairments.

Other intangible assets are stated at cost less accumulated amortisation and any provisions for impairment. Customer contracts are amortised when the relevant income stream occurs. All other intangible assets are amortised by using the straight-line method over the useful lives from the time they are first available for use. Amortisation is recognised within administrative expenses. The estimated useful lives vary according to the specific asset, but are typically:

- customer contracts and relationships – 1 to 15 years;
- capitalised computer software – 3 to 8 years;
- patents, trademarks and licences – 3 to 20 years, for perpetual software licences the estimated useful life is 4 to 7 years;
- acquired research and technology – 4 to 10 years; and
- capitalised development currently being amortised – 3 to 8 years.

Intangible assets which are not yet being amortised are subject to annual impairment reviews.

## 1 Material accounting policies (continued)

### Investments in associates

Associates are entities over which the group exercises significant influence when it has the power to participate in the financial and operating policy decisions of the entity but it does not have the power to control or jointly control the entity.

Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. Thereafter the investments are adjusted to recognise the group's share of the post-acquisition profits or losses after tax of the investee in the income statement, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment. The carrying value of the investments are reviewed for impairment triggers on a regular basis.

Where the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, the group does not recognise further losses unless it has incurred obligations to do so.

Unrealised gains and losses on transactions between the group and its associates are eliminated to the extent of the group's interest in these associates.

### Leases

Leases are recognised as a right-of-use asset, together with a corresponding lease liability, at the date at which the leased asset is available for use.

The right-of-use asset is initially measured at cost, which comprises the initial value of the lease liability, lease payments made (net of any incentives received from the lessor) before the commencement of the lease, initial direct costs and restoration costs. The right-of-use asset is depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term in operating profit.

The lease liability is initially measured as the present value of future lease payments discounted using the interest rate implicit in the lease or, where this rate is not determinable, the group's incremental borrowing rate, which is the interest rate the group would have to pay to borrow the amount necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. Interest is charged to finance costs at a constant rate of interest on the outstanding lease liability over the lease term.

Payments in respect of short-term leases, low-value leases and precious metal leases are charged to the income statement on a straight-line basis over the lease term in operating profit.

The group leases precious metals to fund temporary peaks in metal requirements provided market conditions allow. These leases are from banks for specified periods (less than 12 months) and the group pays a fee which is expensed on a straight-line basis over the lease term in finance costs. The group holds sufficient precious metal inventories to meet all the obligations under these lease arrangements as they fall due. Precious metal leases do not fall under the scope of IFRS 16 as there is no identifiable asset to control due to the fungible nature of metal.

### Inventories

#### Precious metal

Inventories of gold, silver and platinum group metals are valued according to the source from which the metal is obtained. Metal which has been purchased and committed to future sales to customers is valued at the price at which it is contractually committed, adjusted for unexpired contango and backwardation. Other precious metal inventories owned by the group, which are unhedged, are valued at the lower of cost and net realisable value using the weighted average cost formula.

#### Other

Non-precious metal inventories are valued at the lower of cost, including attributable overheads, and net realisable value. Except where costs are specifically identified, the first-in, first-out cost formula is used to value inventories.

### Cash and cash equivalents

Cash and deposits comprise cash at bank and in hand and short-term deposits with a maturity date of three months or less from the date of acquisition. Money market funds comprise investments in funds that are subject to an insignificant risk of changes in fair value. The group and parent company routinely use short-term bank overdraft facilities, which are repayable on demand, as an integral part of their cash management policies and, therefore, cash and cash equivalents include cash and deposits, money market funds and bank overdrafts. Offset arrangements across group businesses have been applied to arrive at the net cash and overdraft figures.

### Financial instruments

#### Investments and other financial assets

The group and parent company classify their financial assets in the following measurement categories:

- those measured at fair value either through other comprehensive income or through profit or loss; and
- those measured at amortised cost.

At initial recognition, the group and parent company measure financial assets at fair value plus, in the case of financial assets not measured at fair value through profit or loss, transaction costs that are directly attributable to their acquisition.

The group and parent company subsequently measure equity investments at fair value and have elected to present fair value gains and losses on equity investments in other comprehensive income. There is, therefore, no subsequent reclassification of cumulative fair value gains and losses to profit or loss following disposal of the investments.

The group and parent company subsequently measure trade and other receivables and contract receivables at amortised cost, with the exception of trade receivables that have been designated as at fair value through other comprehensive income because the group has certain operations with business models to hold trade receivables for collection or sale. All other financial assets, including short-term receivables, are measured at amortised cost less any impairment provision.

## 1 Material accounting policies (continued)

### Financial instruments (continued)

#### Investments and other financial assets (continued)

For the impairment of trade and contract receivables, the group and parent company apply the simplified approach permitted by IFRS 9, *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition.

#### Derivative financial instruments

The group and parent company use derivative financial instruments, in particular forward currency contracts, currency swaps, interest rate swaps and commodity derivatives to manage the financial risks associated with their underlying business activities and the financing of those activities. The group and parent company do not undertake any speculative trading activity in derivative financial instruments.

Derivative financial instruments are measured at their fair value. Derivative financial instruments may be designated at inception as fair value hedges, cash flow hedges or net investment hedges if appropriate. For currency swaps designated as instruments in cash flow or net investment hedging relationships, the impact from currency basis spreads is included in the hedge relationship and may be a source of ineffectiveness recognised in the income statement.

Derivative financial instruments which are not designated as hedging instruments are classified as at fair value through profit or loss, but are used to manage financial risk. Changes in the fair value of any derivative financial instruments that are not designated as, or are not determined to be, effective hedges are recognised immediately in the income statement. The vast majority of forward precious metal price contracts are entered into and held for the receipt or delivery of precious metal and therefore qualify for the own use exemption under IFRS 9 and, therefore, are not recorded at fair value.

#### Cash flow hedges

Changes in the fair value of derivative financial instruments designated as cash flow hedges are recognised in other comprehensive income to the extent that the hedges are effective. Ineffective portions are recognised in the income statement immediately. If the hedged item results in the recognition of a non-financial asset or liability, the amount previously recognised in other comprehensive income is transferred out of equity and included in the initial carrying amount of the asset or liability. Otherwise, the amount previously recognised in other comprehensive income is transferred to the income statement in the same period that the hedged item is recognised in the income statement. If the hedging instrument expires or is sold, terminated or exercised or the hedge no longer meets the criteria for hedge accounting, amounts previously recognised in other comprehensive income remain in equity until the forecast transaction occurs. If a forecast transaction is no longer expected to occur, the amounts previously recognised in other comprehensive income are transferred to the income statement. If a forward precious metal price contract will be settled net in cash, it is designated and accounted for as a cash flow hedge.

#### Fair value hedges

Changes in the fair value of derivative financial instruments designated as fair value hedges are recognised in the income statement, together with the related changes in the fair value of the hedged asset or liability. Fair value hedge accounting is discontinued if the hedging instrument expires or is sold, terminated or exercised or the hedge no longer meets the criteria for hedge accounting.

#### Net investment hedges

For hedges of net investments in foreign operations, the effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income, while the ineffective portion is recognised in the income statement. Amounts taken to other comprehensive income are reclassified from equity to the income statement when the foreign operations are sold or liquidated.

#### Financial liabilities

Borrowings are measured at amortised cost. Those borrowings designated as being in fair value hedge relationships are remeasured for the fair value changes in respect of the hedged risk with these changes recognised in the income statement. All other financial liabilities, including short-term payables, are measured at amortised cost.

### Precious metal sale and repurchase agreements

The group and parent company undertake linked contracts to sell or buy precious metal and commit to repurchase or sell the metal in the future. An asset representing the metal which the group and parent company have committed to sell or a liability representing the obligation to repurchase the metal are recognised in trade and other receivables or trade and other payables, respectively.

### Taxation

Current and deferred taxes are recognised in the income statement, except when they relate to items recognised directly in equity, in which case the related tax is also recognised in equity.

Current tax is the amount of income tax expected to be paid in respect of taxable profits using the tax rates that have been enacted or substantively enacted at the balance sheet date. Current tax includes any Pillar Two income taxes accrued.

Deferred tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. It is provided using the tax rates that are expected to apply in the period when the asset or liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

The group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two model rules, as provided in the amendments to IAS 12 issued in May 2023.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. No deferred tax asset or liability is recognised in respect of temporary differences associated with investments in subsidiaries and branches where the group can control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they either relate to income taxes levied by the same taxation authority on either the same taxable entity or on different taxable entities which intend to settle the current tax assets and liabilities on a net basis.

## 1 Material accounting policies (continued)

### Provisions and contingencies

Provisions are recognised when the group has a present obligation as a result of a past event and a reliable estimate can be made of a probable adverse outcome, for example warranties, environmental claims and restructuring. Otherwise, material contingent liabilities are disclosed unless the probability of the transfer of economic benefits is remote. Contingent assets are only recognised if an inflow of economic benefits is virtually certain.

### Share-based payments and treasury shares

The fair value of shares awarded to employees under the performance share plan, restricted share plan, long term incentive plan and deferred bonus plan is calculated by adjusting the share price on the date of allocation for the present value of the expected dividends that will not be received. The resulting cost is charged to the income statement over the relevant performance periods, adjusted to reflect actual and expected levels of vesting where appropriate.

The group and parent company provide finance to the employee share ownership trust (ESOT) to purchase company shares in the open market. Costs of running the ESOT are charged to the income statement. The cost of shares held by the ESOT is deducted in arriving at equity until they vest unconditionally with employees.

### Post-employment benefits

The costs of defined contribution plans are charged to the income statement as they fall due.

For defined benefit plans, the group and parent company recognise the net assets or liabilities of the plans in their balance sheets. Assets are measured at their fair value at the balance sheet date. Liabilities are measured at present value using the projected unit credit method and a discount rate reflecting yields on high quality corporate bonds. The changes in plan assets and liabilities, based on actuarial advice, are recognised as follows:

- The current service cost is deducted in arriving at operating profit.
- The net interest cost, based on the discount rate at the beginning of the year, contributions paid in and the present value of the net defined benefit liabilities during the year, is included in finance costs.
- Past service costs and curtailment gains and losses are recognised in operating profit at the earlier of when the plan amendment or curtailment occurs and when any related restructuring costs or termination benefits are recognised.
- Gains or losses arising from settlements are included in operating profit when the settlement occurs.
- Remeasurements, representing returns on plan assets, excluding amounts included in interest, and actuarial gains and losses arising from changes in financial and demographic assumptions, are recognised in other comprehensive income.

### Discontinued operations and assets and liabilities held for sale

Non-current assets and disposal groups are classified as held for sale, if available for sale in its present condition and a sale is considered highly probable within 12 months. They are measured at the lower of their carrying amount and fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately on the Balance Sheet. The assets are not depreciated or amortised while they are classified as held for sale.

An impairment loss is recognised in the Income Statement for any initial or subsequent write-down of the asset or disposal group to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset or disposal group, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

A discontinued operation is a component of the group's business that either has been disposed of, or that is classified as held for sale and represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale. The results of discontinued operations are presented separately in the Income Statement. When an operation is classified as a discontinued operation, the comparative Income Statement and Statement of Total Comprehensive Income is restated as if the operation had been discontinued from the start of the comparative year.

The group has elected to present assets and liabilities held for sale and transactions relating to discontinued operations on a net basis i.e. after adjusting for intercompany eliminations as part of consolidation. The policy has been applied consistently to all periods presented in which discontinued operations are reported.

### Sources of estimation uncertainty

Determining the carrying amounts of certain assets and liabilities at the balance sheet date requires estimation of the effects of uncertain future events. In the event that actual outcomes differ from those estimated, there may be an adjustment to the carrying amounts of those assets and liabilities within the next financial year. Other significant risks of material adjustment are the valuation of the liabilities of the defined benefit pension plans and tax provisions. The group and parent company have considered the refining process and stocktakes, deferred tax assets and climate change and, whilst not deemed to represent a significant risk of material adjustment to the group's and parent company's financial position during the year ending 31st March 2026, represent important accounting estimates.

#### Goodwill, other intangibles and other assets

The group and parent company have significant intangible assets from both business acquisitions and investments in new products and technologies. Some of those acquisitions and investments are at an early stage of commercial development and, therefore, carry a greater risk that they will not be commercially viable. Goodwill and intangible assets not yet ready for use are not amortised but are subject to annual impairment reviews. Other intangible assets are amortised from the time they are first ready for use and, together with other assets, are assessed for impairment when there is a triggering event that provides evidence that they are impaired.

The impairment reviews require the use of estimates of future profit and cash generation based on financial budgets and plans approved by management, generally covering a three-year period and then extrapolated using long term growth rates, and the pre-tax discount rates used in discounting projected cash flows, see note 5.

## 1 Material accounting policies (continued)

### Sources of estimation uncertainty (continued)

#### Goodwill, other intangibles and other assets (continued)

The directors have determined that there is significant accounting estimate with respect to the estimated cash flows in assessing the value in use of the Hydrogen Technologies CGU. There is also significant accounting estimate with respect to the estimated cash flows used in the Heavy Duty Catalysts CGU value in use as part of the goodwill impairment assessment. Refer to note 5 for information about the key assumptions applied in the value in use calculations. There is no significant accounting estimate in relation to the Catalyst Technologies goodwill which is classified as held for sale under IFRS 5.

#### Post-employment benefits

The group's and parent company's defined benefit plans are assessed annually by qualified independent actuaries. The estimate of the liabilities of the plans is based on a number of actuarial assumptions.

There is a range of possible values for each actuarial assumption and the point within that range is estimated to most appropriately reflect the group's and parent company's circumstances. Small changes in these assumptions can have a significant impact on the estimate of the liabilities of the plans. A description of those discount rate and inflation assumptions, together with sensitivity analysis, is set out in note 24 to the group and parent company accounts.

#### Tax provisions

Tax provisions are determined based on the tax laws and regulations that apply in each of the jurisdictions in which the group operates. Tax provisions are recognised where the impact of those laws and regulations is unclear and it is probable that there will be a tax adjustment representing a future outflow of funds to a tax authority or a consequent adjustment to the carrying value of a tax asset.

Provisions are measured using the 'expected value' method and the 'most likely' method. The 'expected value' method calculates exposure by reference to the sum of the probability-weighted outcome of a range of potential outcomes whilst the 'most likely' method calculates the exposure where the expected outcome is binary, or if there is concentration in a single potential outcome. The resolution of tax positions taken by the group can take a considerable period of time to conclude and, in some cases, it is difficult to predict the outcome. Tax provisions at 31st March 2026 of £23 million (2025: £59 million) are included within the current tax positions on the balance sheet and the estimation of the range of possible outcomes is an increase in those liabilities by £65 million (2025: £118 million) to a decrease of £23 million (2025: £58 million). The estimates made reflect where the group faces routine tax audits or is in ongoing disputes with tax authorities; has identified potential tax exposures relating to transfer pricing; or is contesting the tax deductibility of certain business costs.

#### Deferred tax assets

Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available, against which the deductible temporary difference can be utilised, based on management's assumptions relating to future taxable profits. Where there are insufficient future taxable profits, deferred tax assets are recognised against future taxable income arising from the reversal of deferred tax liabilities.

Determination of future taxable profits requires application of judgement and estimates, including: market share, expected changes to selling prices, product profitability, precious metal prices and other direct input costs, based on management's expectations of future changes in the markets using external sources of information where appropriate. The estimates take account of the inherent uncertainties, constraining the expected level of profit as appropriate. Changes in these estimates will affect future profits and therefore the recoverability of the deferred tax assets.

#### Refining process and stocktakes

The group's and parent company's refining businesses process significant quantities of precious metal and there are uncertainties regarding the actual amount of metal in the refining system at any one time. The group's refining businesses process around four million ounces of platinum group metals per annum with a market value of around £6 billion. The majority of metal processed is owned by customers and the group and parent company must return pre-agreed quantities of refined metal based on assays of starting materials and other contractual arrangements, such as the timing of the return of metal. The group and parent company calculate the profits or losses of their refining operations based on estimates, including the extent to which process losses are expected during refining. The risk of process losses or stocktake gains depends on the nature of the starting material being refined, the specific refining processes applied, the efficiency of those processes and the contractual arrangements.

Stocktakes are performed to determine the volume and value of metal within the refining system compared with the calculated estimates, with the variance being a profit or a loss. Stocktakes are, therefore, a key control in the assessment of the accuracy of the profit or loss of refining operations.

During the year we have recognised operational metal losses in our US refinery. We have also recognised a process loss provision in line with policy. This relates to potential process losses incurred from the date of the stocktake to 31st March 2026.

Whilst refining is a complex, large-scale industrial process, the group and parent company have appropriate processes and controls over the movement of material in their refineries. These will be updated to address the causes of the operational losses.

#### Climate change

The impact of climate change presented in the group's Strategic Report (see pages 40 to 49) and the stated net zero targets have been considered in preparing the group accounts.

The following considerations were made:

Impact on the going concern period and viability of the group over the next three years. The latest forecasts reflect the continuous investment in sustainable technologies including commercialisation of our products used in green hydrogen production and higher performance fuel cell components for a range of automotive, non-automotive and stationary applications.

# 1 Material accounting policies (continued)

## Sources of estimation uncertainty (continued)

### Climate change (continued)

The potential impact of climate change on a number of areas within the financial statements has been considered, including:

- The forecasts of cash flows used in impairment assessments for the carrying value of non-current assets including goodwill (see note 5).
- When considering the recoverability of deferred tax assets, the taxable profit forecasts are based on the same information used to support the going concern and impairment assessments.
- The expected lives of fixed assets and their exposure to the physical risk posed by climate change.

The expected lives of property, plant and equipment tends to be short to medium term, as such the physical risk posed by climate change in the long term is low.

There is no material impact on the reported numbers for the year ended 31st March 2026 from climate change.

## Judgements made in applying accounting policies

### Metal

The group and parent company use precious metal owned by customers in their production processes. It has been determined that this metal is not controlled by the group or parent company and, therefore, it is not recognised on the balance sheet.

The group and parent company manage precious metal inventories by entering into physically settled forward sales and purchases of metal positions in line with a well-established hedging policy. The own use exemption has been adopted for these transactions and, therefore, the group and parent company do not fair value such physically settled contracts.

The group undertakes linked contracts to sell or buy precious metal and commits to repurchase or sell the metal in the future to manage inventory levels. Accordingly, cash flows in respect of sale and repurchase agreements are shown as cash flows from operating activities in the cash flow statement rather than cash flows from financing activities.

### Provisions and contingent liabilities

The group is involved in various disputes and claims which arise from time to time in the course of its business including, for example, in relation to commercial matters, product quality or liability, employee matters and tax audits. The group is also involved from time to time in the course of its business in legal proceedings and actions, engagement with regulatory authorities and in dispute resolution processes. Judgement is required to determine if an outflow of economic resources is probable, or possible but not probable for such events. Where it is probable, a liability is recognised and further judgement is used to determine the amount of the provision. Where it is possible but not probable, further judgement is used to determine if the likelihood is remote, in which case no disclosures are provided; if the likelihood is not remote then a contingent liability is disclosed. Provisions and contingent liabilities are set out in notes 22 and 32, respectively.

In the course of preparing the accounts, no other judgements have been made in the process of applying the group's and parent company's accounting policies, other than those involving estimations, that have had a significant effect on the amounts recognised in the accounts.

## Assets held for sale and discontinued operations

On 22nd May 2025, the group announced the agreement of the sale of its Catalyst Technologies business to Honeywell International Inc., refer to note 26 for further information. In February 2026 an agreement was reached with Honeywell International Inc. to extend the long stop date to August 2026. The sale is on track to complete by August 2026. At the balance sheet date, the sale was considered highly probable and therefore management concluded that the criteria of IFRS 5 for classification as held for sale at 31st March 2026 has been met. Additionally, as a separately reported operating segment the disposal group is deemed a major line of business which therefore meets the criteria for classification as a discontinued operation. Consequently, the Catalyst Technologies business has been classified as held for sale and a discontinued operation within these consolidated accounts.

## Changes in accounting policies

### Amendments to accounting standards

The IASB has issued the following amendments, which have been endorsed by the UK Endorsement Board, for annual periods beginning on or after 1st January 2025:

- Amendments to IAS 21, *The Effects of Changes in Foreign Exchange Rates* relating to exchangeability of a currency

The new or amended standards and interpretations above that are effective for the year ended 31st March 2026 have not had a material impact on the group.

The group has not early adopted any standard, amendment or interpretation that was issued but is not yet effective. With the exception of IFRS 18, *Presentation and Disclosure in Financial Statements*, the group does not expect these amendments to have a material impact on the group. The group will assess the impact of IFRS 18 in due course, with it effective for accounting periods commencing 1st January 2027.

The list of amendments considered in relation to the above are as follows:

- Amendments to IFRS 9, *Financial Instruments* and IFRS 7, *Financial Instruments: Disclosures*
- IFRS 18, *Presentation and Disclosure in Financial Statements*; and
- IFRS 19, *Subsidiaries without Public Accountability*

## Non-GAAP measures

The group uses various measures to manage its business which are not defined by generally accepted accounting principles (GAAP). The group's management believes these measures provide valuable additional information to users of the accounts in understanding the group's performance. The group's non-GAAP measures are defined and reconciled to GAAP measures in note 34.

## 2 Segmental information

### Revenue, sales and underlying operating profit by business

**Clean Air** – provides catalysts for emission control after-treatment systems used in light and heavy duty vehicles powered by internal combustion engines.

**PGM Services** – enables the energy transition through providing circular solutions as demand for scarce critical materials increases. Provides a strategic service to the group, supporting the other segments with security of metal supply, and manufactures value-add PGM products.

**Hydrogen Technologies** – provides components across the value chain for fuel cells and electrolysers including catalyst coated membranes and membrane electrode assemblies.

The Group Leadership Team (the chief operating decision maker as defined by IFRS 8, *Operating Segments*) monitors the results of these operating businesses to assess performance and make decisions about the allocation of resources. Each operating business reports into the Chief Operating Officer who sits on the Group Leadership Team. These operating businesses represent the group's reportable segments and their principal activities are described on pages 15 to 18. The performance of the group's operating businesses is assessed on sales, underlying operating profit and cash generation (see note 34). Sales between segments are made at market prices, taking into account the volumes involved.

An agreement for the sale of Catalyst Technologies was announced on 22nd May 2025. Its results are therefore presented within discontinued operations (see note 26).

Year ended 31st March 2026

| | Continuing operations | | | | | |
|---|---|---|---|---|---|---|
| | Clean Air £m | PGM Services £m | Hydrogen Technologies £m | Corporate £m | Eliminations £m | Total £m |
| Revenue from external customers | 3,778 | 8,715 | 80 | – | – | **12,573** |
| Inter-segment revenue | – | 1,579 | – | – | (1,579) | **–** |
| **Revenue** | **3,778** | **10,294** | **80** | **–** | **(1,579)** | **12,573** |
| Cost of sales – precious metal to customers | (1,655) | (9,874) | (9) | – | 1,520 | **(10,018)** |
| Cost of sales – non-precious metal | (1,692) | (224) | (58) | (12) | 60 | **(1,926)** |
| **Cost of sales** | **(3,347)** | **(10,098)** | **(67)** | **(12)** | **1,580** | **(11,944)** |
| External sales | 2,123 | 361 | 71 | – | – | **2,555** |
| Inter-segment sales | – | 59 | – | – | (59) | **–** |
| **Sales**[1] | **2,123** | **420** | **71** | **–** | **(59)** | **2,555** |
| **Underlying operating profit / (loss)**[1] | **307** | **119** | **(19)** | **(67)** | **–** | **340** |

1. Sales and underlying operating profit are non-GAAP measures (see note 34). Sales excludes the cost of precious metals to customers. Underlying operating profit excludes profit on disposal of businesses, gain on significant legal proceedings and major impairment and restructuring charges.

Year ended 31st March 2025*

| | Continuing operations | | | | | | |
|---|---|---|---|---|---|---|---|
| | Clean Air £m | PGM Services (restated) £m | Hydrogen Technologies £m | Value Businesses £m | Corporate £m | Eliminations £m | Total £m |
| Revenue from external customers | 3,973 | 6,930 | 68 | 51 | – | – | **11,022** |
| Inter-segment revenue | – | 1,485 | – | – | – | (1,485) | **–** |
| **Revenue** | **3,973** | **8,415** | **68** | **51** | **–** | **(1,485)** | **11,022** |
| Cost of sales – precious metal to customers | (1,654) | (7,934) | (8) | (14) | – | 1,419 | **(8,191)** |
| Cost of sales – non-precious metal | (1,856) | (235) | (68) | (32) | (22) | 66 | **(2,147)** |
| **Cost of sales** | **(3,510)** | **(8,169)** | **(76)** | **(46)** | **(22)** | **1,485** | **(10,338)** |
| External sales | 2,319 | 415 | 60 | 37 | – | – | **2,831** |
| Inter-segment sales | – | 66 | – | – | – | (66) | **–** |
| **Sales**[1] | **2,319** | **481** | **60** | **37** | **–** | **(66)** | **2,831** |
| **Underlying operating profit / (loss)**[1] | **273** | **151** | **(39)** | **1** | **(87)** | **–** | **299** |

1. Sales and underlying operating profit are non-GAAP measures (see note 34). Sales excludes the cost of precious metals to customers. Underlying operating profit excludes profit on disposal of businesses and major impairment and restructuring charges.

* The comparative year is restated to reflect the group's updated reporting segments, where a business was moved from Catalyst Technologies to PGM Services. This resulted in an increase of £62 million revenue, £17 million sales and £2 million underlying operating profit in PGM Services, with a corresponding decrease in Catalyst Technologies. Also restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

## 2 Segmental information (continued)

### Reconciliation from underlying operating profit to operating profit by sector

Year ended 31st March 2026

| | Continuing operations | | | | |
|---|---|---|---|---|---|
| | Clean Air £m | PGM Services £m | Hydrogen Technologies £m | Corporate £m | Total £m |
| **Underlying operating profit / (loss)[1]** | **307** | **119** | **(19)** | **(67)** | **340** |
| Profit on disposal of businesses | – | – | – | 5 | **5** |
| Gain on significant legal proceedings | – | – | – | 8 | **8** |
| Major impairment and restructuring charges (note 6) | (23) | (55) | (89) | (25) | **(192)** |
| **Operating profit / (loss)** | **284** | **64** | **(108)** | **(79)** | **161** |

Year ended 31st March 2025*

| | Continuing operations | | | | | |
|---|---|---|---|---|---|---|
| | Clean Air £m | PGM Services (restated) £m | Hydrogen Technologies £m | Value Businesses £m | Corporate £m | Total £m |
| **Underlying operating profit / (loss)[1]** | **273** | **151** | **(39)** | **1** | **(87)** | **299** |
| (Loss) / profit on disposal of businesses | – | (19) | – | 29 | 472 | **482** |
| Major impairment and restructuring charges | (39) | (63) | (145) | (1) | (79) | **(327)** |
| **Operating profit / (loss)** | **234** | **69** | **(184)** | **29** | **306** | **454** |

1. Underlying operating profit is a non-GAAP measure (see note 34). Underlying operating profit excludes profit on disposal of businesses, gain on significant legal proceedings and major impairment and restructuring charges.

* The comparative year is restated to reflect the group's updated reporting segments, where a business was moved from Catalyst Technologies to PGM Services. This resulted in an increase of £62 million revenue, £17 million sales and £2 million underlying operating profit in PGM Services, with a corresponding decrease in Catalyst Technologies. Also restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

## 2 Segmental information (continued)

### Other segmental information

Year ended 31st March 2026

| | Clean Air £m | PGM Services £m | Hydrogen Technologies £m | Corporate £m | Total £m |
|---|---|---|---|---|---|
| **Segmental net assets** | **1,494** | **(11)** | **73** | **276** | **1,832** |
| Net debt (note 34) | | | | | **(880)** |
| Post-employment benefit net assets and liabilities | | | | | **202** |
| Deferred tax net assets | | | | | **29** |
| Provisions and non-current other payables | | | | | **(75)** |
| Investments in associates (note 15) | | | | | **70** |
| Net assets held for sale (note 26) | | | | | **838** |
| **Net assets** | | | | | **2,016** |
| Property, plant and equipment | 27 | 153 | 4 | 12 | **196** |
| Intangible assets | 1 | 11 | – | 8 | **20** |
| **Capital expenditure** | **28** | **164** | **4** | **20** | **216** |
| Depreciation | 64 | 25 | 2 | 12 | **103** |
| Amortisation | 4 | 2 | – | 40 | **46** |
| Impairment losses (notes 5 and 6) | 9 | 38 | 89 | – | **136** |
| **Total** | **77** | **65** | **91** | **52** | **285** |

Year ended 31st March 2025*

| | Clean Air £m | PGM Services (restated) £m | Catalyst Technologies (restated) £m | Hydrogen Technologies £m | Corporate £m | Total £m |
|---|---|---|---|---|---|---|
| **Segmental net assets** | **1,345** | **144** | **778** | **153** | **373** | **2,793** |
| Net debt | | | | | | **(799)** |
| Post-employment benefit net assets and liabilities | | | | | | **200** |
| Deferred tax net asset | | | | | | **131** |
| Provisions and non-current other payables | | | | | | **(101)** |
| Investments in associates (note 15) | | | | | | **71** |
| **Net assets** | | | | | | **2,295** |
| Property, plant and equipment | 33 | 185 | – | 25 | 10 | **253** |
| Intangible assets | 5 | 11 | – | 2 | 32 | **50** |
| **Capital expenditure** | **38** | **196** | **–** | **27** | **42** | **303** |
| Depreciation | 67 | 24 | – | 5 | 15 | **111** |
| Amortisation | 5 | 2 | – | – | 38 | **45** |
| Impairment losses (notes 5 and 6) | 25 | 39 | – | 134 | 18 | **216** |
| **Total** | **97** | **65** | **–** | **139** | **71** | **372** |

Refer to note 3 for further required disclosures per IFRS 8, *Operating Segments*.

* The comparative period is restated to reflect the group's updated reporting segments. This resulted in an increase of £23 million segmental net assets in PGM Services, with a corresponding decrease in Catalyst Technologies. The overall group total net assets are as previously reported. The PGM Services capital expenditure is also restated to reallocate £11 million from Property, plant and equipment to Intangible assets. Also restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26). Additionally, impairment losses have been restated to be presented as a positive number.

# 3 Revenue

## Products and services

The group's principal products and services by operating business and sub-business are disclosed in the table below, together with information regarding performance obligations and revenue recognition. Revenue is recognised by the group as contractual performance obligations to customers are completed.

| Sub-business | Primary industry | Principal products and services | Performance obligations | Revenue recognition |
|---|---|---|---|---|
| **Clean Air** | | | | |
| Light Duty Catalysts | Automotive | Catalysts for cars and other light duty vehicles | Point in time | On despatch or delivery |
| Heavy Duty Catalysts | Automotive | Catalysts for trucks, buses and non-road equipment | Point in time | On despatch or delivery |
| **PGM Services** | | | | |
| Platinum Group Metal Services | Various | Platinum Group Metal refining and recycling services | Over time | Based on output |
| | | Platinum Group Metal trading | Point in time | On receipt of payment or metal being available to customer |
| | | Other precious metal products | Point in time | On despatch or delivery |
| | | Platinum Group Metal chemical, industrial products and catalysts | Point in time | On despatch or delivery |
| **Hydrogen Technologies** | | | | |
| Fuel Cell and Electrolyser Technology | Various | Fuel Cell and Electrolyser catalyst coated membrane | Point in time | On despatch or delivery |

Value Businesses (Battery Systems and Medical Device Components) was disposed in the prior year. Refer to note 27 for further information.

**Metal revenue:** Metal revenue relates to the sales of precious metals to customers, either in pure form or contained within a product. Metal revenue arises in each of the reportable segments in the group. Metal revenue is affected by fluctuations in the market prices of precious metals and, in many cases, the value of precious metals is passed directly on to customers. Given the high value of these metals this makes up a significant proportion of revenue.

## Revenue judgements

### Over time revenue

Over time revenue recognition predominantly occurs in PGM Services (Refining Services), see criteria for over time recognition as defined by the group's accounting policies in note 1.

### Refining Services

The majority of the metal processed by the group and parent company's refining businesses is owned by customers and, therefore, revenue is recognised over time on the basis that the group and parent company are providing a service to enhance an asset controlled by the customer. The customer controls the metal throughout the refining process, the key indicators being legal ownership, metal price risk and that the customer has the right to claim the equivalent metal at all stages of processing.

The performance obligation contained in all refining contracts is a service arrangement to refine customer metal to a specified quality and volume by a certain date. For a contract that has multiple metals, the refinement of each metal is a separate performance obligation. We receive the contracted cash fee which is set with reference to market price at the start of the contract. Upon delivery of the refined metal to the customer, the percentage of the refined metal that we may retain at settlement is considered to be a non-cash consideration and is recognised as part of revenue at fair value.

## 3 Revenue (continued)

### Revenue judgements (continued)

#### Refining Services (continued)

Revenue from refining services is recognised using an output method by estimating the progress of the metal in the refining process. Once the customer metal is in the refining process it is commingled with metal from other customers and it is not separately identifiable. Because we have a consistent volume of metal flowing through the refinery process, we estimate that all of the metal in the refinery is on average 50% of the way through the process. We therefore recognise up to 50% of the revenue (cash service fee and non-cash consideration) for our services when metal enters the refining process. Since refining each type of metal is a separate performance obligation, once we have returned the metal to the customer, we recognise the remaining 50% of revenue for that particular metal while other metal may still be due to the same customer.

Where refinery stocktakes indicate that metal recoveries have been lower than anticipated and/or allowed for in process loss provisioning, refined metal gain revenue is reduced accordingly. Where refinery stocktakes indicate that metal recoveries have been higher than anticipated, any incremental refining metal gain revenue is only recognised once it is highly probable that a reversal in the amount of cumulative revenue recognised will not occur and the metal has been sold.

### Revenue from external customers by principal products and services

#### Year ended 31st March 2026

| | Continuing operations | | | |
|---|---|---|---|---|
| | Clean Air £m | PGM Services £m | Hydrogen Technologies £m | Total £m |
| Metal | 1,655 | 8,354 | 9 | **10,018** |
| Heavy Duty Catalysts | 729 | – | – | **729** |
| Light Duty Catalysts | 1,394 | – | – | **1,394** |
| Platinum Group Metal Services | – | 361 | – | **361** |
| Fuel Cell and Electrolyser Technology | – | – | 71 | **71** |
| **Revenue** | **3,778** | **8,715** | **80** | **12,573** |

#### Year ended 31st March 2025*

| | Continuing operations | | | | |
|---|---|---|---|---|---|
| | Clean Air £m | PGM Services (restated) £m | Hydrogen Technologies £m | Value Businesses £m | Total £m |
| Metal | 1,654 | 6,515 | 8 | 14 | **8,191** |
| Heavy Duty Catalysts | 790 | – | – | – | **790** |
| Light Duty Catalysts | 1,529 | – | – | – | **1,529** |
| Platinum Group Metal Services | – | 415 | – | – | **415** |
| Fuel Cell and Electrolyser Technology | – | – | 60 | – | **60** |
| Battery Systems | – | – | – | 15 | **15** |
| Medical Device Components | – | – | – | 21 | **21** |
| Other | – | – | – | 1 | **1** |
| **Revenue** | **3,973** | **6,930** | **68** | **51** | **11,022** |

* The comparative year is restated to reflect the group's updated reporting segments. This resulted in an increase of £61 million external revenue in PGM Services, with a corresponding decrease in Catalyst Technologies. Also restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

Notes on the Accounts for the year ended 31st March 2026 continued

## 3 Revenue (continued)

### Revenue from external customers by principal products and services (continued)

Year ended 31st March 2026

| | Continuing operations | | | |
|---|---|---|---|---|
| | Clean Air £m | PGM Services £m | Hydrogen Technologies £m | Total £m |
| Revenue recognised at a point in time | 3,778 | 8,433 | 80 | **12,291** |
| Revenue recognised over time | – | 282 | – | **282** |
| **Revenue** | **3,778** | **8,715** | **80** | **12,573** |

Year ended 31st March 2025*

| | Continuing operations | | | | |
|---|---|---|---|---|---|
| | Clean Air £m | PGM Services (restated) £m | Hydrogen Technologies £m | Value Businesses £m | Total £m |
| Revenue recognised at a point in time | 3,973 | 6,695 | 68 | 49 | **10,785** |
| Revenue recognised over time | – | 235 | – | 2 | **237** |
| **Revenue** | **3,973** | **6,930** | **68** | **51** | **11,022** |

### Geographical analysis of revenue from external customers and non-current assets

The group's country of domicile is the UK. Revenue from external customers based on the customer's location and non-current assets based on the location of the assets are disclosed below.

| | Revenue from external customers | | Non-current assets | |
|---|---|---|---|---|
| | 2026 £m | 2025 £m* | 2026 £m | 2025 £m |
| UK | 4,514 | 4,057 | 854 | 1,082 |
| Germany | 747 | 850 | 131 | 214 |
| Rest of Europe | 1,053 | 1,005 | 186 | 300 |
| USA | 2,298 | 1,843 | 274 | 421 |
| Rest of North America | 710 | 711 | 97 | 16 |
| China (including Hong Kong) | 1,364 | 1,072 | 91 | 103 |
| Rest of Asia | 1,638 | 1,232 | 88 | 128 |
| Rest of World | 249 | 252 | 4 | 4 |
| | | | **1,725** | **2,268** |
| Investments at fair value through other comprehensive income | | | 36 | 38 |
| Derivative financial instruments | | | 2 | 4 |
| Deferred income tax assets | | | 43 | 135 |
| Post-employment benefit net assets | | | 232 | 238 |
| **Total** | **12,573** | **11,022** | **2,038** | **2,683** |

* The comparative year is restated to reflect the group's updated reporting segments. This resulted in an increase of £61 million external revenue in PGM Services, with a corresponding decrease in Catalyst Technologies. This was split £25 million revenue recognised at a point in time and £36 million revenue recognised over time. Also restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

Notes on the Accounts for the year ended 31st March 2026 continued

## 3 Revenue (continued)

### Major customers

There were no external customers which represented more than 10% of the group's revenue from external customers during the year ended 31st March 2026 (2025: £1.6 billion of revenue from one external customer in the PGM Services business which was c.13%).

### Unsatisfied performance obligations

At 31st March 2026, for contracts that had an original expected duration of more than one year, the group had unsatisfied performance obligations of £305 million (2025*: £195 million), representing contractually committed revenue to be recognised at a future date. Of this amount, £86 million (2025*: £134 million) is expected to be recognised within one year and £219 million (2025*: £61 million) is expected to be recognised after one year.

### Payment terms

The group and parent company supply goods and services on payment terms that are consistent with those standard across the industry and it does not have any customer contracts with a material financing component. Where revenue is recognised over time, payment terms are generally consistent with the timeframe over which revenue is recognised.

* The comparative period is restated to reflect the group's updated reporting segments. Also restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

## 4 Operating profit

Operating profit is arrived at after charging / (crediting):

| | **2026 £m** | 2025 £m* |
|---|---|---|
| Research and development expenditure charged to operating profit | 140 | 160 |
| Less: External funding received from governments | (29) | (31) |
| **Net research and development expenditure charged to operating profit** | **111** | **129** |
| Inventories recognised as an expense | 11,354 | 9,724 |
| Past service cost / (credit)[1] | 7 | (12) |
| *Depreciation of:* | | |
| Property, plant and equipment | 98 | 105 |
| Right-of-use assets | 5 | 6 |
| **Depreciation** | **103** | **111** |
| *Amortisation of:* | | |
| Other intangible assets | 46 | 45 |
| **Amortisation** | **46** | **45** |
| **Profit on disposal of businesses (note 27)** | **(5)** | **(482)** |
| **Gain on significant legal proceedings** | **(8)** | **–** |
| Impairment losses included in major impairment and restructuring charges | 135 | 216 |
| Restructuring charges included in major impairment and restructuring charges | 57 | 111 |
| **Major impairment and restructuring charges (note 6)** | **192** | **327** |

1. During the year there was a one-off termination cost of £7 million for a US pension scheme which was closed to accrual in June 2023. This past service cost is included within restructuring charges in major impairment and restructuring charges.

### Gain on significant legal proceedings

During the year the group settled an insurance litigation and received proceeds of £8 million (2025: £nil).

| | **2026 £m** | 2025 £m** |
|---|---|---|
| *Fees payable to the company's auditor and its associates for:* | | |
| The audit of the company accounts | 3.1 | 2.9 |
| The audit of the accounts of the company's subsidiaries | 1.8 | 1.9 |
| **Total audit fees** | **4.9** | 4.8 |
| Audit-related assurance services | 0.4 | 0.4 |
| **Total non-audit fees** | **0.4** | 0.4 |
| **Total fees payable to the company's auditor and its associates** | **5.3** | 5.2 |

** Restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26). Audit fees relating to discontinued operations of £0.6 million (2025: £0.5 million) are not included in the table above.

No audit fees were paid to other auditors (2025: £nil).

Audit-related assurance services predominantly comprise of reviews of interim financial information.

## 5 Impairment losses

### Impairment testing

The group and parent company test goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired. For the purpose of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows, known as cash-generating units (CGUs). The recoverable amounts of the CGUs are determined using value in use calculations which generally use extrapolated cash flow projections based on financial budgets and plans covering a three-year period approved by management. The budgets and plans are based on a number of assumptions, including market size and share, impact of carbon pricing, expected changes to selling prices, product profitability, precious metal prices and other direct input costs, based on past experience and management's expectations of future changes in the markets using external sources of information where appropriate. We also considered how climate change will affect the future cash flows of the CGUs based on internal and external expert guidance.

## 5 Impairment losses (continued)

### Impairment testing (continued)

In addition, we review the carrying amounts of the group's and parent company's non-financial assets, including property, plant and equipment to determine whether any indications of impairment exist. Where an indication exits, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, we estimate the recoverable amount of the CGU to which the asset belongs.

### Impairment loss

During the year ended 31st March 2026, following our review for impairment triggers, an impairment loss of £1 million (2025*: £nil) has been recognised in the group income statement within administrative expenses. Impairment losses of £135 million (2025*: £216 million) have been recognised by the group in major impairments and restructuring (see note 6).

### Hydrogen Technologies

A strategic review of the business was undertaken during Q4 FY26 due to indicators of a further slow-down in the transition to hydrogen fuel cell and electrolyser technologies due to ongoing challenges with regulatory frameworks in key markets and delayed global hydrogen uptake. Management's latest demand forecasts prepared in 2026, informed by changes in published industry projections for the broader hydrogen economy, have shown a reduction of approximately 55% compared to internal demand forecasts prepared in 2025. Uncertainty in market prospects has increased this year with the ongoing impact of the Big Beautiful Bill Act decreasing regulatory clarity for hydrogen projects in the US and leading to the exit of some customers from the market. Furthermore, continued slow implementation of RED III across the EU has led to delay in the expected uptake of hydrogen technology in this market.

In light of these market and customer changes, management has impaired and written down a number of assets. Management has written down the carrying value of its inventory holdings by £36 million to its net realisable value. The remaining carrying amount of the Hydrogen Technologies CGU comprising directly attributable net assets of £57 million, of which £55 million relates to property, plant and equipment and intangible assets, was then tested for impairment as at 31st March 2026 under IAS 36. The recoverability of the remaining carrying amount of the Hydrogen Technologies CGU has then been assessed against its estimated value in use at the reporting period end date applying the key assumptions detailed below, with the fair value less costs to sell considered where this is in excess of the value in use. In the prior year we communicated the possibility of a future impairment if future market growth was delayed and, following this strategic review, management has determined an additional impairment of £52 million is required to the CGU which has been taken against the fixed and intangible assets of the business. No balance of goodwill is allocated to the Hydrogen Technologies CGU. The residual value after these impairments primarily remains in working capital within the business.

In estimating value in use, cash flows represent net operating income, less non-cash charges such as depreciation and amortisation, and ongoing investment in working capital to support the business. Capital investment is only included to maintain the existing asset base, including manufacturing assets recently completed that have not yet been brought into use, and does not include investment for any future capacity expansion. Unallocated corporate costs are considered in the model based on the CGU's share of contribution. Cash flows for the next three years are forecasted based on commercial performance derived from expected customer demand and operational performance derived from manufacturing capability in existing plants. Forecasts for years four to ten assume growth in the business based on a compound annual growth rate that management believes appropriately reflects the pace of development of the market over that period and improved operational performance from integrating new manufacturing assets already built. After this period, growth is estimated to be in line with a long-term growth rate of 3.0%. These are key areas of management estimate and have been considered in the context of the group's historical performance and leading technological position in the market for fuel cells and electrolysers but also recognising the industry challenges around scale up given the global value chain remains in an early stage of development.

The estimated recoverable amount of the Hydrogen Technologies CGU is less than its carrying amount by £52 million using a pre-tax discount rate of 15.5% which is derived from the group's post-tax weighted average cost of capital of 8.1% and adjusted for the risks applicable to the CGU (2025 pre-tax discount rate: 17.1%). Management has assessed the sensitivity of the long-term growth rate, pre-tax discount rate and operating profit margin and determined that a 1% change in these assumptions would not have a material impact on the impairment taken and therefore the carrying amount of the CGU.

### Goodwill

#### Significant CGUs

Goodwill arising on the acquisition of businesses is allocated, at acquisition, to the CGUs that are expected to benefit from that business combination. These CGUs represent the smallest identifiable groups of assets that generate cash inflows that are largely independent of the cash inflows from other groups of assets. During the year the goodwill held in respect of Catalyst Technologies was classified as assets held for sale, see note 26. Goodwill allocated to the significant CGUs is as follows:

| | **2026 £m** | 2025 £m |
|---|---|---|
| Clean Air | | |
| • Heavy Duty Catalysts | 85 | 82 |
| Catalyst Technologies | – | 263 |
| Other | 1 | 2 |
| **Total carrying amount at 31st March (note 13)** | **86** | **347** |

* Restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

## 5 Impairment losses (continued)

### Goodwill (continued)

#### Key assumptions used in value in use

Unallocated corporate costs are split between CGUs based on their share of contribution. The three-year cash flows are extrapolated using the medium term and long term average growth rates for the relevant products, industries and countries in which the CGUs operate.

The terminal year assumption is reassessed annually based on market outlook and consensus. During the year we extended the terminal year assumption of the Heavy Duty Catalysts CGU from 2040 to 2045 to reflect demand resilience in the heavy duty sector. In the medium term, growth will come from tightening emissions legislation driving demand for more sophisticated catalyst systems. Beyond the medium term, the world will increasingly use alternatives to the internal combustion engine which is reflected in the long-term decline rate used in our modelling.

Pre-tax discount rates, derived from the group's post-tax weighted average cost of capital of 8.1% (2025: 8.8%), adjusted for the risks applicable to each CGU are used to discount these projected risk-adjusted cash flows.

The key assumptions are:

| | Pre-tax discount rate | | Long term growth rate | |
|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 |
| Clean Air | | | | |
| • Heavy Duty Catalysts | **12.0%** | 13.4% | **-11.5%** | -11.5% |

Different long term growth rates are used for the Clean Air – Heavy Duty Catalysts CGU because of expected macroeconomic trends in the industry in which the business operates. The growth rate for years four to ten is expected to be -2.1% (2025: -4.9%). After that, growth is expected to decline further and, therefore, the long term growth rate above is used for year eleven onwards.

### Sensitivity analysis

The headroom for the significant CGUs, calculated as the difference between net assets including allocated goodwill at 31st March 2026 and the value in use calculations, is shown below. The table also shows, for each significant CGU, the headroom assuming a 1% decrease in the growth rate assumption and a 1% increase in the discount rate assumption used in the value in use calculations.

| | Headroom as at 31st March 2026 £m | Headroom assuming a 1% decrease in the growth rate £m | Headroom assuming a 1% increase in the discount rate £m |
|---|---|---|---|
| Clean Air | | | |
| • Heavy Duty Catalysts | 329 | 308 | 299 |

A reduction in the Heavy Duty Catalysts CGU's expected economic life by one year from 2045 reduces headroom by approximately £3 million from £329 million. We don't expect an impairment in the near term in Clean Air despite the declining long-term assumptions.

## 6 Major impairment and restructuring charges

The below amounts are excluded from the underlying operating profit of the group for continuing operations.

| | **2026 £m** | 2025 £m* |
|---|---|---|
| Property, plant and equipment | 92 | 177 |
| Other intangible assets | 4 | 38 |
| Inventories | 39 | 1 |
| **Impairment losses** | **135** | **216** |
| **Restructuring charges** | **57** | **111** |
| **Total major impairments and restructuring charges** | **192** | **327** |

* Restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

Major impairment and restructuring charges are shown separately on the face of the income statement and excluded from underlying operating profit (see note 34).

**Major impairments** – the group's impairment charge of £135 million includes an £88 million impairment to the Hydrogen Technologies cash generating unit, refer to note 5 for further information. The group has also incurred the following impairments during the year:

- £33 million in PGM Services for Hydrogen Technologies linked assets that supply Fuel cell catalysts following the strategic review and indicators outlined in note 5. In assessing the recoverable amount of such assets, management has considered the higher of fair value less costs to sell and value-in-use. Of this impairment, £25 million related to assets under construction and £4 million to inventory that no longer hold any value due to Hydrogen Technologies linked expansion projects that are not required. The fair value less costs to sell of these assets is £nil. Additionally, following a value in use assessment performed on a Hydrogen Technologies supporting plant, an impairment of £4 million was recognised reflecting its recoverable amount. This resulted in an immaterial recoverable value. Management does not consider there to be any critical assumptions or material sensitivities in this value in use calculation.
- £5 million in PGM Services relating to the China Refining plant. In the prior year the plant was impaired by £27 million with a residual value for assets expected to be utilised by other parts of the business. During the year it was deemed that £5 million of these assets can no longer be utilised. Accordingly, these assets have been impaired and an immaterial residual asset value remains.
- £9 million production related assets in Clean Air as the business continues to consolidate its existing capacity into more efficient plants.

**Major restructuring** – restructuring charges of £57 million have been recognised of which £45 million is driven by us streamlining our processes and rightsizing the group to ensure it is leaner and more efficient in the future. During the year there was also a one-off termination cost of £7 million for a US pension scheme which was closed to accrual in June 2023. Restructuring charges of £5 million were also incurred following the closure of our China Refining plant.

Notes on the Accounts for the year ended 31st March 2026 continued

## 7 Employee information

### Employee numbers

| | 2026 | 2025 |
|---|---|---|
| Clean Air | 4,340 | 4,739 |
| PGM Services | 1,920 | 1,950 |
| Catalyst Technologies | 2,069 | 1,870 |
| Hydrogen Technologies | 368 | 432 |
| Value Businesses | – | 156 |
| Corporate[1] | 1,340 | 1,497 |
| **Monthly average number of employees** | **10,037** | **10,644** |

1. The Corporate segment includes global functions serving our business units including finance, procurement, HR and IT.

| | 2026 £m | 2025 £m* |
|---|---|---|
| Wages and salaries | 395 | 441 |
| Social security costs | 56 | 60 |
| Post-employment costs (note 24) | 51 | 34 |
| Share-based payments (note 30) | 12 | 15 |
| Termination benefits | 7 | 7 |
| **Employee benefits expense** | **521** | **557** |

* Restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26). Although no impact to the Consolidated Income Statement, the prior year has also been restated to increase wages and salaries by £21 million and social security costs by £14 million following an error in the prior year disclosure.

## 8 Investment income and financing costs

| | 2026 £m | 2025 £m** |
|---|---|---|
| Net loss on remeasurement of foreign currency swaps held at fair value through profit or loss | (17) | (13) |
| Interest payable on financial liabilities held at amortised cost and interest on related swaps | (84) | (72) |
| Interest payable on other liabilities[1] | (78) | (53) |
| Interest payable on lease liabilities | (2) | (2) |
| Interest payable on post-employment benefits | (1) | (1) |
| **Total finance costs** | **(182)** | **(141)** |
| Net gain on remeasurement of foreign currency swaps held at fair value through profit or loss | 5 | 3 |
| Interest receivable on financial assets held at amortised cost | 15 | 17 |
| Interest receivable on other assets[1] | 80 | 59 |
| Interest receivable on post-employment benefits | 13 | 8 |
| **Total investment income** | **113** | **87** |
| **Net finance costs** | **(69)** | **(54)** |

1. Interest payable and receivable on other liabilities and assets mainly comprises interest on precious metal leases and the amortisation of contango and backwardation on precious metal inventory and sale and repurchase agreements.

** Restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

## 9 Tax expense

| | 2026 £m | 2025 £m |
|---|---|---|
| **Current tax** | | |
| Corporation tax on profit for the year | 48 | 132 |
| Adjustment for prior years | 18 | (19) |
| **Total current tax** | **66** | **113** |
| **Deferred tax** | | |
| Origination and reversal of temporary differences | 123 | 5 |
| Adjustment for prior years | – | (5) |
| **Total deferred tax (note 23)** | **123** | **–** |
| **Tax expense** | **189** | **113** |

The tax expense can be reconciled to profit before tax in the income statement as follows:

| | 2026 £m | 2025 £m |
|---|---|---|
| Profit before tax from continuing operations | 91 | 403 |
| Profit before tax from discontinued operations | 2 | 83 |
| **Profit before tax** | **93** | **486** |
| Tax expense at UK corporation tax rate of 25% (2025: 25%) | 23 | 122 |
| Effects of: | | |
| Overseas tax rates | (17) | (16) |
| Expenses not deductible for tax purposes | 4 | 48 |
| Irrecoverable withholding tax | 18 | 16 |
| Losses and other temporary differences not recognised | 92 | 5 |
| Previously recognised losses and other temporary differences now not recognised | 84 | 31 |
| Adjustment for prior years | 18 | (24) |
| Patent box/Innovation box | (13) | (12) |
| Other tax incentives | (3) | (8) |
| Disposal of businesses | 6 | (48) |
| Pillar Two top up tax | 7 | 3 |
| Other (see below for further details) | (30) | (4) |
| **Tax expense** | **189** | **113** |
| Tax expense from continuing operations | 182 | 93 |
| Tax expense from discontinued operations | 7 | 20 |
| **Tax expense** | **189** | **113** |

Adjustments for prior years include current tax adjustments primarily in respect of the UK mainly due to a prior year withholding tax debtor treated as irrecoverable.

Other tax incentives include research and development tax incentives in the US and China.

## 9 Tax expense (continued)

Other movements of (£30) million above, mainly include movements in respect of provisions for uncertain tax positions ('UTP'). Because of UK DTA de-recognition in the year, UK UTP liabilities of (£6) million have been de-recognised to reflect that there are also unrecognised UK tax losses which are available to offset these.

A UK deferred tax asset of £170 million has been de-recognised in the current period as a result of the proposed Catalyst Technologies business disposal and the related impact to UK forecast taxable income. Of the £170 million, £84 million relates to previously recognised UK losses and other temporary differences now de-recognised and £92 million relates to current year losses and other temporary differences not recognised. Against the total of the £176 million not recognised, there is an offset for the deferred tax asset derecognition relating to the UK element of the of provisions for uncertain tax positions of (£6) million, resulting in the £170 million de-recognised.

The group is in scope under the UK Pillar Two rules in respect of the multi-national top up tax, by virtue of the ultimate parent company being tax resident in the UK. Pillar Two legislation has been enacted in the UK, as well as several other territories where the group operates.

Under the UK legislation, the group is liable to pay a top-up tax for the difference between its Global Anti-Base Erosion ('GloBE') effective tax rate per jurisdiction and the 15% minimum rate. We have undertaken an assessment of the group's potential to additional taxes under Pillar Two and conclude that, for the year ended 31st March 2026, the group is expected to meet the exemptions in the Transitional Country by Country Reporting ('CbCR') safe harbours in all tax jurisdictions in which it operates, except for Bermuda, Hong Kong, the Netherlands, North Macedonia, Poland, South Africa and Switzerland. Income tax expense recognised in the consolidated statement of profit and loss for the year ended 31st March 2026 includes £7 million (2025: £3 million) related to Pillar Two income taxes. This component of current tax expense mainly relates to profits earned in North Macedonia and Poland and relates to the QDMTT (Qualifying Domestic Minimum Top-up Tax) introduced in both these countries. The group is continuing to monitor potential impacts to the level of necessary provision as further OECD guidance is published, including, as territories implement legislation to enact the rules, and as territories increase their domestic Corporate Tax rate in response to the OECD Pillar Two rules.

## 10 (Loss) / earnings per ordinary share

(Loss) / earnings per ordinary share have been calculated by dividing loss or profit for the year by the weighted average number of shares in issue during the year.

| | **2026 pence** | 2025 pence |
|---|---|---|
| **(Loss) / earnings per share** | | |
| Basic | **(57.2)** | 211.8 |
| Diluted | **(56.9)** | 211.2 |
| Basic from continuing operations | **(54.1)** | 176.0 |
| Diluted from continuing operations | **(53.9)** | 175.5 |

See note 26 for the earnings per ordinary share from discontinued operations. See note 34 for the underlying earnings per ordinary share.

| | **2026** | 2025 |
|---|---|---|
| **(Loss) / earnings (£ million)** | | |
| Basic and diluted (loss) / earnings | (96) | 373 |
| **Weighted average number of shares in issue** | | |
| Basic | 168,153,798 | 175,966,787 |
| Dilution for long-term incentive plans | 852,839 | 449,667 |
| **Diluted** | **169,006,637** | **176,416,454** |

Presented (loss) / earnings per ordinary share have been calculated using unrounded numbers.

## 11 Property, plant and equipment

| | Land and buildings £m | Leasehold improvements £m | Plant and machinery £m | Assets in the course of construction £m | Total £m |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1st April 2024 | 591 | 23 | 2,143 | 515 | 3,272 |
| Additions | 1 | 1 | 24 | 294 | 320 |
| Transfers from assets in the course of construction | 25 | 1 | 123 | (149) | – |
| Transfers to other intangible assets (note 14) | – | – | (3) | (18) | (21) |
| Reclassification | – | – | – | 2 | 2 |
| Disposals | – | (3) | (21) | – | (24) |
| Exchange adjustments | (12) | – | (34) | (1) | (47) |
| **At 31st March 2025** | **605** | **22** | **2,232** | **643** | **3,502** |
| Additions | – | 5 | 16 | 180 | 201 |
| Transfers from assets in the course of construction | 4 | 2 | 118 | (124) | – |
| Transferred to assets classified as held for sale (note 26) | (58) | (13) | (469) | (78) | (618) |
| Reclassification | (4) | 6 | (5) | (1) | (4) |
| Disposals | (1) | (1) | (28) | (7) | (37) |
| Exchange adjustments | 2 | (1) | 1 | – | 2 |
| **At 31st March 2026** | **548** | **20** | **1,865** | **613** | **3,046** |
| **Accumulated depreciation and impairment** | | | | | |
| At 1st April 2024 | 290 | 12 | 1,522 | 12 | 1,836 |
| Charge for the year | 15 | 1 | 108 | – | 124 |
| Impairment losses (notes 5 and 6)[2] | 25 | – | 54 | 100 | 179 |
| Reclassification | – | – | 2 | – | 2 |
| Disposals | – | (3) | (21) | – | (24) |
| Exchange adjustments | (5) | 1 | (22) | – | (26) |
| **At 31st March 2025** | **325** | **11** | **1,643** | **112** | **2,091** |
| Charge for the year | 12 | 2 | 89 | – | 103 |
| Impairment losses (notes 5 and 6)[1] | 3 | – | 52 | 37 | 92 |
| Transfers from assets in the course of construction | – | – | 3 | (3) | – |
| Transferred to assets classified as held for sale (note 26) | (30) | (4) | (313) | (1) | (348) |
| Reclassification | (2) | 3 | (4) | (1) | (4) |
| Disposals | (1) | – | (29) | (6) | (36) |
| Exchange adjustments | – | – | 1 | – | 1 |
| **At 31st March 2026** | **307** | **12** | **1,442** | **138** | **1,899** |
| **Carrying amount at 31st March 2026** | **241** | **8** | **423** | **475** | **1,147** |
| Carrying amount at 31st March 2025 | 280 | 11 | 589 | 531 | 1,411 |
| Carrying amount at 1st April 2024 | 301 | 11 | 621 | 503 | 1,436 |

1. During the year, the group recognised impairments of £92 million included within major impairment and restructuring charges.
2. During the prior year, the group recognised impairments of £179 million. £177 million of the impairment charge is included within major impairment and restructuring charges, with £2 million included in administrative expenses. £1 million related to discontinued operations, see note 26.

Finance costs capitalised were £10 million (2025: £5 million) and the capitalisation rate used to determine the amount of finance costs eligible for capitalisation was 3.7% (2025: 3.8%).

Assets classified as held for sale relate to Catalyst Technologies, see note 26. Difference to note 26 of £47 million is driven by capital expenditure between the held for sale classification date and balance sheet date.

## 12 Leases

### Leasing activities

The group leases some of their property, plant and equipment which are used by the group in their operations.

| | Land and buildings £m | Plant and machinery £m | Total £m |
|---|---|---|---|
| **At 1st April 2024** | 36 | 4 | 40 |
| New leases, remeasurements and modifications | 22 | – | 22 |
| Depreciation charge for the year | (9) | (1) | (10) |
| Impairment losses | (1) | – | (1) |
| Exchange adjustments | 1 | 1 | 2 |
| **At 31st March 2025** | **49** | **4** | **53** |
| New leases, remeasurements and modifications | 5 | 1 | 6 |
| Depreciation charge for the year | (4) | (1) | (5) |
| Impairment losses[1] | (1) | – | (1) |
| Transferred to assets classified as held for sale (note 26) | (20) | (1) | (21) |
| Exchange adjustments | 1 | – | 1 |
| **At 31st March 2026** | **30** | **3** | **33** |

1. Included within administrative expenses – refer to note 5.

Assets classified as held for sale relate to Catalyst Technologies, see note 26.

| | 2026 £m | 2025 £m |
|---|---|---|
| Current | 4 | 6 |
| Non-current | 24 | 40 |
| **Total liabilities** | **28** | **46** |

| | 2026 £m | 2025 £m |
|---|---|---|
| Interest expense | 2 | 2 |

The weighted average incremental borrowing rate applied to the group's lease liabilities was 5.9% (2025*: 5.3%).

A maturity analysis of lease liabilities is disclosed in note 28.

| | 2026 £m | 2025 £m* |
|---|---|---|
| Total cash outflow for leases | 4 | 6 |

The expense relating to low-value and short-term leases is immaterial.

* Restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

## 13 Goodwill

| | £m |
|---|---|
| **Cost** | |
| At 1st April 2024 | 426 |
| Exchange adjustments | (6) |
| **At 31st March 2025** | **420** |
| Transferred to assets classified as held for sale (note 26) | (263) |
| Exchange adjustments | 2 |
| **At 31st March 2026** | **159** |
| **Accumulated impairment** | |
| **At 1st April 2024, 31st March 2025 and 31st March 2026** | **73** |
| **Carrying amount at 31st March 2026** | **86** |
| Carrying amount at 31st March 2025 | 347 |
| Carrying amount at 1st April 2024 | 353 |

## 14 Other intangible assets

| | Customer contracts and relationships £m | Computer software £m | Patents, trademarks and licences £m | Acquired research and technology £m | Development expenditure £m | Assets in the course of construction £m* | Total £m |
|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | |
| At 1st April 2024 | 103 | 536 | 32 | 30 | 134 | – | 835 |
| Additions | – | 54 | – | – | 2 | – | 56 |
| Disposals | – | (1) | – | – | – | – | (1) |
| Transfers from property, plant and equipment (note 11) | – | 21 | – | – | – | – | 21 |
| Reclassification | – | (3) | – | – | 3 | – | – |
| Exchange adjustments | – | – | (1) | – | – | – | (1) |
| **At 31st March 2025** | **103** | **607** | **31** | **30** | **139** | **–** | **910** |
| Additions | – | 5 | – | – | – | 15 | 20 |
| Reclassifications (to) / from assets in the course of construction | – | (62) | – | – | 1 | 61 | – |
| Transferred to assets classified as held for sale (note 26) | (79) | (45) | (24) | (12) | (5) | – | (165) |
| Reclassification | – | (1) | 1 | – | – | – | – |
| Disposals | – | (17) | – | – | – | – | (17) |
| Exchange adjustments | – | – | – | 1 | – | – | 1 |
| **At 31st March 2026** | **24** | **487** | **8** | **19** | **135** | **76** | **749** |
| **Accumulated amortisation and impairment** | | | | | | | |
| At 1st April 2024 | 91 | 252 | 28 | 30 | 133 | – | 534 |
| Charge for the year | 3 | 48 | 1 | – | 1 | – | 53 |
| Impairment losses (note 6) | – | 38 | – | – | – | – | 38 |
| Disposals | – | (1) | – | – | – | – | (1) |
| Exchange adjustments | – | – | (1) | – | (1) | – | (2) |
| **At 31st March 2025** | **94** | **337** | **28** | **30** | **133** | **–** | **622** |
| Charge for the year | 1 | 45 | – | – | 1 | – | 47 |
| Impairment losses[1] | – | 1 | – | – | – | 3 | 4 |
| Reclassifications to assets in the course of construction | – | (16) | – | – | – | 16 | – |
| Transferred to assets classified as held for sale (note 26) | (70) | (11) | (23) | (13) | – | – | (117) |
| Disposals | – | (14) | – | – | – | – | (14) |
| Exchange adjustments | (1) | – | – | 2 | – | – | 1 |
| **At 31st March 2026** | **24** | **342** | **5** | **19** | **134** | **19** | **543** |
| **Carrying amount at 31st March 2026** | **–** | **145** | **3** | **–** | **1** | **57** | **206** |
| Carrying amount at 31st March 2025 | 9 | 270 | 3 | – | 6 | – | 288 |
| Carrying amount at 1st April 2024 | 12 | 284 | 4 | – | 1 | – | 301 |

1. During the year, the group recognised impairments of £4 million included within major impairment and restructuring charges.

* During the year, the group expanded the other intangible assets note to include assets in the course of construction. This resulted in a reclassification of £99 million cost of assets and £16 million of associated impairments previously recorded under computer software to assets in the course of construction. Following completion of construction, £37 million of assets were transferred from assets in the course of construction to computer software and £1 million of assets transferred from assets in the course of construction to development expenditure.

Assets classified as held for sale relate to Catalyst Technologies, see note 26.

Notes on the Accounts for the year ended 31st March 2026 continued

## 15 Investments in associates

| | 2026 £m | 2025 £m |
|---|---|---|
| **Investments in associates** | **70** | 71 |

The movements in the year were:

| | Associates £m |
|---|---|
| At 1st April 2024 | 71 |
| Group's share of profit for the year | 3 |
| Exchange adjustments | (3) |
| **At 31st March 2025** | **71** |
| Group's share of loss for the year | (1) |
| **At 31st March 2026** | **70** |

As part of the disposal of our Health business in the year ended 31st March 2023, we received £75 million in the form of shares which constitutes an approximately 30% equity interest in the re-branded business, Veranova Parent Holdco L.P. ('Veranova'). The group has determined that it has significant influence and therefore has equity accounted this stake as an investment in associate.

Financial information for Veranova for the year to 31st March 2026 is provided below, note Veranova's financial year end is 31st December. The information disclosed reflects the amounts presented in the financial statements of Veranova and not the group's share of those amounts.

| | 2026 £m | 2025 £m |
|---|---|---|
| **Summarised balance sheet** | | |
| Non-current assets | 126 | 100 |
| Cash and cash equivalents | 21 | 28 |
| Other current assets | 129 | 153 |
| **Current assets** | **150** | **181** |
| Current liabilities | (53) | (55) |
| Non-current liabilities | (4) | – |
| **Net assets** | **219** | **226** |
| **Summarised statement of comprehensive income** | | |
| Revenue | 211 | 220 |
| Depreciation and amortisation | (13) | (11) |
| Income tax expense | – | – |
| (Loss) / profit for the year and total comprehensive (expense) / income | (4) | 6 |

## 16 Inventories

| | 2026 £m | 2025 £m |
|---|---|---|
| Raw materials and consumables | 170 | 244 |
| Work in progress | 562 | 501 |
| Finished goods and goods for resale | 133 | 266 |
| **Inventories** | **865** | **1,011** |

Work in progress includes £430 million (2025: £273 million) of precious metal which is committed to future sales to customers and valued at the price at which it is contractually committed.

Write-downs of inventories amounted to £43 million (2025: £4 million). These were recognised as an expense during the year ended 31st March 2026, with £39 million of the write-down charge included within major impairment and restructuring charges (see note 6) and £4 million included in cost of sales in the income statement.

## 17 Trade and other receivables

| | 2026 £m | 2025 £m |
|---|---|---|
| **Current** | | |
| Trade receivables | 866 | 925 |
| Contract receivables | 78 | 53 |
| Prepayments | 53 | 70 |
| Value added tax and other sales tax receivable[1] | 101 | 116 |
| Advance payments to customers | 5 | 7 |
| Amounts receivable under precious metal sale and repurchase agreements[2] | 217 | 282 |
| Other receivables | 110 | 79 |
| **Trade and other receivables** | **1,430** | **1,532** |
| **Non-current** | | |
| Value added tax and other sales tax receivable[1] | 82 | – |
| Advance payments to customers | 42 | 40 |
| Other receivables | 59 | 58 |
| **Other receivables** | **183** | **98** |

1. In the prior year there was a £33 million VAT receivable from an overseas tax authority which was included in current receivables. At 31st March 2025 we expected to recover this VAT within twelve months from the tax authorities. This balance has increased during the current year and at 31st March 2026 the total receivable is £111 million, of which we expect to recover £29 million within the next twelve months. During the year, we engaged external advisors to corroborate the recoverability of this receivable with no issues noted. In May 2026 we commenced the first reimbursement process for this receivable.
2. The fair value of the precious metal contracted to be sold by the group under sale and repurchase agreements is £225 million (2025: £300 million).

The group enters into factoring type arrangements in a small number of countries as part of normal business due to longer than standard payment terms and we seek to collect payments in the month following sale. As at 31st March 2026, the level of these arrangements was approximately £175 million (2025: approximately £135 million).

Trade receivables and contract receivables are net of expected credit losses (see note 28).

Notes on the Accounts for the year ended 31st March 2026 continued

## 18 Derivative financial instruments

| | 2026 £m | 2025 £m |
|---|---|---|
| **Non-current assets** | | |
| Cross currency and interest rate swaps | 2 | 4 |
| **Derivative financial instruments** | **2** | **4** |
| | | |
| **Current assets** | | |
| Forward foreign exchange contracts designated as cash flow hedges | 2 | 7 |
| Forward precious metal price contracts designated as cash flow hedges | 5 | 31 |
| Forward foreign exchange contracts and currency swaps at fair value through profit or loss | 15 | 4 |
| Cross currency and interest rate swaps | – | 13 |
| **Derivative financial instruments** | **22** | **55** |
| | | |
| **Current liabilities** | | |
| Forward foreign exchange contracts designated as cash flow hedges | (4) | (2) |
| Forward foreign exchange contracts and currency swaps at fair value through profit or loss | (5) | (11) |
| Cross currency and interest rate swaps | – | (1) |
| **Derivative financial instruments** | **(9)** | **(14)** |
| | | |
| **Non-current liabilities** | | |
| Cross currency and interest rate swaps | (13) | (9) |
| **Derivative financial instruments** | **(13)** | **(9)** |

## 19 Trade and other payables

| | 2026 £m | 2025 £m |
|---|---|---|
| **Current** | | |
| Trade payables | 658 | 667 |
| Contract liabilities | 36 | 105 |
| Accruals | 268 | 310 |
| Amounts payable under precious metal sale and repurchase agreements[1] | 948 | 669 |
| Other payables | 244 | 233 |
| **Trade and other payables** | **2,154** | **1,984** |
| | | |
| **Non-current** | | |
| Other payables | 7 | 6 |
| **Trade and other payables** | **7** | **6** |

1. The fair value of the precious metal contracted to be repurchased by the group under sale and repurchase agreements is £927 million (2025: £687 million).

The amount of the contract liabilities balance at 31st March 2025 which was recognised in revenue during the year ended 31st March 2026 for the group company was £13 million (2025*: £39 million).

* Restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

## 20 Borrowings

| | 2026 £m | 2025 £m |
|---|---|---|
| **Non-current** | | |
| Bank and other loans | | |
| 3.97% $120 million Bonds 2027 | (91) | (93) |
| SONIA + 1.25% UKEF EDG £ Facility 2028 | (249) | (250) |
| EURIBOR + 1.20% UKEF EDG € Facility 2028 | (156) | (148) |
| 3.39% $180 million Bonds 2028 | (136) | (138) |
| 1.81% €90 million Bonds 2028 | (73) | (68) |
| 2.77% £35 million Bonds 2029 | (35) | (35) |
| 3.00% $50 million Bonds 2029 | (38) | (39) |
| 4.10% $30 million Bonds 2030 | (23) | (23) |
| 2.92% €25 million Bonds 2030 | (22) | (21) |
| 5.02% $95 million Bonds 2031 | (72) | (73) |
| 4.03% €125 million Bonds 2031 | (108) | (104) |
| 1.90% €225 million Bonds 2032 | (195) | (188) |
| 5.18% $34 million Bonds 2034 | (26) | (26) |
| 4.19% €94 million Bonds 2034 | (81) | (78) |
| 4.32% €20 million Bonds 2036 | (17) | (17) |
| **Borrowings** | **(1,322)** | **(1,301)** |
| **Current** | | |
| 3.14% $130 million Bonds 2025 | – | (100) |
| 1.40% €77 million Bonds 2025 | – | (63) |
| 2.54% £45 million Bonds 2025 | – | (45) |
| 3.79% $130 million Bonds 2025 | – | (100) |
| Other bank loans | (20) | (25) |
| **Borrowings** | **(20)** | **(333)** |

The 1.81% €90 million Bonds 2028 have been swapped into floating rate euros. The 3.00% $50 million Bonds 2029 has been swapped into euros at 1.71%, $50 million of the 5.02% $95 million Bonds 2031 has been swapped into sterling at 5.37%, $45 million of the 5.02% $95 million Bonds 2031 has been swapped into sterling at 5.20% and the 5.18% $34 million Bonds 2034 has been swapped at sterling at 5.31%.

All borrowings bear interest at fixed rates with the exception of the UKEF EDG EUR and GBP facilities which bear interest at 6 Months EURIBOR plus 1.20% and SONIA plus 1.25% and bank overdrafts, which bear interest at commercial floating rates.

The margins on the UKEF EDG financing are impacted by the group's ability to meet targets around the reduction in its scope 1 and 2 emissions. The final repayment amounts for the following bonds (issued in 2022) are also impacted by the group's ability to meet targets around the reduction in its scope 1 and 2 emissions:

- 2.77% £35 million Bonds 2029
- 3.00% $50 million Bonds 2029
- 1.90% €225 million Bonds 2032

Notes on the Accounts for the year ended 31st March 2026 continued

## 21 Movements in assets and liabilities arising from financing activities

| | 31st March 2025 £m | Cash (inflow)/ outflow £m | Non-cash movements: Transfers £m | Non-cash movements: Transfers to held for sale £m | Non-cash movements: Foreign exchange movements £m | Non-cash movements: Fair value and other movements £m | 31st March 2026 £m |
|---|---|---|---|---|---|---|---|
| **Non-current assets** | | | | | | | |
| Derivative financial instruments – cross currency and interest rate swaps | 4 | – | – | – | (2) | – | **2** |
| **Non-current liabilities** | | | | | | | |
| Borrowings | (1,301) | – | – | – | (19) | (2) | **(1,322)** |
| Derivative financial instruments – cross currency and interest rate swaps | (9) | – | – | – | – | (4) | **(13)** |
| Lease liabilities | (40) | – | 2 | 18 | – | (4) | **(24)** |
| **Current assets** | | | | | | | |
| Derivative financial instruments – cross currency and interest rate swaps | 13 | (9) | – | – | (3) | (1) | **–** |
| **Current liabilities** | | | | | | | |
| Borrowings | (333) | 316 | – | – | (1) | (2) | **(20)** |
| Derivative financial instruments – cross currency and interest rate swaps | (1) | – | – | – | – | 1 | **–** |
| Lease liabilities | (6) | 4 | (2) | 1 | – | (1) | **(4)** |
| **Net movements in assets and liabilities arising from financing activities** | | **311** | **–** | **19** | **(25)** | **(13)** | |

| | |
|---|---|
| Dividends paid to equity shareholders | 129 |
| Interest paid | 186 |
| Net cash outflow from financing activities – discontinued operations | 4 |
| **Net cash outflow from financing activities** | **630** |

Notes on the Accounts for the year ended 31st March 2026 continued

## 21 Movements in assets and liabilities arising from financing activities (continued)

| | 31st March 2024 £m | Cash (inflow)/ outflow £m | Non-cash movements: Transfers £m | Transfers to held for sale £m | Foreign exchange movements £m | Fair value and other movements £m | 31st March 2025 £m |
|---|---|---|---|---|---|---|---|
| **Non-current assets** | | | | | | | |
| Derivative financial instruments | 15 | – | (14) | – | (1) | 4 | **4** |
| **Non-current liabilities** | | | | | | | |
| Borrowings | (1,339) | (297) | 312 | – | 13 | 10 | **(1,301)** |
| Derivative financial instruments | (10) | – | 1 | – | – | – | **(9)** |
| Lease liabilities | (24) | – | 6 | – | – | (22) | **(40)** |
| **Current assets** | | | | | | | |
| Derivative financial instruments – cross currency and interest rate swaps | – | – | 13 | – | (2) | 2 | **13** |
| **Current liabilities** | | | | | | | |
| Borrowings | (110) | 84 | (309) | – | 2 | – | **(333)** |
| Derivative financial instruments – cross currency and interest rate swaps | – | – | (3) | – | – | 2 | **(1)** |
| Lease liabilities | (8) | 9 | (6) | – | – | (1) | **(6)** |
| **Net movements in assets and liabilities arising from financing activities** | | **(204)** | **–** | **–** | **12** | **(5)** | |

| | |
|---|---|
| Purchase of treasury shares | 251 |
| Dividends paid to equity shareholders | 138 |
| Interest paid | 148 |
| **Net cash outflow from financing activities** | **333** |

## 22 Provisions

| | Restructuring provisions £m | Warranty and technology provisions £m | Other provisions £m | Total £m |
|---|---|---|---|---|
| At 1st April 2024 | 30 | 8 | 42 | 80 |
| Charge for the year | 36 | 1 | 7 | 44 |
| Utilised | (24) | (2) | – | (26) |
| Released | – | (2) | (1) | (3) |
| **At 31st March 2025** | **42** | **5** | **48** | **95** |
| Charge for the year | 17 | 2 | 8 | 27 |
| Utilised | (17) | – | (2) | (19) |
| Released[1] | (11) | (1) | (14) | (26) |
| Transferred to liabilities classified as held for sale (note 26) | – | (5) | (4) | (9) |
| **At 31st March 2026** | **31** | **1** | **36** | **68** |

| | 2026 £m | 2025 £m |
|---|---|---|
| Current | 51 | 69 |
| Non-current | 17 | 26 |
| **Total provisions** | **68** | **95** |

1. £10 million is included within administrative expenses, driven by the release of certain tax provisions. £11 million is included within major impairment and restructuring charges following the release of specific Clean Air and Hydrogen Technologies restructuring provisions which are no longer required. £3 million is included within profit on disposal of businesses following the completion of prior period disposal activities. The remaining £2 million relates to discontinued operations.

### Restructuring

The restructuring provisions are part of the group's efficiency initiatives (see note 6) and are expected to be utilised within one year.

### Warranty and technology

The warranty and technology provisions represent management's best estimate of the group's liability under warranties granted and remedial work required under technology licences based on past experience in Clean Air. Warranties generally cover a period of up to three years.

### Other

The other provisions include environmental and legal provisions arising across the group. Amounts provided reflect management's best estimate of the expenditure required to settle the obligations at the balance sheet date.

## 23 Deferred tax

| | Property, plant and equipment £m | Post-employment benefits £m | Provisions £m | Inventories £m | Intangibles £m | Tax losses £m | Other £m | Total deferred tax assets / (liabilities) £m |
|---|---|---|---|---|---|---|---|---|
| At 1st April 2024 | 37 | (41) | 63 | 27 | (8) | 56 | (8) | 126 |
| Credit / (charge) to the income statement | 22 | (12) | (19) | (13) | (4) | 25 | 1 | – |
| Reclassification | – | – | (6) | 4 | – | – | 2 | – |
| Tax on items taken directly to or transferred from equity | – | (8) | – | – | – | – | 10 | 2 |
| Exchange adjustments | 1 | (1) | (1) | – | – | – | 4 | 3 |
| **At 31st March 2025** | **60** | **(62)** | **37** | **18** | **(12)** | **81** | **9** | **131** |
| (Charge) / credit to the income statement (note 9) | (63) | – | – | 2 | (8) | (38) | (16) | **(123)** |
| Transferred to assets classified as held for sale | 5 | (1) | (1) | (1) | 12 | – | (1) | **13** |
| Tax on items taken directly to or transferred from equity | – | 3 | – | – | – | – | 10 | **13** |
| Exchange adjustments | (1) | (2) | – | – | – | – | (2) | **(5)** |
| **At 31st March 2026** | **1** | **(62)** | **36** | **19** | **(8)** | **43** | **–** | **29** |

| | 2026 £m | 2025 £m |
|---|---|---|
| Deferred tax assets | 43 | 135 |
| Deferred tax liabilities | (14) | (4) |
| **Net amount** | **29** | **131** |

The closing deferred tax asset balance almost entirely relates to China.

Included in the £123 million charge to the income statement above, is the UK deferred tax asset of £170 million that has been de-recognised in the current period as a result of the agreed Catalyst Technologies business disposal and the related impact to UK forecast taxable income. Refer to note 9 for further details.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. The recoverability of deferred tax assets is supported by future taxable profits where available, as determined by budgets and plans. Where there are insufficient future taxable profits, deferred tax assets are recognised against future taxable income arising from the reversal of deferred tax liabilities.

Deferred tax has not been recognised in respect of tax losses of £641 million (2025: £245 million) and other temporary differences of £431 million (2025: £30 million). Of the total tax losses, £122 million (2025: £112 million) is expected to expire within 5 years, £nil within 5 to 10 years (2025: £36 million), £nil after 10 years (2025: £nil) and £519 million carry no expiry (2025: £97 million). The £431 million for other temporary differences mainly relates to plant and equipment tax values not recognised in the year of £347 million. The deferred tax assets in relation to these tax losses and other temporary differences have not been recognised, on the basis that their future economic benefit is not probable.

No deferred tax liability has been recognised in respect of £1,106 million (2025: £860 million) of unremitted earnings of subsidiaries because the group is able to control the timing of the reversal of the temporary difference, and it is probable that such differences will not reverse in the foreseeable future.

The majority of the deferred tax assets and liabilities noted above are anticipated to be realised after more than 12 months.

## 24 Post-employment benefits

### Background

#### Pension plans

The group operates a number of post-employment retirement and medical benefit plans around the world. The retirement plans in the UK, US and other countries include both defined contribution and defined benefit plans.

For defined contribution plans, retirement benefits are determined by the value of funds arising from contributions paid in respect of each employee and the investment returns on those contributions prior to retirement.

For defined benefit plans, which include final salary, career average and other types of plans with committed pension payments, the retirement benefits are based on factors, such as the employee's pensionable salary and length of service. The majority of the group's final salary and career average defined benefit retirement plans are now closed to new entrants and future accrual. The UK offers a Cash Balance scheme which provides a lump sum at retirement.

#### Regulatory framework and governance

The UK pension plan, the Johnson Matthey Employees' Pension Scheme (JMEPS), is a registered arrangement established under trust law and, as such, is subject to UK pension, tax and trust legislation. It is managed by a corporate trustee, JMEPS Trustees Limited. The Trustee Board includes representatives appointed by both the parent company and employees. A professional trustee firm was appointed as the independent chair.

Although the parent company bears the financial cost of the plan, the trustee directors are responsible for the overall management and governance of JMEPS, including compliance with all applicable legislation and regulations. The trustee directors are required by law to act in the interests of all relevant beneficiaries and: to set certain policies; to manage the day-to-day administration of the benefits; and to set the plan's investment strategy following consultation with the parent company.

UK pensions are regulated by the Pensions Regulator whose statutory objectives and regulatory powers are described on its website: www.thepensionsregulator.gov.uk

The JMEPS Trustee Board considers how climate risk is integrated within investment processes when appointing, monitoring and withdrawing from investment managers using the investment consultant's Environmental, Social and Governance (ESG) ratings. The ESG ratings include consideration of climate risk management policies. On a periodic basis, JMEPS will review the ESG ratings assigned to the underlying investments based on the investment consultant's ESG research.

The US pension plans are qualified pension arrangements and are subject to the requirements of the Employee Retirement Income Security Act, the Pension Protection Act 2006 and the Department of Labor and Internal Revenue. The plans are managed by a pension committee which acts as the fiduciary and, as such, is ultimately responsible for: the management of the plans' investments; compliance with all applicable legislation and regulations; and overseeing the general management of the plans.

Other trustee or fiduciary arrangements that have similar responsibilities and obligations are in place for the group's other funded defined benefit pension plans outside of the UK and US.

#### Benefits

The UK defined benefit pension plan has two sections – a closed legacy section which provides final salary and career average pension benefits and an open hybrid arrangement which provides three levels of membership offering cash balance and defined contribution sections.

The legacy section provides benefits to members in the form of a set level of pension payable for life based on the member's length of service and final pensionable salary when service in this section ceased. The majority of the benefits attract inflation-related increases both before and after retirement. The final salary element of the legacy section was closed to future accrual of benefits from 1st April 2010 and the career average element of the legacy section was closed to new entrants on 1st October 2012 and closed to future accrual on 31st March 2024.

The cash balance section provides benefits to members at the point of retirement in the form of a cash lump sum. The benefits attract inflation-related increases before retirement but, following the payment of the retirement lump sum benefit, the plan has no obligation to pay any further benefits to the member. All new employees join the defined contribution section but have the opportunity to switch to the cash balance section of the plan within 60 days of joining the Company. All employees can then elect to switch sections in the annual benefits election window.

The group operates two defined benefit pension plans in the US. The hourly pension plan is for unionised employees and provides a fixed retirement benefit for life based upon years of service. The salaried pension plan provides retirement benefits for life based on the member's length of service and final pensionable salary (averaged over the last five years). The salaried plan benefits attract inflation-related increases before leaving but are non-increasing thereafter. On retirement, members in either plan have the option to take the cash value of their benefit instead of a lifetime annuity in which case the plan has no obligation to pay any further benefits to the member.

The US salaried pension plan was closed to new entrants on 1st September 2013, and the US hourly pension plan was closed to new entrants on 1st January 2019. The hourly pension plan remains open to future accrual for existing members but the salaried pension plan was closed to future accrual from 1st July 2023 with plan participants transferring to a defined contribution plan. The US salaried pension plan was terminated on 30th June 2025, see below for further information. All new US employees now join a defined contribution plan.

Effective 30th June 2024, the group closed to accrual the US Salaried defined benefit pension scheme. As part of the plan closure, participants who had not yet commenced their pensions were given the opportunity during a special election window to elect among an immediate lump sum payment, an immediate annuity or a deferred commencement date. During the year, participants who elected an immediate lump sum received their payments in May 2025. Approximately £58 million in lump sum payments were made compared to an underlying liability of £53 million being held for these benefits. This resulted in a settlement charge recognised within major impairment and restructuring charges of £5 million (see note 6).

## 24 Post-employment benefits (continued)

### Background (continued)

#### Benefits (continued)

Effective 4th June 2025, the group completed a buy-out of the scheme benefits for all remaining plan participants (this includes all retirees as well as those participants who did not make an immediate lump sum election as part of the special election window) by transferring the scheme's liabilities and associated assets to American National Insurance Company ("ANICO"). This transaction was executed to fully discharge the company's obligations under the scheme. Plan assets of £98 million (which includes a final cash contribution of £4 million made to the pension scheme to facilitate the buy-out) and underlying liabilities of £96 million were transferred to ANICO. A settlement charge of £2 million has been recognised as a result of the buy-out within major impairment and restructuring charges (see note 6).

#### Other post-employment benefits

The group's principal post-employment medical plans are in the UK and US and are unfunded arrangements that have been closed to new entrants for over ten years.

#### Maturity profile

The estimated weighted average durations of the defined benefit obligations of the main plans as at 31st March 2026 are:

| | Weighted average duration Years |
|---|---|
| Pensions: | |
| UK | **13** |
| US | **7** |
| Post-retirement medical benefits: | |
| UK | **8** |
| US | **8** |

### Funding

#### Introduction

The group's principal defined benefit retirement plans are funded through separate fiduciary or trustee administered funds that are independent of the sponsoring company. The contributions paid to these arrangements are jointly agreed by the sponsoring company and the relevant trustee or fiduciary body after each funding valuation and in consultation with independent qualified actuaries. The plans' assets, together with the agreed funding contributions, should be sufficient to meet the plans' future pension obligations.

#### UK valuations

UK legislation requires that pension plans are funded prudently and that, when undertaking a funding valuation (every three years), assets are taken at their market value and liabilities are determined based on a set of prudent assumptions set by the trustee following consultation with their appointed actuary. The assumptions used for funding valuations may, therefore, differ to the actuarial assumptions used for IAS 19, *Employee Benefits*, accounting purposes.

In January 2013, a special purpose vehicle (SPV), Johnson Matthey (Scotland) Limited Partnership, was set up to provide deficit reduction contributions and greater security to the trustee. The group invested £50 million in a bond portfolio which is beneficially held by the SPV. The income generated by the SPV is used to make annual distributions of £3.5 million to JMEPS for a period of up to 25 years. These annual distributions are only payable if the legacy section of JMEPS continues to be in deficit, on a funding basis. Due to the current funding level, the annual distribution of £3.5 million was not paid into the Scheme in December 2025. This bond portfolio is held as a non-current investment at fair value through other comprehensive income and the group's liability to pay the income to the plan is not a plan asset under IAS 19 although it is for actuarial funding valuation purposes. The SPV is exempt from the requirement to prepare audited annual accounts as it is included on a consolidated basis in these accounts.

A funding valuation of JMEPS was carried out as at 1st April 2024 and showed that there was a deficit of £9 million in the legacy section of the plan, or a surplus of £19 million after taking account of the future additional deficit contributions from the SPV. The UK offers a Cash Balance scheme which provides a lump sum at retirement.

The 1st April 2024 valuation showed a surplus in the cash balance section of the plan of £37 million. The actuary estimated that the scheme was in surplus by £53 million as at 31st March 2025 with a funding level of 135%.

In accordance with the governing documentation of JMEPS, any future plan surplus would be returned to the parent company by way of a refund assuming gradual settlement of the liabilities over the lifetime of the plan. As such, there are no adjustments required in respect of IFRIC 14, IAS 19 – *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*.

#### US valuations

The last annual review of the US defined benefit pension plans was carried out by a qualified actuary as at 1st July 2023 and showed that there was a surplus of $18 million on the projected funding basis.

The assumptions used for funding valuations may differ to the actuarial assumptions used for IAS 19 accounting purposes.

#### Other valuations

Similar funding valuations are undertaken on the group's other defined benefit pension plans outside of the UK and US in accordance with prevailing local legislation.

## 24 Post-employment benefits (continued)

### Risk management

The group is exposed to a number of risks relating to its post-retirement pension plans, the most significant of which are:

| Risk | Mitigation |
|---|---|
| **Market (investment) risk**<br>Asset returns may not move in line with the liabilities and may be subject to volatility. | The group's various defined benefit pension schemes hold diversified investment portfolios, covering a range of asset classes and including exposure to different global markets. This helps ensure that no single security within the various portfolios dominates the return profile for the schemes.<br>In recent years the Trustee of the UK scheme has sought to consolidate the strong funding positions of the scheme, by de-risking the investment portfolio. This has typically involved reducing allocations to riskier 'growth' assets (such as investment in the stock market or in lower credit quality bond assets) and increasing the allocation to 'matching' assets. These 'matching' assets consist of high quality bonds (including government bonds) where their value is expected to closely match the value of the scheme's liabilities – see further information below. This de-risking has helped reduce the volatility of the funding positions. |
| **Interest (discount) rate risk**<br>Liabilities are sensitive to movements in bond yields (interest rates), with lower interest rates leading to an increase in the valuation of liabilities, albeit the impact on the plan's funding level will be partially offset by an increase in the value of its bond holdings. | The group's various defined benefit pension schemes hold a high proportion of their assets in government bonds and high quality corporate bonds, which provide a natural hedge against interest rates.<br>In the UK, this interest rate hedge is achieved by holding UK government bonds (gilts) – including on a leveraged basis using gilt repurchase agreements (repo) – such that the schemes are 100% hedged versus their respective ongoing funding basis. This hedging strategy is known as Liability Driven Investing (LDI) and the use of index-linked gilts within the portfolios also enables inflation risks to be hedged. Gilt repo positions are held across a number of large investment banks, and are collateralised daily, to help reduce counterparty risk. |
| **Inflation risk**<br>Liabilities are sensitive to movements in inflation, with higher inflation leading to an increase in the valuation of liabilities. | Where plan benefits provide inflation-related increases, the plan holds some inflation-linked assets which provide a natural hedge against higher than expected inflation increases.<br>In the UK, this inflation hedge is extended by the use of inflation swaps, such that the plan is 100% hedged on the plan's funding basis. The swaps are held with several banks to reduce counterparty risk. |
| **Longevity risk**<br>The majority of the group's defined benefit plans provide benefits for the life of the member, so the liabilities are sensitive to life expectancy, with increases in life expectancy leading to an increase in the valuation of liabilities. | The group has closed most of its defined benefit pension plans to new entrants, replacing them with either a cash balance plan or defined contribution plans, both of which are unaffected by life expectancy.<br>For the plans where a benefit for life continues to be payable, prudent mortality assumptions are used that appropriately allow for a future improvement in life expectancy. These assumptions are reviewed on a regular basis. |
| **Liquidity risk**<br>The pension plan may have insufficient access to cash to meet its short-term cash and collateral obligations, such that adverse scenarios could force the sale of a less-liquid assets at depressed prices. | The group's defined benefit plans hold sufficient liquid assets to meet its cashflow obligations and the collateral requirements of its inflation and interest rate hedging. This reduces the risk of being a forced seller of less-liquid assets. The UK pension plan also has a loan facility in place with the Company which it can access at short notice in the event of liquidity issues. |

### Contributions

During the year, total contributions to the group's post-employment defined benefit plans were £22 million (2025: £53 million). The prior year included a one-off £25 million contribution. It is estimated that the group will contribute approximately £14 million to the post-employment defined benefit plans during the year ending 31st March 2027.

## 24 Post-employment benefits (continued)

### IAS 19 accounting

#### Principal actuarial assumptions

Qualified independent actuaries have updated the IAS 19 valuations of the group's major defined benefit plans to 31st March 2026. The assumptions used are chosen from a range of possible actuarial assumptions which, due to the long-term nature of the plans, may not necessarily be borne out in practice.

#### Financial assumptions

| | 2026 | | | 2025 | | |
|---|---|---|---|---|---|---|
| | **UK plan %** | **US plans %** | **Other plans %** | UK plan % | US plans % | Other plans % |
| First year's rate of increase in salaries | – | – | 2.29 | – | – | 2.29 |
| Ultimate rate of increase in salaries | – | – | 2.29 | – | – | 2.29 |
| Rate of increase in pensions in payment | 3.00 | – | 2.00 | 2.90 | – | 2.00 |
| Discount rate | 6.20 | 5.50 | 4.21 | 5.90 | 5.40 | 3.73 |
| Inflation | – | 2.20 | 2.00 | – | 2.20 | 2.00 |
| • UK Retail Prices Index (RPI) | 3.20 | – | – | 3.00 | – | – |
| • UK Consumer Prices Index (CPI) | 3.00 | – | – | 2.75 | – | – |
| Current medical benefits cost trend rate | 6.50 | – | – | 6.50 | – | – |
| Ultimate medical benefits cost trend rate | 6.50 | – | – | 6.50 | – | – |

#### Demographic assumptions

The mortality assumptions are based on country-specific mortality tables and, where appropriate, include an allowance for future improvements in life expectancy. In addition, where credible data exists, actual plan experience is taken into account. The group's most substantial pension liabilities are in the UK and the US where, using the mortality tables adopted, the expected lifetime of average members currently at age 65 and average members at age 65 in 25 years' time (i.e. members who are currently aged 40 years) is respectively:

| | **Currently age 65** | | **Age 65 in 25 years** | |
|---|---|---|---|---|
| | **UK plan** | **US plans** | **UK plan** | **US plans** |
| Male | 87 | 86 | 89 | 88 |
| Female | 89 | 88 | 92 | 90 |

## 24 Post-employment benefits (continued)

### Financial information

#### Plan assets

Movements in the fair value of plan assets during the year were:

| | UK pension – legacy section £m | UK pension – cash balance section £m | UK post- retirement medical benefits £m | US pensions £m | US post- retirement medical benefits £m | Other £m | Total £m |
|---|---|---|---|---|---|---|---|
| At 31st March 2024 | 1,384 | 189 | – | 221 | – | 6 | 1,800 |
| Administrative expenses | (2) | (1) | – | (2) | – | – | (5) |
| Interest income | 67 | 10 | – | 11 | – | – | 88 |
| Return on plan assets excluding interest | (134) | (16) | – | (4) | – | – | (154) |
| Employee contributions | – | 8 | – | – | – | – | 8 |
| Company contributions | 28 | 21 | 1 | 2 | – | 1 | 53 |
| Benefits paid | (58) | (5) | (1) | (27) | – | (1) | (92) |
| Exchange adjustments | – | – | – | (6) | – | (1) | (7) |
| **At 31st March 2025** | **1,285** | **206** | **–** | **195** | **–** | **5** | **1,691** |
| Administrative expenses | (2) | (1) | – | (1) | – | – | **(4)** |
| Interest income | 74 | 13 | – | 3 | – | – | **90** |
| Return on plan assets excluding interest | (32) | (5) | – | (3) | – | – | **(40)** |
| Employee contributions | – | 7 | – | – | – | – | **7** |
| Company contributions | – | 13 | 1 | 6 | 1 | 1 | **22** |
| Benefits paid | (59) | (4) | (1) | (166) | (1) | – | **(231)** |
| Exchange adjustments | – | – | – | (6) | – | – | **(6)** |
| **At 31st March 2026** | **1,266** | **229** | **–** | **28** | **–** | **6** | **1,529** |

The fair values of plan assets are analysed as follows:

| | 2026 | | | | 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| | **UK pension – legacy section £m** | **UK pension – cash balance section £m** | **US pensions £m** | **Other £m** | UK pension – legacy section £m | UK pension – cash balance section £m | US pensions £m | Other £m |
| Quoted corporate bonds | 333 | 81 | 21 | 4 | 327 | 73 | 71 | 4 |
| Inflation and interest rate swaps | (12) | 1 | – | – | (1) | 2 | – | – |
| Quoted government bonds | 592 | 89 | 6 | – | 354 | 40 | 50 | – |
| Cash and cash equivalents | 31 | 16 | 1 | 1 | 244 | 56 | 74 | 1 |
| Quoted equity | – | 22 | – | – | – | 19 | – | – |
| Unquoted equity | 45 | – | – | – | 53 | – | – | – |
| Property | 56 | – | – | – | 56 | – | – | – |
| Insurance policies | – | – | – | – | – | – | – | – |
| Other | 221 | 20 | – | 1 | 252 | 16 | – | – |
| **Plan assets** | **1,266** | **229** | **28** | **6** | **1,285** | **206** | **195** | **5** |

## 24 Post-employment benefits (continued)

### Financial information (continued)

The UK plan's unquoted equities are assets within a pooled infrastructure fund where the underlying assets are a broad range of private infrastructure investments, diversified by geographic region, infrastructure sector, underlying asset type and development stage. These infrastructure assets are valued using widely recognised valuation techniques which use market data and discounted cash flows. The same valuation approach is used to determine the value of the swaps and insurance policies.

The UK plan's property represents an investment in the Blackrock UK Property Fund, which is a unitised fund where the underlying investments in direct property are taken at market value. The Trustee and Company have agreed for this Fund to be redeemed, although this process is likely to take up to two years. The valuation of the fund is independently audited by KPMG on an annual basis.

The BlackRock Diversified Private Debt is represented as 'Other' in the table above and invests primarily in unquoted debt.

The defined benefit pension plans do not invest directly in Johnson Matthey Plc shares and no property or other assets owned by the pension plans are used by the group.

### Defined benefit obligation

Movements in the defined benefit obligation during the year were:

| | UK pension – legacy section £m | UK pension – cash balance section £m | UK post- retirement medical benefits £m | US pensions £m | US post- retirement medical benefits £m | Other £m | Total £m |
|---|---|---|---|---|---|---|---|
| At 1st April 2024 | (1,269) | (154) | (6) | (219) | (10) | (26) | (1,684) |
| Current service cost | – | (17) | – | (2) | – | (1) | (20) |
| Past service credit | 14 | – | – | – | – | – | 14 |
| Interest cost | (61) | (9) | (1) | (10) | – | (1) | (82) |
| Employee contributions | – | (8) | – | – | – | – | (8) |
| Remeasurements due to changes in: | | | | | | | |
| Financial assumptions | 158 | 30 | – | 4 | (1) | 4 | 195 |
| Demographic assumptions | (1) | – | – | – | – | – | (1) |
| Experience adjustments | (9) | 5 | – | – | 1 | – | (3) |
| Benefits paid | 58 | 5 | 1 | 27 | – | 1 | 92 |
| Exchange adjustments | – | – | – | 6 | 1 | 2 | 9 |
| **At 31st March 2025** | **(1,110)** | **(148)** | **(6)** | **(194)** | **(9)** | **(21)** | **(1,488)** |
| Current service cost | – | (10) | – | (1) | – | – | **(11)** |
| Past service cost[1] | – | – | – | (7) | – | – | **(7)** |
| Interest cost | (63) | (10) | (1) | (3) | – | (1) | **(78)** |
| Employee contributions | – | (7) | – | – | – | – | **(7)** |
| Remeasurements due to changes in: | | | | | | | |
| Financial assumptions | 26 | 3 | – | 2 | – | – | **31** |
| Demographic assumptions | (3) | – | – | – | – | – | **(3)** |
| Experience adjustments | (4) | (1) | – | 1 | – | – | **(4)** |
| Benefits paid | 59 | 4 | 1 | 166 | 1 | – | **231** |
| Transferred to liabilities classified held for sale | – | – | – | – | – | 6 | **6** |
| Exchange adjustments | – | – | – | 6 | – | (1) | **5** |
| **At 31st March 2026** | **(1,095)** | **(169)** | **(6)** | **(30)** | **(8)** | **(17)** | **(1,325)** |

1. During the period the group completed the buy-out of its US defined benefit salaried scheme following its closure to accrual on 30th June 2023. This resulted in a one-off termination cost of £7 million (2025: £nil) (see note 6) and a reduction in the pension assets and pension liabilities of £158 million.

## 24 Post-employment benefits (continued)

### Financial information (continued)

#### Net post-employment benefit assets and liabilities

The net post-employment benefit assets and liabilities are:

| | UK pension – legacy section £m | UK pension – cash balance section £m | UK post- retirement medical benefits £m | US pensions £m | US post- retirement medical benefits £m | Other £m | Total £m |
|---|---|---|---|---|---|---|---|
| **At 31st March 2026** | | | | | | | |
| Defined benefit obligation | (1,095) | (169) | (6) | (30) | (8) | (17) | **(1,325)** |
| Fair value of plan assets | 1,266 | 229 | – | 28 | – | 6 | **1,529** |
| **Net post-employment benefit assets and liabilities** | **171** | **60** | **(6)** | **(2)** | **(8)** | **(11)** | **204** |
| | | | | | | | |
| **At 31st March 2025** | | | | | | | |
| Defined benefit obligation | (1,110) | (148) | (6) | (194) | (9) | (21) | **(1,488)** |
| Fair value of plan assets | 1,285 | 206 | – | 195 | – | 5 | **1,691** |
| **Net post-employment benefit assets and liabilities** | **175** | **58** | **(6)** | **1** | **(9)** | **(16)** | **203** |

These are included in the balance sheet as follows:

| | 2026 | | | 2025 | | |
|---|---|---|---|---|---|---|
| | Post- employment benefit net assets £m | Employee benefit net obligations £m | Total £m | Post- employment benefit net assets £m | Employee benefit net obligations £m | Total £m |
| UK pension – legacy section | 171 | – | **171** | 175 | – | **175** |
| UK pension – cash balance section | 60 | – | **60** | 58 | – | **58** |
| UK post-retirement medical benefits | – | (6) | **(6)** | – | (6) | **(6)** |
| US pensions | – | (2) | **(2)** | 4 | (3) | **1** |
| US post-retirement medical benefits | – | (8) | **(8)** | – | (9) | **(9)** |
| Other | 1 | (12) | **(11)** | 1 | (17) | **(16)** |
| **Total post-employment plans** | **232** | **(28)** | **204** | **238** | **(35)** | **203** |
| Other long-term employee benefits | | (2) | | | (3) | |
| **Total long-term employee benefit obligations** | | **(30)** | | | **(38)** | |

## 24 Post-employment benefits (continued)

### Financial information (continued)

#### Income statement

Amounts recognised in the income statement for long term employment benefits were:

| | 2026 £m | 2025 £m* |
|---|---|---|
| Administrative expenses | (3) | (4) |
| Current service cost | (10) | (17) |
| Past service (cost) / credit | (7) | 12 |
| **Defined benefit post-employment costs charged to operating profit** | **(20)** | **(9)** |
| Defined contribution plans' expense | (31) | (25) |
| **Charge to operating profit** | **(51)** | **(34)** |
| Interest on post-employment benefits charged to finance costs | (1) | (1) |
| Interest on post-employment benefits charged to investment income | 13 | 8 |
| **Charge to profit before tax** | **(39)** | **(27)** |

#### Statement of total comprehensive income

Amounts recognised in the statement of total comprehensive income for long term employment benefits were:

| | 2026 £m | 2025 £m* |
|---|---|---|
| Return on plan assets excluding interest | (40) | (154) |
| Remeasurements due to changes in: | | |
| Financial assumptions | 31 | 193 |
| Demographic assumptions | (3) | (1) |
| Experience adjustments | (4) | (3) |
| **Remeasurements of post-employment benefit assets and liabilities** | **(16)** | **35** |

* Restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

#### Sensitivity analysis

The calculations of the defined benefit obligations are sensitive to the assumptions used. The following summarises the estimated impact on the group's main plans of a change in the assumption while holding all other assumptions constant. This sensitivity analysis may not be representative of the actual change as it is unlikely that the change in assumptions would occur in isolation of one another.

#### Financial assumptions

A 0.1% change in the discount rate and inflation assumptions would (increase)/decrease the UK and US pension plans' defined benefit obligations at 31st March 2026 as follows:

| | 0.1% increase | | 0.1% decrease | |
|---|---|---|---|---|
| | UK plan £m | US plans £m | UK plan £m | US plans £m |
| Effect of discount rate | 16 | – | (16) | – |
| Effect of inflation | (15) | – | 14 | – |

#### Demographic assumptions

A one-year increase in life expectancy would increase the UK and US pension plans' defined benefit obligation by £29 million and £1 million, respectively.

#### Other

In June 2023, the UK High Court (Virgin Media Limited v NTL Pension Trustees II Limited) ruled that certain historical amendments for contracted out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation. Whilst the Court of Appeal upheld this ruling in July 2024, there remains material uncertainty in relation to the legal position itself and in particular, the application of the ruling.

Since the judgement, the Trustee has continued to liaise with its legal advisers on developments including the remedy in the Pension Schemes Act 2026 which received Royal Assent on 29th April 2026 and The Pensions Regulator's guidance. Following the latest developments, the Trustee has decided to undertake an audit of the scheme's deeds of amendment to ascertain if the scheme is impacted by the Virgin Media decisions and it will discuss the position further with the Company once the audit has been completed.

The Group's latest discussions with the Trustee on potential implications of Virgin Media for the UK pension scheme were in December 2025, with the Trustee and the Company continuing to liaise on this matter.

## 25 Share capital and other reserves

### Share Capital

| | Number | £m |
|---|---|---|
| **Issued and fully paid ordinary shares** | | |
| At 1st April 2024 | 193,589,845 | 215 |
| Share buyback | (16,302,747) | (18) |
| **At 31st March 2025 and 31st March 2026** | **177,287,098** | **197** |

Details of outstanding allocations under the company's long term incentive plans and awards under the deferred bonus which have yet to mature are disclosed in note 30.

During the prior year the company purchased 16,302,747 shares at a cost of £250 million excluding related stamp duty. All of these shares were cancelled. Distributable reserves were reduced by £251 million, being the total amount of the share buyback. The total number of treasury shares held was 9,231,346 (2025: 9,448,309) at a total cost of £169 million (2025: £173 million).

The group and parent company's employee share ownership trust (ESOT) also buys shares on the open market and holds them in trust for employees participating in the group's executive long term incentive plans. At 31st March 2026, the ESOT held 170,403 shares (2025: 294,316 shares) which had not yet vested unconditionally to employees. Computershare Trustees (CI) Limited, as trustee for the ESOT, has waived its dividend entitlement.

### Dividends

| | **2026 £m** | 2025 £m |
|---|---|---|
| 2023/24 final ordinary dividend paid – 55.00 pence per share | – | 101 |
| 2024/25 interim ordinary dividend paid – 22.00 pence per share | – | 37 |
| 2024/25 final ordinary dividend paid – 55.00 pence per share | 92 | – |
| 2025/26 interim ordinary dividend paid – 22.00 pence per share | 37 | – |
| **Total dividends** | **129** | **138** |

A final dividend of 55.0 pence per ordinary share has been proposed by the Board which will be paid on 4th August 2026 to shareholders on the register at the close of business on 5th June 2026, subject to shareholders' approval. The estimated amount to be paid is £93 million and has not been recognised in these accounts.

The Board is responsible for the group's capital management including the approval of dividends. This includes an assessment of both the level of reserves legally available for distribution and consideration as to whether Johnson Matthey Plc would be solvent and maintain sufficient liquidity following any proposed distribution. The Board has assessed the level of distributable profits as at 31st March 2026 and is satisfied that they are sufficient to support the proposed dividend.

### Other reserves

**Capital redemption reserve,** The capital redemption reserve represents the cumulative nominal value of the company's ordinary shares repurchased and subsequently cancelled.

**Foreign currency translation reserve,** The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

**Fair value through other comprehensive income reserve**, The fair value through other comprehensive income reserve represents the equity movements on financial assets held within this category.

**Hedging reserve,** The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments.

The Foreign currency translation reserve includes a £7 million loss (2025: £8 million gain) in relation to continuing hedge relationships and £108 million loss (2025: £107 million loss) in relation to discontinued hedge relationships. All cash flow hedge reserves balances relate to continuing hedge relationships.

## 25 Share capital and other reserves (continued)

### Other Reserves (continued)

| | Capital redemption reserve £m | Foreign currency translation reserve £m | Fair value through other comprehensive income reserve £m | Hedging reserve: Forward currency contracts £m | Hedging reserve: Cross currency contracts £m | Hedging reserve: Forward metal contracts £m | Total other reserves £m |
|---|---|---|---|---|---|---|---|
| At 1st April 2024 | 13 | (15) | (19) | (4) | (1) | 62 | 36 |
| Cash flow hedges – gains / (losses) taken to equity | – | – | – | 3 | 1 | (2) | 2 |
| Cash flow hedges – transferred to revenue (income statement) | – | – | – | (2) | – | (41) | (43) |
| Cash flow hedges – transferred to disposal of subsidiaries (income statement) | – | – | – | 1 | – | – | 1 |
| Cash flow hedges – transferred to foreign exchange (income statement) | – | – | – | – | 2 | – | 2 |
| Cash flow hedges – transferred to inventory (balance sheet) | – | – | – | – | – | – | – |
| Fair value gains on net investment hedges taken to equity | – | 7 | – | – | – | – | 7 |
| Fair value losses on investments at fair value through other comprehensive income | – | – | (2) | – | – | – | (2) |
| Exchange differences on translation of foreign operations taken to equity | – | (82) | – | – | – | – | (82) |
| Cancelled ordinary shares from share buyback | 18 | – | – | – | – | – | 18 |
| Tax on above items taken directly to or transferred from equity | – | – | – | – | – | 10 | 10 |
| **At 31st March 2025** | **31** | **(90)** | **(21)** | **(2)** | **2** | **29** | **(51)** |
| Cash flow hedges – gains / (losses) taken to equity | – | – | – | 4 | (5) | (3) | **(4)** |
| Cash flow hedges – transferred to revenue (income statement) | – | – | – | (10) | – | (23) | **(33)** |
| Cash flow hedges – transferred to foreign exchange | – | – | – | – | 5 | – | **5** |
| Fair value losses on net investment hedges taken to equity | – | (15) | – | – | – | – | **(15)** |
| Exchange differences on translation of foreign operation taken to equity | – | (10) | – | – | – | – | **(10)** |
| Tax on above items taken directly to or transferred from equity | – | – | – | 2 | – | 6 | **8** |
| **At 31st March 2026** | **31** | **(115)** | **(21)** | **(6)** | **2** | **9** | **(100)** |

## 25 Share capital and other reserves (continued)

### Capital

The group's policy for managing capital is to maintain an efficient balance sheet to ensure that the group always has sufficient resources to be able to invest in future growth. During the year, the group complied with all externally imposed capital requirements to which it is subject, including ensuring it has sufficient distributable reserves to pay the dividends.

The directors determine the appropriate capital structure of the group, specifically how much capital is raised from shareholders (equity) and how much is borrowed from financial institutions (debt) in order to finance the group's activities. The group defines its capital employed as equity, as presented in the statement of financial position, plus net debt. Capital employed is managed on a basis that enables the group to continue trading as a going concern, while delivering acceptable returns to shareholders. The group is committed to managing its cost of capital by maintaining an appropriate capital structure, with a balance between equity and net debt.

The group utilises its capital employed to fund its business. The group reviews its capital employed on a regular basis and makes use of several indicative ratios which are appropriate to the nature of its operations and consistent with conventional industry measures. The principal ratios used include net debt to underlying EBITDA, return on capital employed and underlying earnings per share – refer to note 34 for further information.

The dividend policy also forms part of the Board's capital management policy, and the Board ensures there is appropriate earnings cover for any dividends proposed.

## 26 Discontinued operations and assets and liabilities classified as held for sale

On 22nd May 2025, the group announced the sale of its Catalyst Technologies business to Honeywell International Inc. The enterprise value of this sale is expected to be £1.325 billion on a cash and debt-free basis. The re-organisation of the Catalyst Technologies business within the transaction perimeter is complete and only one antitrust approval remains outstanding.

The Catalyst Technologies segment is classified as a discontinued operation and presented separately in the consolidated income statement. The Catalyst Technologies segment was not previously classified as held-for-sale or as a discontinued operation for the year ended 31st March 2025 as the criteria of IFRS 5 for classification had not been met. The comparative income statement and statement of total comprehensive income has been restated to show the discontinued operations separately from continuing operations.

Financial information relating to the Catalyst Technologies discontinued operations is set out below.

| | **2026 £m** | 2025 £m |
|---|---|---|
| Revenue | 547 | 652 |
| Expenses[1] | (545) | (569) |
| **Profit before tax from discontinued operations** | **2** | **83** |
| Tax expense | (7) | (20) |
| **(Loss) / profit from discontinued operations** | **(5)** | **63** |
| Remeasurements of post-employment benefit assets and liabilities | (1) | 2 |
| Amounts (charged) / credited to hedging reserve | (4) | 3 |
| Exchange differences on translation of discontinued operations | (6) | (8) |
| Tax on above items | 1 | (1) |
| **Other comprehensive expense from discontinued operations** | **(10)** | **(4)** |
| **Total comprehensive (expense) / income from discontinued operations** | **(15)** | **59** |
| Net cash (outflow) / inflow from operating activities | (30) | 51 |
| Net cash outflow from investing activities | (54) | (71) |
| Net cash outflow from financing activities | (4) | (3) |
| **Net decrease in cash generated by the discontinued operations** | **(88)** | **(23)** |

| | pence | pence |
|---|---|---|
| **(Loss) / earnings per ordinary share from discontinued operations** | | |
| Basic (loss) / earnings per ordinary share from discontinued operations | (3.0) | 35.8 |
| Diluted (loss) / earnings per ordinary share from discontinued | (3.0) | 35.7 |

1. Included within expenses is £33 million of non-underlying disposal related costs and £8 million of non-underlying impairment charges. This impairment charge is to some of the group's assets which will have no economic value following the agreed sale of the Catalyst Technologies business.

## 26 Discontinued operations and assets and liabilities classified as held for sale (continued)

The major classes of assets and liabilities comprising the businesses classified as held for sale as at 31st March 2026 are:

| | Catalyst Technologies £m |
|---|---|
| **Non-current assets** | |
| Property, plant and equipment | 317 |
| Right-of-use-assets | 21 |
| Goodwill | 263 |
| Other intangible assets | 48 |
| Other receivables | 1 |
| Deferred tax assets | 1 |
| **Current assets** | |
| Inventories | 218 |
| Taxation recoverable | 5 |
| Trade and other receivables | 166 |
| Cash and cash equivalents | 28 |
| **Assets classified as held for sale** | **1,068** |
| **Current liabilities** | |
| Trade and other payables | (178) |
| Lease liabilities | (1) |
| Taxation liabilities | (3) |
| Provisions | (4) |
| **Non-current liabilities** | |
| Lease liabilities | (18) |
| Deferred tax liabilities | (14) |
| Employee benefit obligations | (6) |
| Provisions | (5) |
| Trade and other payables | (1) |
| **Liabilities classified as held for sale** | **(230)** |
| **Net assets of disposal group** | **838** |

The cumulative foreign exchange loss recognised in other comprehensive income in relation to discontinued operations as at 31st March 2026 is £21 million (31st March 2025: £15 million).

## 27 Disposals

During the year, the group recognised a £5 million profit on disposal driven by the completion of certain prior period disposal activities. This includes the release of a £10 million accrual relating to the sale of the Health business.

During the prior year, the group completed the sale of its Battery Systems business on 30th April 2024, its Medical Device Components business on 1st July 2024, and the sale of the land and buildings from our legacy Battery Materials business in Poland on 24th July 2024.

| | 2025 £m |
|---|---|
| **Proceeds** | |
| Cash consideration | 597 |
| Cash and cash equivalents disposed | (10) |
| **Net cash consideration** | **587** |
| Disposal costs paid | (18) |
| **Net cash inflow** | **569** |
| **Assets and liabilities disposed** | |
| **Non-current assets** | |
| Property, plant and equipment | 49 |
| Right-of-use assets | 4 |
| Goodwill | 3 |
| **Current assets** | |
| Inventories | 30 |
| Trade and other receivables | 38 |
| Cash and cash equivalents | 10 |
| Deferred tax assets | 3 |
| **Current liabilities** | |
| Trade and other payables | (26) |
| Current income tax liabilities | (2) |
| Lease liabilities | (4) |
| **Non-current liabilities** | |
| Lease liabilities | (1) |
| Provisions | (2) |
| **Net assets disposed** | **102** |

| | 2025 £m |
|---|---|
| Cash consideration | 597 |
| Deferred consideration | 7 |
| Less: carrying amount of net assets sold | (102) |
| Less: disposal costs | (22) |
| Cumulative currency translation gain recycled from other comprehensive income | 2 |
| **Profit recognised in the income statement** | **482** |

The prior year comparative includes £491 million profit on disposal for Medical Device Components and other disposal related costs of £9 million.

## 27 Disposals (continued)

### Disposal proceeds

During the year, the group received £2 million of proceeds relating to the Diagnostic Services disposal and £6 million of proceeds relating to the Battery System disposal. This was recognised within profit on disposal of businesses in the prior year.

## 28 Financial risk management

The group's activities expose it to a variety of financial risks, including credit risk, market risk and liquidity risk. Market risk includes foreign currency risk, interest rate risk and price risk. The financial risks are managed by the group, under policies approved by the Board. The financial risk management is carried out by a centralised group treasury function. Group Treasury's role is to optimise the group's liquidity, mitigate financial risks and provide treasury services to the group's operating businesses. The group uses derivative financial instruments, including forward currency contracts, interest rate swaps and currency swaps, to manage the financial risks associated with its underlying business activities and the financing of those activities. Some derivative financial instruments used to manage financial risk are not designated as hedges and, therefore, are classified as at fair value through profit or loss. The group does not undertake any speculative trading activity in financial instruments.

### Credit Risk

Within certain businesses, the group derives a significant proportion of its revenue from sales to major customers. Sales to individual customers are large if the value of precious metals is included in the price. The failure of any such company to honour its debts could materially impact the group's results. The group derives significant benefit from trading with its customers and manages the risk at many levels. Each business has a credit committee that regularly monitors its exposure. The Audit Committee receives a report every six months that details all significant credit limits, amounts due and overdue within the group, and the relevant actions being taken. At 31st March 2026, trade receivables for the group amounted to £866 million (2025: £925 million), of which £756 million (2025: £706 million) are in Clean Air which mainly supplies car and truck manufacturers and component suppliers in the automotive industry. Although Clean Air has a wide range of customers, the concentrated nature of this industry means that amounts owed by individual customers can be large and, in the event that one of those customers experiences financial difficulty, there could be a material adverse impact on the group. Other parts of the group tend to sell to a larger number of customers and amounts owed tend to be lower. At 31st March 2026, no single outstanding balance exceeded 2% (2025: 2%) of revenue.

The credit profiles of the group's customers are obtained from credit rating agencies where possible and are closely monitored. The scope of these reviews includes amounts overdue and credit limits. The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, risk associated with the industry and country in which customers operate may also influence the credit risk. The credit quality of customers is assessed against the appropriate credit ratings, financial strength, trading experience and market position to define credit limits. Generally, payments are made promptly in the automotive industry and in the other markets in which the group operates. In relation to cash investments, controls and risk mitigants include daily monitoring of exposures, investing in counterparties with investment grade ratings, restricting the amount that can be invested with one counterparty and credit-rating mitigation techniques.

A provision matrix is used to calculate lifetime expected credit losses using historical loss rates based on days past due and a broad range of forward-looking information, including country and market growth forecasts. This year, expected credit losses on unimpaired trade and contract receivables remained flat at £10 million (2025: £10 million).

Trade receivables are specifically impaired when the amount is in dispute, customers are in financial difficulty or for other reasons which imply there is doubt over the recoverability of the debt. They are written off when there is no reasonable expectation of recovery, based on an estimate of the financial position of the counterparty.

## 28 Financial risk management (continued)

### Credit Risk (continued)

| At 31st March 2026 | Contract receivables Total | Trade receivables Impaired | Not past due | < 30 days overdue | 30-90 days overdue | >90 days overdue | Total |
|---|---|---|---|---|---|---|---|
| Expected credit loss rate (%) | 1% | 100% | 1% | 2% | 3% | 7% | |
| Gross carrying value (£ million) | 79 | 17 | 757 | 43 | 20 | 55 | 892 |
| Expected credit losses (£ million) | (1) | (17) | (4) | (1) | (1) | (3) | (26) |
| **Net carrying value (£ million)** | **78** | | | | | | **866** |

| At 31st March 2025 | Contract receivables Total | Trade receivables Impaired | Not past due | < 30 days overdue | 30-90 days overdue | >90 days overdue | Total |
|---|---|---|---|---|---|---|---|
| Expected credit loss rate (%) | 1% | 100% | 1% | 2% | 3% | 8% | |
| Gross carrying value (£ million) | 54 | 20 | 785 | 63 | 42 | 44 | 954 |
| Expected credit losses (£ million) | (1) | (20) | (4) | (1) | (1) | (3) | (29) |
| **Net carrying value (£ million)** | **53** | | | | | | **925** |

| | **2026 £m** | 2025 £m |
|---|---|---|
| At beginning of year | 30 | 29 |
| Charge for year | 13 | 4 |
| Utilised | 1 | – |
| Released | (4) | (3) |
| Transferred to assets classified as held for sale | (13) | – |
| **At end of year** | **27** | **30** |

The group's maximum exposure to default on trade and contract receivables is £971 million (2025: £1,008 million).

The group's financial assets included in other receivables are all current and not impaired.

The credit risk on cash and deposits and derivative financial instruments is limited because the counterparties with significant balances are banks with strong credit ratings. The exposure to individual banks is monitored frequently against internally-defined limits, together with each bank's credit rating and credit default swap prices. At 31st March 2026, the maximum net exposure with a single bank for cash and deposits was £139 million (2025: £169 million), whilst the largest mark to market exposure for derivative financial instruments to a single bank was £7 million (2025: £12 million). The group also uses money market funds to invest surplus cash thereby further diversifying credit risk and, at 31st March 2026, the group's exposure to these funds was £280 million (2025: £435 million). The amounts on deposit at the year end represent the group's maximum exposure to credit risk on cash and deposits. Expected credit losses on cash and cash equivalents are immaterial.

### Foreign currency risk

The group operates globally with a significant amount of its profit earned outside the UK. The main impact of movements in exchange rates on the group's results arises on translation of overseas subsidiaries' profits into sterling. The largest exposure is to the euro and a 5% movement in the average exchange rate for the euro against sterling would have had a £15 million (2025: £10 million) impact on underlying operating profit. The group is also exposed to the US dollar and a 5% movement in the average exchange rate for the US dollar against sterling would have had a £2 million (2025: £5 million) impact on underlying operating profit. This exposure is part of the group's economic risk of operating globally which is essential to remain competitive in the markets in which it operates.

The group matches foreign currency assets and liabilities (where these differ to the functional currency of the relevant subsidiary) to avoid the risk of a material impact on the income statement resulting from movements in exchange rates. The group does, however, have foreign exchange exposure on movements through equity related to cash flow and net investment hedges. A 5% depreciation or appreciation in the US dollar, euro and yuan exchange rates against sterling would increase / (decrease) other reserves as follows:

| | 5% depreciation[1] | | 5% appreciation[1] | |
|---|---|---|---|---|
| | **2026 £m** | 2025 £m | **2026 £m** | 2025 £m |
| Cash flow hedges | – | (8) | 1 | 7 |
| Net investment hedges | 53 | 15 | (53) | (13) |

1. During the current year, the Group refined its methodology for assessing reserves sensitivity from a 10% movement in relevant foreign exchanges to a 5% movement. This change enhances methodological consistency across the Group's financial risk disclosures by aligning the reserves sensitivity with the P&L FX sensitivity measure. Management considers the revised assumption to provide a more coherent and comparable presentation of FX risk, while remaining appropriate given the Group's risk profile and the volatility characteristics of its principal currencies.

For the net investment hedges, these movements would be fully offset in reserves by an opposite movement on the retranslation of the net assets of the overseas subsidiaries.

## 28 Financial risk management (continued)

### Foreign currency risk (continued)

#### Investments in foreign operations

To protect the group's sterling balance sheet and reduce cash flow risk, the group has financed most of its investment in the US and Europe by borrowing US dollars and euros, respectively. Although much of this funding is obtained by directly borrowing the relevant currency, a part is achieved through currency swaps which can be more efficient and reduce costs.

The group has designated US dollar and euro loans and a cross currency swap as hedges of net investments in foreign operations as they hedge changes in the value of the subsidiaries' net assets against movements in exchange rates. The change in the value of the net investment hedges from movements in foreign currency exchange rates is recognised in equity and is offset by an equal and opposite movement in the carrying value of the net assets of the subsidiaries. All critical terms of the hedging instruments and hedged items matched during the year and, therefore, hedge ineffectiveness was immaterial. The hedge ratio is 1:1.

#### Year ended 31st March 2026

| | US dollar and euro loans[1] £m | Cross currency swap[2] £m | FX Forwards £m | Total £m |
|---|---|---|---|---|
| Carrying value of hedging instruments at 31st March 2026 | (807) | (9) | (3) | **(819)** |
| Change in carrying value of hedging instruments recognised in equity during the year | (7) | (5) | (3) | **(15)** |
| Change in fair value of hedged items during the year used to determine hedge effectiveness | 7 | 5 | 3 | **15** |

#### Year ended 31st March 2025

| | US dollar and euro loans[1] £m | Cross currency swap[2] £m | FX Forwards £m | Total £m |
|---|---|---|---|---|
| Carrying value of hedging instruments at 31st March 2025 | (549) | (3) | – | **(552)** |
| Change in carrying value of hedging instruments recognised in equity during the year | 5 | – | 2 | **7** |
| Change in fair value of hedged items during the year used to determine hedge effectiveness | (5) | – | (2) | **(7)** |

1. The designated hedging instruments are 3.97% $120 million Bonds 2027, 3.39% $180 million Bonds 2028, $29.7 million of the 4.1% $30 million Bonds 2030, 1.81% €90 million Bonds 2028, 2.92% €25 million Bonds 2030, 1.9% €225 million Bonds 2032, 4.03% €125 million Bonds 2031, 4.19% €94 million Bonds 2034, 4.32% €20 million Bonds 2036 and EUBIBOR 6 months + 1.2% €62 million of the €180 million UKEF 2028.
2. The designated hedging instrument are a cross currency swap expiring in 2029 whereby the group pays 1.712% fixed on €46 million and receives 2.6723% fixed on £38 million, a cross currency swap expiring in 2031 whereby the group pays 4.03% fixed on €45 million and receives 5.37% fixed on £38 million, a cross currency swap expiring in 2031 whereby the group pays 4.04% fixed on €40.5 million and receives 5.20% fixed on £34 million and a cross currency swap expiring in 2034 whereby the group pays 4.16% fixed on €30.6 million and receives 5.31% fixed on £26 million.

#### Forecast receipts and payments in foreign currencies

The group uses forward foreign exchange contracts to hedge foreign exchange exposures arising on forecast receipts and payments in foreign currencies. These are designated and accounted for as cash flow hedges. The group's policy is to hedge between 50% and 80% of forecast receipts and payments in foreign currencies over the next 12 months.

For hedges of forecast receipts and payments in foreign currencies, the critical terms of the hedging instruments match exactly with the terms of the hedged items and, therefore, the group performs a qualitative assessment of effectiveness. Ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated or if there are changes in the credit risk of the group or the derivative counterparty. Hedge ineffectiveness was immaterial during the year. The hedge ratio is 1:1.

#### Year ended 31st March 2026

| | | Sterling/US dollar £m | Sterling/ euro £m | Other £m | Total £m |
|---|---|---|---|---|---|
| Carrying value of hedging instruments at 31st March 2026 | • assets | – | 1 | 1 | **2** |
| | • liabilities | (3) | – | (1) | **(4)** |
| Change in carrying value of hedging instruments recognised in equity during the year | | (6) | – | – | **(6)** |
| Change in fair value of hedged items during the year used to determine hedge effectiveness | | 6 | – | – | **6** |
| Notional amount[3] | | 90 | 58 | 25 | **–** |

#### Year ended 31st March 2025

| | | Sterling/ US dollar £m | Sterling/ euro £m | Other £m | Total £m |
|---|---|---|---|---|---|
| Carrying value of hedging instruments at 31st March 2025 | • assets | 5 | – | 2 | **7** |
| | • liabilities | (1) | – | (1) | **(2)** |
| Change in carrying value of hedging instruments recognised in equity during the year | | 4 | (1) | (1) | **2** |
| Change in fair value of hedged items during the year used to determine hedge effectiveness | | (4) | 1 | 1 | **(2)** |
| Notional amount[3] | | 152 | 58 | 22 | **–** |

3. The notional amount is the sterling equivalent of the net currency amount purchased or sold.

The weighted average exchange rates on sterling / US dollar and sterling / euro forward foreign exchange contracts are 1.35 and 0.88 (2025: 1.26 and 0.85), respectively. The hedged, highly probable forecast transactions denominated in foreign currencies are expected to occur over the next 12 months.

## 28 Financial risk management (continued)

### Foreign currency risk (continued)

#### Foreign currency borrowings

The group has designated four US dollar fixed interest rate to sterling fixed interest rate cross currency swaps as cash flow hedges. The first swap hedges the movement in the cash flows on the 3.00% $50 million bonds 2029 attributable to changes in the US dollar/sterling exchange rate, the second swap hedges the movement in the cash flows on $50 million of the 5.02% $95 million bonds 2031 attributable to changes in the US dollar/sterling exchange rate, the third swap hedges the movement in the cash flows on $45 million of the 5.02% $95 million bonds 2031 attributable to changes in the US dollar/sterling exchange rate and the fourth swap hedges the movement in the cash flows on the 5.18% $34 million bonds 2034 attributable to changes in the US dollar/sterling exchange rate. The currency swaps have similar critical terms as the hedged items, such as reference rate, reset dates, payment dates, maturity and notional amounts. As all critical terms matched during the year, hedge ineffectiveness was immaterial. The hedge ratio is 1:1. The interest element of the swaps is recognised in the income statement each year.

| | Cross currency swap | |
|---|---|---|
| | **2026 £m** | 2025 £m |
| Carrying value of hedging instruments at 31st March[1] | **2** | 16 |
| Change in carrying value of hedging instruments recognised in equity during the year | **(5)** | 1 |
| Change in fair value of hedged items during the year used to determine hedge effectiveness | **5** | (1) |

1. The designated hedging instruments are four cross currency swaps, one expiring in 2029 whereby the group pays 2.67% fixed on £38 million and receives 3.00% fixed on $50 million, the second expiring in 2031 whereby the group pays 5.37% fixed on £38 million and receives 5.02% fixed on $50 million, the third expiring in 2031 whereby the group pays 5.20% fixed on £34 million and receives 5.02% $45 million and the fourth one expiring in 2034 whereby the group pays 5.31% fixed on £26 million and receives 5.18% fixed on $34 million.

### Interest rate risk

The group's interest rate risk arises from fixed rate borrowings (fair value risk) and floating rate borrowings (cash flow risk) as well as cash deposits and short term investments. Its policy is to optimise interest cost and reduce volatility in reported earnings and equity. The group manages its risk by reviewing the profile of debt regularly and by selectively using interest rate swaps to maintain borrowings at competitive rates. At 31st March 2026, 64% (2025: 68%) of the group's borrowings was at fixed rates with an average interest rate of 3.6% (2025: 3.5%). The remaining debt is floating rate. Based on the group's borrowings at floating rates, after taking into account the effect of the swaps, a 1% change in all interest rates during the current year would have a £5 million impact on the group's profit before tax (2025: £5 million).

The group has designated two (2025: three) fixed rate to floating interest rate swaps as fair value hedges as they hedge the changes in fair value of bonds attributable to changes in interest rates. All hedging instruments have maturities in line with the repayment dates of the hedged bonds and the cash flows of the instruments are consistent. All critical terms of the hedging instruments and hedged items matched during the year and, therefore, hedge ineffectiveness was immaterial. Hedge ineffectiveness is recognised in 'Interest payable on financial liabilities held at amortised cost and interest on related swaps' in note 8.

| | **2026 £m** | 2025 £m |
|---|---|---|
| **Carrying value of hedging instruments at 31st March[2]** | **(5)** | **(5)** |
| Amortised cost | (78) | (140) |
| Fair value adjustment | 5 | 9 |
| **Carrying value of hedged items at 31st March[2]** | **(73)** | **(131)** |
| Change in carrying value of hedging instruments recognised in profit or loss during the year | – | 5 |
| Change in fair value of hedged items during the year used to determine hedge effectiveness | (4) | 1 |

2. The hedged item in the current year is the 1.81% €90 million Bonds 2028. Interest rate swaps have been contracted with aligned notional amounts and maturities to the bonds with the effect that the group pays an average floating rate of six-month EURIBOR plus 0.9985% on the euro bond.

### Price Risk

Fluctuations in precious metal prices have an impact on the group's financial results. Our policy for all manufacturing businesses is to limit this exposure by hedging against future price changes where such hedging can be done at acceptable cost. The group enters into forward precious metal price contracts for the receipt or delivery of precious metal. The group does not take material price exposures on metal trading. A proportion of the group's precious metal inventories are unhedged due to the ongoing risk over security of supply.

## 28 Financial risk management (continued)

### Liquidity risk

The group's funding strategy includes maintaining appropriate levels of working capital, undrawn committed facilities and access to the capital markets. We regularly review liquidity levels and sources of cash, and we maintain access to committed credit facilities and debt capital markets. The group has a £1 billion revolving credit facility with a maturity date of April 2030, and at 31st March 2026 the group had borrowings under committed bank facilities of £nil (2025: £nil). The group also has a number of uncommitted facilities and overdraft lines at its disposal.

The group has three sustainability-linked private placements (€225 million, £35 million and $50 million). The notes have interest rates linked with Johnson Matthey's Key Performance Indicator for the reduction of its Scope 1 and 2 greenhouse gas emissions and are among the first sustainability-linked financing in the market from a UK corporate issuer.

| | **2026 £m** | 2025 £m |
|---|---|---|
| Expiring in more than one year | 1,000 | 1,000 |
| **Undrawn committed bank facilities** | **1,000** | **1,000** |

The maturity analyses for financial liabilities showing the remaining contractual undiscounted cash flows, including future interest payments, at current year exchange rates and assuming floating interest rates remain at the latest fixing rates, are:

| **At 31st March 2026** | **Within 1 year £m** | **1 to 2 years £m** | **2 to 5 years £m** | **After 5 years £m** | **Total £m** |
|---|---|---|---|---|---|
| Bank overdrafts | 35 | – | – | – | **35** |
| Bank and other loans – principal | 20 | 497 | 332 | 501 | **1,350** |
| Bank and other loans – interest payments | 50 | 45 | 59 | 34 | **188** |
| Lease liabilities – principal | 6 | 5 | 11 | 15 | **37** |
| Lease liabilities – principal – classified as held for sale | 2 | 2 | 6 | 16 | **26** |
| Financial liabilities in trade and other payables | 2,118 | 7 | – | – | **2,125** |
| Financial liabilities in trade and other payables classified as held for sale | 125 | 1 | – | – | **126** |
| **Total non-derivative financial liabilities** | **2,356** | **557** | **408** | **566** | **3,887** |
| Forward foreign exchange contracts – payments | 535 | – | – | – | **535** |
| Forward foreign exchange contracts – receipts | (540) | – | – | – | **(540)** |
| Currency swaps – payments | 1,770 | – | – | – | **1,770** |
| Currency swaps – receipts | (1,777) | – | – | – | **(1,777)** |
| Cross currency interest rate swaps – payments | 10 | 10 | 69 | 213 | **302** |
| Cross currency interest rate swaps – receipts | (11) | (11) | (70) | (211) | **(303)** |
| Interest rate swaps – payments | 3 | 3 | 80 | – | **86** |
| Interest rate swaps – receipts | (1) | (1) | (79) | – | **(81)** |
| **Total derivative financial liabilities** | **(11)** | **1** | **–** | **2** | **(8)** |

## 28 Financial risk management (continued)

### Liquidity risk (continued)

| At 31st March 2025 | Within 1 year £m | 1 to 2 years £m | 2 to 5 years £m | After 5 years £m | Total £m |
|---|---|---|---|---|---|
| Bank overdrafts | 24 | – | – | – | **24** |
| Bank and other loans – principal | 333 | – | 781 | 532 | **1,646** |
| Bank and other loans – interest payments | 52 | 50 | 88 | 50 | **240** |
| Lease liabilities – principal | 8 | 9 | 17 | 23 | **57** |
| Financial liabilities in trade and other payables | 1,879 | 6 | – | – | **1,885** |
| **Total non-derivative financial liabilities** | **2,296** | **65** | **886** | **605** | **3,852** |
| Forward foreign exchange contracts – payments | 155 | – | – | – | **155** |
| Forward foreign exchange contracts – receipts | (152) | – | – | – | **(152)** |
| Currency swaps – payments | 971 | – | – | – | **971** |
| Currency swaps – receipts | (959) | – | – | – | **(959)** |
| Cross currency interest rate swaps – payments | 140 | 10 | 67 | 218 | **435** |
| Cross currency interest rate swaps – receipts | (155) | (11) | (72) | (223) | **(461)** |
| Interest rate swaps – payments | 69 | 3 | 80 | – | **152** |
| Interest rate swaps – receipts | (66) | (1) | (78) | – | **(145)** |
| **Total derivative financial liabilities** | **3** | **1** | **(3)** | **(5)** | **(4)** |

### Offsetting financial assets and liabilities

The group offsets financial assets and liabilities when it currently has a legally enforceable right to offset the recognised amounts and it intends to either settle on a net basis or realise the asset and settle the liability simultaneously. The following financial assets and liabilities are subject to offsetting or enforceable master netting arrangements:

| At 31st March 2026 | Gross financial assets/(liabilities) £m | Amounts set off £m | Net amounts in balance sheet £m | Amounts not set off[1] £m | Net £m |
|---|---|---|---|---|---|
| Derivative financial instruments – assets – current | 22 | – | 22 | (8) | 14 |
| Derivative financial instruments – assets – non-current | 2 | – | 2 | (2) | – |
| Derivative financial instruments – liabilities – current | (9) | – | (9) | 8 | (1) |
| Derivative financial instruments – liabilities – non-current | (13) | – | (13) | 2 | (11) |

| At 31st March 2025 | Gross financial assets/(liabilities) £m | Amounts set off £m | Net amounts in balance sheet £m | Amounts not set off[1] £m | Net £m |
|---|---|---|---|---|---|
| Derivative financial instruments – assets – current | 55 | – | 55 | (9) | 46 |
| Derivative financial instruments – assets – non-current | 4 | – | 4 | (4) | – |
| Derivative financial instruments – liabilities – current | (14) | – | (14) | 4 | (10) |
| Derivative financial instruments – liabilities – non-current | (9) | – | (9) | 9 | – |

1. Agreements with derivative counterparties are based on an ISDA Master Agreement. Under these arrangements, whilst the group does not have a legally enforceable right of set off, where certain credit events occur, such as default, the net position receivable from or payable to a single counterparty in the same currency would be taken as owing and all the relevant arrangements terminated.

# 29 Fair values

## Fair value hierarchy

Fair values are measured using a hierarchy where the inputs are:

- Level 1 – quoted prices in active markets for identical assets or liabilities.
- Level 2 – not level 1 but are observable for that asset or liability either directly or indirectly.
- Level 3 – not based on observable market data (unobservable).

## Fair value of financial instruments

Certain of the group's financial instruments are held at fair value. The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the balance sheet date.

The fair value of forward foreign exchange contracts, interest rate swaps, forward precious metal price contracts and currency swaps is estimated by discounting the future contractual cash flows using forward exchange rates, interest rates and prices at the balance sheet date.

The fair value of trade and other receivables measured at fair value is the face value of the receivable less the estimated costs of converting the receivable into cash.

The fair value of money market funds is calculated by multiplying the net asset value per share by the investment held at the balance sheet date.

There were no transfers of any financial instrument between the levels of the fair value hierarchy during the current or prior years.

| | **2026 £m** | 2025 £m | Fair value hierarchy Level |
|---|---|---|---|
| **Financial instruments measured at fair value** | | | |
| **Non-current** | | | |
| Investments at fair value through other comprehensive income[1] | 36 | 38 | 1 |
| Derivative financial instruments – assets[2] | 2 | 4 | 2 |
| Derivative financial instruments – liabilities[2] | (13) | (9) | 2 |
| **Current** | | | |
| Trade receivables[3] | 189 | 158 | 2 |
| Other receivables[4] | 9 | 1 | 2 |
| Cash and cash equivalents – money market funds | 280 | 435 | 2 |
| Cash and cash equivalents – cash and deposits | 42 | 23 | 2 |
| Derivative financial instruments – assets[2] | 22 | 55 | 2 |
| Derivative financial instruments – liabilities[2] | (9) | (14) | 2 |

| | **2026 £m** | 2025 £m | Fair value hierarchy Level |
|---|---|---|---|
| **Financial instruments not measured at fair value** | | | |
| Non-current | | | |
| Borrowings | (1,322) | (1,301) | – |
| Lease liabilities | (24) | (40) | – |
| Trade and other receivables | 59 | 58 | – |
| Other payables | (7) | (6) | – |
| **Current** | | | |
| Amounts receivable under precious metal sale and repurchase[5] | 217 | 282 | – |
| Amounts payable under precious metal sale and repurchase[5] | (948) | (669) | – |
| Cash and cash equivalents – cash and deposits | 214 | 440 | – |
| Cash and cash equivalents – bank overdrafts | (35) | (24) | – |
| Financial assets held at amortised cost | 4 | – | – |
| Borrowings | (20) | (333) | – |
| Lease liabilities | (4) | (6) | – |
| Trade and other receivables | 762 | 862 | – |
| Trade and other payables | (1,170) | (1,210) | – |

1. Investments at fair value through other comprehensive income are quoted bonds purchased to fund pension deficits (£35 million) and an equity investment (£1 million).
2. Includes forward foreign exchange contracts, forward precious metal price contracts and currency and interest rate swaps.
3. Trade receivables held in a part of the group with a business model to hold trade receivables for collection or sale. The remainder of the group operates a hold to collect business model and receives the face value, plus relevant interest, of its trade receivables from the counterparty without otherwise exchanging or disposing of such instruments.
4. Other receivables with cash flows that do not represent solely the payment of principal and interest.
5. Comparatives restated in this table reflect the carrying amount. The fair values are disclosed below.

## 29 Fair values (continued)

### Fair value of financial instruments (continued)

The fair value of financial instruments, excluding accrued interest, is approximately equal to book value except for:

| | 2026 | | 2025 | |
|---|---|---|---|---|
| | **Carrying amount £m** | **Fair value £m** | Carrying amount £m | Fair value £m |
| US Dollar Bonds 2025, 2027, 2028, 2029, 2030, 2031 and 2034 | (386) | (343) | (592) | (571) |
| Euro Bonds 2025, 2028, 2030, 2031, 2032, 2034 and 2036 | (496) | (475) | (539) | (520) |
| Sterling Bonds 2025 and 2029 | (35) | (3) | (80) | (74) |
| Amounts receivable under precious metal sale and repurchase agreements | 217 | 225 | 282 | 300 |
| Amounts payable under precious metal sale and repurchase agreements | (948) | (927) | (669) | (687) |

The fair values of the bonds are calculated using level 2 inputs by discounting future cash flows to net present values using appropriate market interest rates prevailing at the year end.

The fair values of the precious metal sale and repurchase agreements are calculated using level 1 inputs based on closing metal prices.

## 30 Share-based payments

The total expense recognised during the year in respect of equity-settled share-based payments was £12 million (2025*: £15 million).

The group currently operates various share-based payment schemes; a Performance share plan (PSP), a Restricted share plan (RSP), a Deferred bonus scheme and a Share Incentive Plan (SIP). Further details of the directors' remuneration under share-based payment plans are given in the Remuneration Report.

* The comparative period is restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

### PSP

From 2017, shares are awarded to certain of the group's executive directors and senior managers under the PSP based on a percentage of salary and are subject to performance targets over a three-year period. The performance targets are based on underlying EPS growth, Relative and Total Shareholder Return, Return on Capital Employed and strategic and sustainability targets.

Subject to the performance conditions being met the shares will vest after which the directors will be required to hold any vested shares until the fifth anniversary of the award. The Remuneration Committee is entitled to claw back the awards to the executive directors in cases of misstatement or misconduct.

### RSP

From 2023, shares are awarded to employees in exceptional circumstances to recruit, retain and recognise individuals. Awards under the RSP are not subject to performance targets. The shares are subject only to the condition that the employee remains employed by the group on the vesting date (ranging from one to three years after the award date).

### Deferred bonus

A proportion of the bonus payable to executive directors and senior managers is awarded as shares and deferred for three years. The Remuneration Committee is entitled to claw back the deferred element in cases of misstatement or misconduct or other relevant reason as determined by it.

### All employee share incentive plan (SIP) – UK and overseas

Under the SIP, all employees with at least one year of service with the group and who are employed by a participating group company are entitled to contribute up to 2.5% of base pay each month, subject to a £125 per month limit. The SIP trustees buy shares (partnership shares) at market value each month with the employees' contributions. From 1st April 2025, for each partnership share purchased, the group purchases one share (matching share) which is awarded to the employee (previously two shares).

In the UK SIP, if the employee sells or transfers partnership shares within three years of the date of award, the linked matching shares are forfeited.

In the overseas SIP, partnership shares and matching shares are subject to a three-year holding period and cannot be sold or transferred during that time.

During the year, 183,985 (2025: 410,706) matching shares under the SIP were awarded to employees. These are nil cost awards on which performance conditions are substantially completed at the date of grant and, consequently, the fair value of these awards is based on the market value of the shares at that date.

## 30 Share-based payments (continued)

Activity in the year in relation to these share plans is shown below:

| | Year ended 31st March 2026 | | | Year ended 31st March 2025 | | |
|---|---|---|---|---|---|---|
| | **PSP** | **RSP** | **Deferred Bonus[1]** | PSP | RSP | Deferred Bonus[1] |
| Outstanding at the start of the year | 2,815,121 | 227,382 | 353,966 | 2,339,767 | 489,379 | 324,719 |
| Awarded during the year | 1,111,269 | 4,445 | 116,978 | 1,249,978 | 76,925 | 133,185 |
| Forfeited during the year | (605,296) | (38,131) | – | (349,590) | (34,667) | – |
| Released during the year | (569,165) | (159,971) | (91,787) | (425,034) | (304,255) | (103,938) |
| **Outstanding at the end of the year** | **2,751,929** | **33,725** | **379,157** | **2,815,121** | **227,382** | **353,966** |

1. During the year, 13,440 (2025: 10,679) dividend units were received by deferred bonus scheme participants and offset against shares released.

| | Year ended 31st March 2026 | | | |
|---|---|---|---|---|
| | **PSP** | **Exceptional RSP[1]** | **Exceptional RSP[1]** | **Deferred Bonus** |
| Fair value of shares awarded (pence) | 1,520.60 | 1,610.00 | 1,589.30 | 1,454.90 |
| Share price at the date of award (pence) | 1,736.00 | 1,736.00 | 1,736.00 | 1,736.00 |
| Dividend rate | 4.44% | 4.44% | 4.44% | 4.44% |

| | Year ended 31st March 2025 | | | | | |
|---|---|---|---|---|---|---|
| | **PSP** | **Exceptional PSP[2]** | **Exceptional RSP[3]** | **Exceptional RSP[3]** | **Exceptional RSP[3]** | **Deferred Bonus** |
| Fair value of shares awarded (pence) | 1,389.60 | 1,293.00 | 1,389.60 | 1,457.90 | 1,529.60 | 1,325.00 |
| Share price at the date of award (pence) | 1,603.00 | 1,444.00 | 1,603.00 | 1,603.00 | 1,603.00 | 1,603.00 |
| Dividend rate | 4.80% | 5.60% | 4.80% | 4.80% | 4.80% | 4.80% |

1. The group awarded two exceptional RSP schemes on 1st August 2025 of duration one and two years.
2. The group awarded an exceptional PSP scheme on 11th February 2025 of duration two years.
3. The group awarded three exceptional RSP schemes on 1st August 2024 of duration one, two and three years.

The fair value of shares awarded was calculated using a modified Black Scholes model based on the share price at the date of award adjusted for the present value of the expected dividends that will not be received at an expected dividend rate.

At 31st March 2026, the weighted average remaining contracted life of the awarded PSP shares is 1.4 years (2025: 1.5 years) and 0.4 years (2025: 0.6 years) for the awarded RSP shares.

## 31 Commitments

### Capital commitments – future capital expenditure contracted but not provided

| | **2026 £m** | 2025 £m |
|---|---|---|
| Property, plant and equipment[1] | 74 | 155 |
| Other intangible assets | 7 | 28 |

1. Includes £11 million (2025: £13 million) relating to discontinued operations.

At 31st March 2026, precious metal leases were £366 million (2025: £202 million) at year end prices.

## 32 Contingent liabilities

The group is involved in various disputes and claims which arise from time to time in the course of its business including, for example, in relation to commercial matters, product quality or liability, employee matters and tax audits. The group is also involved from time to time in the course of its business in legal proceedings and actions, engagement with regulatory authorities and in dispute resolution processes. These are reviewed on a regular basis and, where possible, an estimate is made of the potential financial impact on the group. In appropriate cases a provision is recognised based on advice, best estimates and management judgement. Where it is too early to determine the likely outcome of these matters, no provision is made. Whilst the group cannot predict the outcome of any current or future such matters with any certainty, it currently believes the likelihood of any material liabilities to be low, and that such liabilities, if any, will not have a material adverse effect on its consolidated income, financial position or cash flows.

As outlined in the group's half year results for the six months ended 30th September 2025, Veranova Bidco LP, had issued a claim against the group in connection with certain warranties given in the sale and purchase agreement dated 16th December 2021 at the time of signing. Johnson Matthey Plc denied the allegations in full and defended the proceedings to trial, which concluded in December 2025. The English High Court delivered a judgment on 1st May 2026 in relation to this claim, dismissing the claim. Veranova Bidco LP has been ordered to pay 90% of Johnson Matthey Plc's costs of the litigation, to be assessed on the indemnity basis. On 11th May 2026, Veranova Bidco LP was granted permission to appeal on a point of law. That appeal is expected to be heard by the Court of Appeal during 2027.

## 33 Transactions with related parties

The group has a related party relationship with its associate, its post-employment benefit plans (note 24) and its key management personnel (below). Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

During the year, the group had sales of £10 million (2025: £9 million) with Veranova. The amounts owed by Veranova were £1 million at 31st March 2026 (2025: £1 million).

The key management of the group and parent company consist of the Board of Directors and the members of the Group Leadership Team (GLT). During the year ended 31st March 2026, the GLT had an average of 9 members (2025: 11 members). The only transactions with any key management personnel were compensation charged in the year which was:

| | **2026 £m** | 2025 £m |
|---|---|---|
| Short term employee benefits | 7 | 8 |
| Share-based payments | 4 | 2 |
| Non-executive directors' fees and benefits | 1 | 1 |
| **Total compensation of key management personnel** | **12** | **11** |

There were no balances outstanding as at 31st March 2026 (2025: £nil). Information on directors' remuneration is given in the Remuneration Report.

Guarantees of subsidiaries' liabilities are disclosed in note 48.

## 34 Non-GAAP measures

The group uses various measures to manage its business which are not defined by generally accepted accounting principles (GAAP). The group's management believes these measures provide valuable additional information to users of the accounts in understanding the group's performance. Certain of these measures are financial Key Performance Indicators which measure progress against our strategy.

All non-GAAP measures are on a continuing operations basis.

### Definitions

| Measure | Definition | Purpose |
|---|---|---|
| Sales[1] | Revenue excluding cost of precious metals to customers and the precious metal content of products sold to customers. | Provides a better measure of the growth of the group as revenue can be heavily distorted by year on year fluctuations in the market prices of precious metals and, in many cases, the value of precious metals is passed directly on to customers. |
| Underlying operating profit[1,2] | Operating profit excluding non-underlying items. | Provides a measure of operating profitability that is comparable over time. |
| Underlying operating profit margin[2] | Underlying operating profit divided by sales. | Provides a measure of how we convert our sales into underlying operating profit and the efficiency of our business. |
| Underlying profit before tax[2] | Profit before tax excluding non-underlying items. | Provides a measure of profitability that is comparable over time. |
| Underlying profit after tax[2] | Profit after tax excluding non-underlying items and related tax effects. | Provides a measure of profitability that is comparable over time. |
| Adjusted underlying profit after tax[2] | Underlying profit after tax adjusted to include the effect of deferred tax assets not recognised in H2'26 as a consequence of the agreed sale of Catalyst Technologies. | Provides a measure of profitability that is comparable over time excluding the impact of the agreed sale of Catalyst Technologies. |
| Underlying earnings per share[1,2] | Adjusted underlying profit after tax divided by the weighted average number of shares in issue. | Our principal measure used to assess the overall profitability of the group. |
| Return on capital employed (ROCE) | Annualised underlying operating profit divided by the average equity plus average net debt. The average is calculated using the opening balance for the financial year and the closing balance. | Provides a measure of the group's efficiency in allocating the capital under its control to profitable investments. |
| Average working capital days (excluding precious metals) | Monthly average of non-precious metal related inventories, trade and other receivables and trade and other payables (including any classified as held for sale) divided by sales for the last three months multiplied by 90 days. | Provides a measure of efficiency in the business with lower days driving higher returns and a healthier liquidity position for the group. |
| Free cash flow[1,3] | Net cash flow from operating activities (excluding disposal related costs) after net interest paid, net purchases of non-current assets and investments, and the principal element of lease payments. | Provides a measure of the cash the group generates through its operations, less capital expenditure. |
| Net debt to underlying EBITDA[3] | Net debt, including quoted bonds purchased to fund the UK pension (excluded when the UK pension plan is in surplus) divided by underlying EBITDA for the same period. | Provides a measure of the group's ability to repay its debt. The group has a current target of net debt to underlying EBITDA of between 1.5 and 2.0 times prior to the completion of the CT disposal. Going forward the group is targeting net debt to underlying EBITDA of between 1.0 and 1.5 times, although in any given year it may fall outside this range depending on future plans. |

1. Key Performance Indicator.
2. Underlying profit measures are before profit or loss on disposal of businesses, gains and losses on significant legal proceedings, major impairment and restructuring charges, share of profits or losses from non-strategic equity investments, one-off tax transactions and, where relevant, related tax effects. These items have been excluded by management as they are not deemed to be relevant to an understanding of the underlying performance of the business.
3. The definition of these non-GAAP measures have been redefined in the current period to give better clarity and transparency and more closely align with the purpose of the non-GAAP measure. Free cash flow has been redefined to exclude disposal related costs and proceeds from disposal of businesses. Net debt to underlying EBITDA has been redefined to exclude post tax pension deficits.

## 34 Non-GAAP measures (continued)

Underlying profit measures exclude the following non-underlying items which are shown separately on the face of the income statement:

- **Profit on disposal of businesses:** The group recognised £5 million profit on the disposal of businesses (2025: £482 million profit), see note 27.
- **Gain on significant legal proceedings:** The group recognised £8 million gain on significant legal proceedings (2025: £nil), see note 4.
- **Major impairment and restructuring charges:** The group recognised £192 million in major impairment and restructuring charges (2025*: £327 million), see note 6.
- **Share of (losses) / profits of associates:** The group recognised £1 million for its share of losses of associates (2025: £3 million profit), see note 15.

### Reconciliations to GAAP measures

Sales

| | 2026 £m | 2025 £m* |
|---|---|---|
| Revenue (note 3) | 12,573 | 11,022 |
| Less: sales of precious metals to customers (note 3) | (10,018) | (8,191) |
| **Sales** | **2,555** | **2,831** |

### Underlying profit measures

Year ended 31st March 2026

| | Operating profit £m | Profit before tax £m | Tax expense £m | Profit after tax £m |
|---|---|---|---|---|
| Adjusted underlying | 340 | 271 | (55) | 216 |
| Effect of deferred tax asset not recognised[1] | – | – | (45) | (45) |
| Underlying | 340 | 271 | (100) | 171 |
| Profit on disposal of businesses | 5 | 5 | – | 5 |
| Gain on significant legal proceedings | 8 | 8 | (2) | 6 |
| Major impairment and restructuring charges | (192) | (192) | (2) | (194) |
| Share of losses of associates | – | (1) | – | (1) |
| Non-underlying tax provisions | – | – | 12 | 12 |
| Deferred tax asset not recognised | – | – | (90) | (90) |
| **Reported** | **161** | **91** | **(182)** | **(91)** |

Year ended 31st March 2025*

| | Operating profit £m | Profit before tax £m | Tax expense £m | Profit after tax £m |
|---|---|---|---|---|
| Underlying | 299 | 245 | (50) | **195** |
| Profit on disposal of businesses | 482 | 482 | (67) | **415** |
| Major impairment and restructuring charges | (327) | (327) | 10 | **(317)** |
| Share of profits of associates | – | 3 | – | **3** |
| Non-underlying tax provisions | – | – | 14 | **14** |
| **Reported** | **454** | **403** | **(93)** | **310** |

### Underlying earnings per share

| | 2026 | 2025* |
|---|---|---|
| Adjusted underlying profit after tax (£ million)[1] | 216 | 195 |
| Weighted average number of shares in issue (number) | 168,153,798 | 175,966,787 |
| Underlying earnings per share (pence) | 128.5 | 110.7 |

1. £45 million relates to deferred tax asset not recognised in H2'26 which is considered as a consequence of the agreed sale of Catalyst Technologies.

### Return on Capital Employed (ROCE)

| | 2026 £m | 2025 £m* |
|---|---|---|
| **Underlying operating profit** | **340** | **299** |
| Average net debt | 845 | 888 |
| Average equity | 1,355 | 1,609 |
| **Average capital employed** | **2,200** | **2,497** |
| **ROCE** | **15.5%** | **12.0%** |

### Average working capital days (excluding precious metals) – unaudited

| | 2026 £m | 2025 £m* |
|---|---|---|
| Inventories | 865 | 1,011 |
| Trade and other receivables | 1,430 | 1,532 |
| Trade and other payables | (2,154) | (1,984) |
| | **141** | **559** |
| Working capital balances relating to discontinued operations | – | (192) |
| **Total working capital** | **141** | **367** |
| Less: Precious metal working capital | 38 | (111) |
| Add: Precious metal working capital relating to discontinued operations | – | 8 |
| **Working capital (excluding precious metals)** | **179** | **264** |
| **Average working capital days (excluding precious metals)** | **62** | **52** |

* Restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26).

## 34 Non-GAAP measures (continued)

### Free cash flow from continuing operations

| | **2026 £m** | 2025 £m* |
|---|---|---|
| Net cash inflow from operating activities | 465 | 381 |
| Less: Net cash outflow / (inflow) from operating activities – discontinued operations | 30 | (51) |
| Add: Disposal costs | 1 | 18 |
| Add: Pension costs relating to divestments | – | 25 |
| Add: Income tax paid relating to divestments | – | 64 |
| Interest received | 97 | 78 |
| Interest paid | (186) | (148) |
| Purchases of property, plant and equipment | (217) | (249) |
| Purchases of intangible assets | (22) | (52) |
| Net cash movements of financial assets held at amortised cost | (4) | – |
| Proceeds from redemption of investments held at fair value through other comprehensive income | 3 | 3 |
| Proceeds from sale of non-current assets | 5 | 1 |
| Principal element of lease payments | (4) | (6) |
| **Free cash flow** | **168** | **64** |

* Restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26) and the redefined non-GAAP measure definition.

### Net Debt to underlying EBITDA

| | **2026 £m** | 2025 £m** |
|---|---|---|
| Cash and deposits | 256 | 463 |
| Money market funds | 280 | 435 |
| Bank overdrafts | (35) | (24) |
| **Cash and cash equivalents** | **501** | **874** |
| Less: Cash and cash equivalents from discontinued operations | – | (32) |
| **Cash and cash equivalents from continuing operations** | **501** | 842 |
| Derivative financial instruments – Cross currency and interest rate swaps – non-current assets | 2 | 4 |
| Derivative financial instruments – Cross currency and interest rate swaps – current assets | – | 13 |
| Derivative financial instruments – Cross currency and interest rate swaps – current liabilities | – | (1) |
| Derivative financial instruments – Cross currency and interest rate swaps – non-current liabilities | (13) | (9) |
| Borrowings – current | (20) | (333) |
| Borrowings – non-current | (1,322) | (1,301) |
| Lease liabilities – current | (4) | (6) |
| Lease liabilities – non-current | (24) | (40) |
| Less: Lease liabilities relating to discontinued operations | – | 21 |
| **Net debt** | **(880)** | **(810)** |

| | **2026 £m** | 2025 £m** |
|---|---|---|
| (Decrease) / increase in cash and cash equivalents | (349) | 345 |
| Less: Decrease in cash and cash equivalents from discontinued operations | 88 | 23 |
| Less: Decrease / (increase) in borrowings | 316 | (213) |
| Less: Net cash movements from hedging activities | (9) | – |
| Less: Principal element of lease payments | 4 | 6 |
| **Decrease in net debt resulting from cash flows** | **50** | **161** |
| New leases, remeasurements and modifications | (6) | (22) |
| Less: New leases, remeasurements and modifications from discontinued operations | – | 11 |
| Other lease movements | (2) | 1 |
| Disposals | – | 5 |
| Exchange differences on net debt | (21) | 11 |
| Other non-cash movements | (8) | 16 |
| Less: Other non-cash movements in discontinued operations | (83) | (28) |
| **Movement in net debt** | **(70)** | **155** |
| Net debt at beginning of year | (810) | (965) |
| **Net debt at end of year** | **(880)** | **(810)** |

| | | |
|---|---|---|
| Underlying operating profit | 340 | 299 |
| Add back: Depreciation and amortisation | 149 | 156 |
| **Underlying EBITDA** | **489** | **455** |
| | | |
| **Net debt to underlying EBITDA** | **1.8** | **1.8** |

| | | |
|---|---|---|
| **Underlying EBITDA** | **489** | **455** |
| Depreciation and amortisation | (149) | (156) |
| Profit on disposal of businesses | 5 | 482 |
| Gain on significant legal proceedings | 8 | – |
| Major impairment and restructuring charges | (192) | (327) |
| Finance costs | (182) | (141) |
| Investment income | 113 | 87 |
| Share of (losses) / profits of associates | (1) | 3 |
| Income tax expense | (182) | (93) |
| **(Loss) / profit for the year from continuing operations** | **(91)** | **310** |

** Restated to reflect classification of the Catalyst Technologies segment as discontinued operations (see note 26) and the redefined non-GAAP measure definition.

## 35 Events after the balance sheet date

As outlined in the group's half year results for the six months ended 30th September 2025, Veranova Bidco LP, had issued a claim against the group in connection with certain warranties given in the sale and purchase agreement dated 16th December 2021 at the time of signing. Johnson Matthey Plc denied the allegations in full and defended the proceedings to trial, which concluded in December 2025. The English High Court delivered a judgment on 1st May 2026 in relation to this claim, dismissing the claim. Veranova Bidco LP has been ordered to pay 90% of Johnson Matthey Plc's costs of the litigation, to be assessed on the indemnity basis. On 11th May 2026, Veranova Bidco LP was granted permission to appeal on a point of law. That appeal is expected to be heard by the Court of Appeal during 2027.

On 27th May 2026, the group signed an agreement to acquire CORMETECH Inc. for an enterprise value of $360 million payable in cash on completion. CORMETECH Inc. is the leading and high-growth US manufacturer of Selective Catalytic Reduction catalysts providing emissions control for stationary power generation and industrial applications and will become part of the Clean Air Solutions business. The transaction is expected to complete at the end of June or in July 2026 following receipt of customary regulatory approvals. An additional earn-out consideration of up to $100 million in total may be payable in cash during calendar years 2028 and 2029, conditional on CORMETECH Inc. achieving certain financial performance targets.

# Parent Company Statement of Financial Position

as at 31st March 2026

| | Notes | 2026 £m | 2025 £m |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 37 | 615 | 597 |
| Right-of-use assets | | 16 | 14 |
| Goodwill | 38 | 1 | 113 |
| Other intangible assets | 39 | 203 | 260 |
| Investments in subsidiaries | 40 | 2,046 | 2,100 |
| Other receivables | 42 | 1,141 | 1,123 |
| Derivative financial instruments | 43 | 2 | 4 |
| Deferred tax assets | | – | 57 |
| Post-employment benefit net assets | 44 | 231 | 233 |
| **Total non-current assets** | | **4,255** | **4,501** |
| **Current assets** | | | |
| Inventories | 45 | 100 | 372 |
| Taxation recoverable | | 11 | 13 |
| Trade and other receivables | 42 | 2,054 | 2,137 |
| Cash and cash equivalents | | 285 | 662 |
| Derivative financial instruments | 43 | 25 | 58 |
| Assets classified as held for sale | 41 | 10 | – |
| **Total current assets** | | **2,485** | **3,242** |
| **Total assets** | | **6,740** | **7,743** |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 46 | (3,692) | (4,806) |
| Lease liabilities | | (2) | (1) |
| Cash and cash equivalents – bank overdrafts | | (34) | (21) |
| Borrowings | 47 | – | (308) |
| Derivative financial instruments | 43 | (10) | (16) |
| Provisions | 48 | (52) | (57) |
| **Total current liabilities** | | **(3,790)** | **(5,209)** |

| | Notes | 2026 £m | 2025 £m |
|---|---|---|---|
| **Non-current liabilities** | | | |
| Borrowings | 47 | (1,322) | (1,301) |
| Lease liabilities | | (18) | (15) |
| Employee benefit obligations | 44 | (5) | (6) |
| Derivative financial instruments | 43 | (13) | (9) |
| Provisions | 48 | (14) | (2) |
| Trade and other payables | 46 | (4) | (6) |
| **Total non-current liabilities** | | **(1,376)** | **(1,339)** |
| **Total liabilities** | | **(5,166)** | **(6,548)** |
| **Net assets** | | **1,574** | **1,195** |
| **Equity** | | | |
| Share capital | 49 | 197 | 197 |
| Share premium | | 148 | 148 |
| Treasury shares | | (6) | (10) |
| Other reserves | 49 | 30 | 62 |
| Retained earnings[1] | | 1,205 | 798 |
| **Total equity** | | **1,574** | **1,195** |

1. The parent company's profit for the year is £545 million (2025: £321 million).

# Parent Company Statement of Changes in Equity

for the year ended 31st March 2026

| | Share capital £m | Share premium £m | Treasury shares £m | Other reserves (note 25) £m | Retained earnings £m | Total equity £m |
|---|---|---|---|---|---|---|
| At 1st April 2024 | 215 | 148 | (17) | 72 | 850 | 1,268 |
| Profit for the year | – | – | – | – | 321 | 321 |
| Remeasurements of post-employment benefit assets and liabilities | – | – | – | – | 31 | 31 |
| Exchange differences on translation of foreign operations | – | – | – | – | (5) | (5) |
| Amounts charged to hedging reserve (note 49) | – | – | – | (38) | – | (38) |
| Tax on other comprehensive income / (expense) | – | – | – | 10 | (8) | 2 |
| Total comprehensive (expense) / income | – | – | – | (28) | 339 | 311 |
| Dividends paid (note 49) | – | – | – | – | (138) | (138) |
| Purchase of treasury shares (note 49) | (18) | – | – | 18 | (251) | (251) |
| Share-based payments | – | – | – | – | 9 | 9 |
| Cost of shares transferred to employees | – | – | 7 | – | (11) | (4) |
| **At 31st March 2025** | **197** | **148** | **(10)** | **62** | **798** | **1,195** |
| Profit for the year | – | – | – | – | 545 | 545 |
| Remeasurements of post-employment benefit assets and liabilities | – | – | – | – | (15) | (15) |
| Exchange differences on translation of foreign operations | – | – | – | (9) | – | (9) |
| Amounts charged to hedging reserve (note 49) | – | – | – | (30) | – | (30) |
| Tax on other comprehensive income / (expense) | – | – | – | 7 | 4 | 11 |
| **Total comprehensive (expense) / income** | – | – | – | (32) | 534 | 502 |
| Dividends paid (note 49) | – | – | – | – | (129) | (129) |
| Share-based payments | – | – | – | – | 6 | 6 |
| Cost of shares transferred to employees | – | – | 4 | – | (4) | – |
| **At 31st March 2026** | **197** | **148** | **(6)** | **30** | **1,205** | **1,574** |

## 36 Accounting policies – parent company

The accounts are prepared on a going concern basis in accordance with Financial Reporting Standard (FRS) 101, *Reduced Disclosure Framework*, issued in September 2015 and the Companies Act 2006 applicable to companies reporting under FRS 101. The parent company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006, but makes amendments where necessary to comply with the Act and has set out below the FRS 101 disclosure exemptions taken by the parent company:

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2, *Share-based Payment*;
- the requirements of IFRS 7, *Financial Instruments: Disclosures*;
- the requirements of paragraphs 91 to 99 of IFRS 13, *Fair Value Measurement*;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15, *Revenue from Contracts with Customers*;
- the requirement in paragraph 38 of IAS 1, *Presentation of Financial Statements*, to present comparative information in respect of: paragraph 73(e) of IAS 16, *Property, Plant and Equipment*; and paragraph 118(e) of IAS 38, *Intangible Assets*;
- the requirements of paragraphs 10(d), 38A, 38B, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1, *Presentation of Financial Statements*;
- the requirements of IAS 7, *Statement of Cash Flows*;
- the requirements of paragraphs 30 and 31 of IAS 8, *Accounting Policies*, *Changes in Accounting Estimates and Errors*;
- the requirements of paragraph 17 of IAS 24, *Related Party Disclosures*;
- the requirements in IAS 24, *Related Party Disclosures*, to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d), 134(f) and 135(c) to 135(e) of IAS 36, *Impairment of Assets*.

The accounts are prepared on the historical cost basis, except for certain assets and liabilities which are measured at fair value as explained below.

The parent company has not presented its own income statement, statement of total comprehensive income and related notes as permitted by Section 408(3) of the Companies Act 2006. Profit for the year is disclosed in the parent company statement of financial position and statement of changes in equity.

In the parent company statement of financial position, businesses acquired from other group companies are recognised at book value at the date of acquisition. The difference between the consideration paid and the book value of the net assets acquired is reflected in retained earnings.

### Material accounting policies

The group's and parent company's accounting policies have been applied consistently during the current and prior year, other than where new policies have been adopted (see note 1). The group's and parent company's material accounting policies are consistent (see note 1) with the exception of the following parent company accounting policies:

#### Investments in subsidiaries

Investments in subsidiaries are stated in the parent company's balance sheet at cost less any provisions for impairment. Investments in subsidiaries are reviewed for impairment if there are any indicators that the carrying value may not be recoverable. If a distribution is received from a subsidiary, the investment in that subsidiary is assessed for an indication of impairment.

#### Amounts receivable from subsidiaries

Amounts owed by subsidiaries are initially recognised at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method, less any impairment losses.

Amounts receivable from subsidiaries are impaired where there is no reasonable expectation of recovery. See note 42 for further information.

#### Provisions and contingencies

Where the parent company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, these guarantee contracts are considered to be contingent liabilities until such time as it becomes probable that the company will be required to make a payment under the guarantee.

#### Sources of estimation uncertainty and judgements made in applying accounting policies

The group's and parent company's sources of estimation uncertainty and judgements made in applying accounting policies are consistent – see note 1 for further information.

## 37 Property, plant and equipment

| | Land and buildings £m | Leasehold improvements £m | Plant and machinery £m | Assets in the course of construction £m | Total £m |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| **At 31st March 2025** | **130** | **2** | **759** | **389** | **1,280** |
| Additions | – | 5 | 10 | 145 | 160 |
| Transfers from assets in the course of construction | – | 1 | 74 | (75) | – |
| Reclassification | (4) | 6 | (4) | 2 | – |
| Disposals[1] | (14) | – | (241) | (30) | (285) |
| **At 31st March 2026** | **112** | **14** | **598** | **431** | **1,155** |
| **Accumulated depreciation and impairment** | | | | | |
| **At 31st March 2025** | **91** | **2** | **590** | **–** | **683** |
| Charge for the year | 2 | 1 | 28 | – | 31 |
| Impairment losses | – | – | 25 | – | 25 |
| Reclassification | (2) | 3 | (1) | – | – |
| Disposals[1] | (10) | – | (189) | – | (199) |
| **At 31st March 2026** | **81** | **6** | **453** | **–** | **540** |
| **Carrying amount at 31st March 2026** | **31** | **8** | **145** | **431** | **615** |
| Carrying amount at 31st March 2025 | 39 | – | 169 | 389 | 597 |
| Carrying amount at 31st March 2024 | 41 | – | 168 | 240 | 449 |

1. During the year, the property, plant and equipment held in respect of Catalyst Technologies was disposed upon sale of the cash-generating unit from Johnson Matthey Plc to Johnson Matthey Davy Technologies Limited.

Finance costs capitalised were £10 million (2025: £5 million) and the capitalisation rate used to determine the amount of finance costs eligible for capitalisation was 3.7% (2025: 3.8%).

## 38 Goodwill

| | Total £m |
|---|---|
| **Cost** | |
| At 1st April 2024 and 31st March 2025 | 123 |
| Disposals[2] | (122) |
| **At 31st March 2026** | **1** |
| **Accumulated impairment** | |
| At 1st April 2024 and 31st March 2025 | 10 |
| Disposals[2] | (10) |
| **At 31st March 2026** | **–** |
| **Carrying amount at 31st March 2026** | **1** |
| Carrying amount at 1st April 2024 and 31st March 2025 | 113 |

2. During the year, the goodwill held in respect of Catalyst Technologies was disposed upon sale of the cash-generating unit from Johnson Matthey Plc to Johnson Matthey Davy Technologies Limited.

## 39 Other intangible assets

| | Computer software £m | Patents, trademarks and licences £m | Acquired research and technology £m | Development expenditure £m | Assets in the course of construction £m* | Total £m |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| **At 31st March 2025** | 550 | 8 | – | 13 | – | 571 |
| Additions | 4 | – | – | – | 15 | 19 |
| Reclassifications to assets in the course of construction | (54) | – | – | 1 | 53 | – |
| Reclassification | (1) | 1 | – | – | – | – |
| Disposals[1] | (52) | (5) | – | – | – | (57) |
| **At 31st March 2026** | **447** | **4** | **–** | **14** | **68** | **533** |
| **Accumulated amortisation and impairment** | | | | | | |
| **At 31st March 2025** | **293** | **5** | **–** | **13** | **–** | **311** |
| Charge for the year | 43 | 1 | – | – | – | 44 |
| Impairment losses | 4 | – | – | – | – | 4 |
| Reclassifications to assets in the course of construction | (11) | – | – | – | 11 | – |
| Disposals[1] | (25) | (4) | – | – | – | (29) |
| **At 31st March 2026** | **304** | **2** | **–** | **13** | **11** | **330** |
| **Carrying amount at 31st March 2026** | **143** | **2** | **–** | **1** | **57** | **203** |
| Carrying amount at 31st March 2025 | 257 | 3 | – | – | – | 260 |
| Carrying amount at 1st April 2024 | 256 | 5 | – | (4) | – | 257 |

1. During the year, the other intangible assets held in respect of Catalyst Technologies were disposed upon sale of the cash-generating unit from Johnson Matthey Plc to Johnson Matthey Davy Technologies Limited.

* During the period the group expanded the other intangible assets note to include assets in the course of construction. This resulted in a reclassification of £89 million cost of assets previously recorded under computer software to assets in the course of construction. Following completion of construction, £35 million of assets were subsequently transferred from assets in the course of construction to computer software and £1 million of assets were transferred from assets in the course of construction to development expenditure.

## 40 Investments in subsidiaries

| | Cost of investments in subsidiaries £m | Accumulated impairment £m | Carrying amount £m |
|---|---|---|---|
| **At 31st March 2025** | **2,362** | **(262)** | **2,100** |
| Disposals | (25) | – | (25) |
| Impairment loss | – | (19) | (19) |
| Transferred to assets classified as held for sale (note 41) | (10) | – | (10) |
| **At 31st March 2026** | **2,327** | **(281)** | **2,046** |

The impairment relates to the parent company's investment in Johnson Matthey Hydrogen Technologies Limited.

## 41 Assets held for sale

On 22nd May 2025, the company announced the sale of its Catalyst Technologies business to Honeywell International Inc. The enterprise value of this sale is £1.325 billion on a cash and debt-free basis. The carrying amount of the investment in subsidiary classified as held for sale as at 31st March 2026 is £10 million.

Notes on the Accounts for the year ended 31st March 2026 continued

## 42 Trade and other receivables

| | 2026 £m | 2025 £m |
|---|---|---|
| **Current** | | |
| Trade receivables | 87 | 127 |
| Contract receivables | 20 | 22 |
| Amounts receivable from subsidiaries | 1,588 | 1,587 |
| Prepayments | 18 | 29 |
| Value added tax and other sales tax receivable | 32 | 33 |
| Advance payments to customers | 2 | – |
| Amounts receivable under precious metal sale and repurchase agreements | 217 | 282 |
| Other receivables | 90 | 57 |
| **Trade and other receivables** | **2,054** | **2,137** |
| | | |
| **Non-current** | | |
| Amounts receivable from subsidiaries | 1,115 | 1,091 |
| Advance payments to customers | 26 | 32 |
| **Other receivables** | **1,141** | **1,123** |

Trade receivables and contract receivables are net of expected credit losses ("provision"). Of the parent company's amounts receivable from subsidiaries, a total provision of £517 million (2025: £140 million) has been recognised.

The balance due from Johnson Matthey Hydrogen Technologies Limited of £624 million (2025: £441 million) has a provision recognised against it of £509 million (2025: £128 million) as at 31st March 2026. This is recognised based on a net present value calculation over the period of time over which the company expects to recover the loan using estimated cashflows and expected growth rates for the sector. Further information is set out in note 5.

Given Hydrogen Technologies is a scaling business, further market changes in the next 12 months could result in changes in the significant assumptions relating to the cashflows and growth rates for the business, which could materially change the expected recoverable amount of this balance.

## 43 Derivative financial instruments

The parent company non-current derivative financial instrument assets and liabilities are consistent with the group balances – see note 18.

| | 2026 £m | 2025 £m |
|---|---|---|
| **Current assets** | | |
| Forward foreign exchange contracts designated as cash flow hedges | 5 | 9 |
| Forward precious metal price contracts designated as cash flow hedges | 5 | 31 |
| Forward foreign exchange contracts and currency swaps at fair value through profit or loss | 15 | 5 |
| Cross currency and interest rate swaps | – | 13 |
| **Derivative financial instruments** | **25** | **58** |
| | | |
| **Current liabilities** | | |
| Forward foreign exchange contracts designated as cash flow hedges | (5) | (4) |
| Forward foreign exchange contracts and currency swaps at fair value through profit or loss | (5) | (11) |
| Cross currency and interest rate swaps | – | (1) |
| **Derivative financial instruments** | **(10)** | **(16)** |

## 44 Post-employment benefits

The parent company is the sponsoring employer of the group's UK defined benefit pension plan and the UK post-retirement medical benefits plan. There is no contractual agreement or stated policy for charging the net defined benefit cost for the plans to the individual group entities. The parent company recognises the net defined benefit cost for these plans and information is disclosed in note 24.

Notes on the Accounts for the year ended 31st March 2026 continued

## 45 Inventories

| | 2026 £m | 2025 £m |
|---|---|---|
| Raw materials and consumables | 12 | 32 |
| Work in progress | 70 | 270 |
| Finished goods and goods for resale | 18 | 70 |
| **Inventories** | **100** | **372** |

Write-downs of inventories amounted to £3 million (2025: £nil).

## 46 Trade and other payables

| | 2026 £m | 2025 £m |
|---|---|---|
| **Current** | | |
| Trade payables | 241 | 272 |
| Contract liabilities | 4 | 12 |
| Amounts payable to subsidiaries | 2,249 | 3,546 |
| Accruals | 91 | 189 |
| Amounts payable under precious metal sale and repurchase agreements | 925 | 654 |
| Other payables | 182 | 133 |
| **Trade and other payables** | **3,692** | **4,806** |
| **Non-current** | | |
| Amounts payable to subsidiaries | 4 | 5 |
| Other payables | – | 1 |
| **Trade and other payables** | **4** | **6** |

## 47 Borrowings

The parent company's non-current borrowings are consistent with the group balances – see note 20.

| | 2026 £m | 2025 £m |
|---|---|---|
| **Current** | | |
| 3.14% $130 million Bonds 2025 | – | (100) |
| 1.40% €77 million Bonds 2025 | – | (63) |
| 2.54% £45 million Bonds 2025 | – | (45) |
| 3.79% $130 million Bonds 2025 | – | (100) |
| **Borrowings** | **–** | **(308)** |

## 48 Provisions

| | Restructuring provisions £m | Other provisions £m | Total £m |
|---|---|---|---|
| **At 31st March 2025** | **7** | **52** | **59** |
| Charge for the year | 4 | 3 | 7 |
| Net sale of metal | – | 10 | 10 |
| Utilised | (7) | – | (7) |
| Released | – | (3) | (3) |
| **At 31st March 2026** | **4** | **62** | **66** |

| | 2026 £m | 2025 £m |
|---|---|---|
| Current | 52 | 57 |
| Non-current | 14 | 2 |
| **Total provisions** | **66** | **59** |

The restructuring provisions are part of the parent company's efficiency initiatives and are expected to be utilised within one year.

The other provisions include provisions to buy metal to cover short positions created by the parent company selling metal to cover price risk on metal owned by subsidiaries. Amounts provided reflect management's best estimate of the expenditure required to settle the obligations at the balance sheet date and are expected to be utilised within one year.

The parent company also guarantees some of its subsidiaries' borrowings and its exposure at 31st March 2026 was £20 million (2025: £20 million).

## 49 Share capital and other reserves

### Share capital and dividends

The parent company's disclosures relating to share capital, dividends and purchase of treasury shares are consistent with the group disclosures. Refer to note 25 for further information.

| | | | Hedging reserve | | | |
|---|---|---|---|---|---|---|
| | Capital redemption reserve £m | FX Reserve £m | Forward currency contracts £m | Cross currency contracts £m | Forward metal contracts £m | Total other reserves £m |
| At 1st April 2024 | 13 | – | (2) | (1) | 62 | 72 |
| Cash flow hedges – gains / (losses) taken to equity | – | – | 7 | 1 | (2) | 6 |
| Cash flow hedges – transferred to revenue (income statement) | – | – | (3) | – | (41) | (44) |
| Cash flow hedges – transferred to cost of sales (income statement) | – | – | (2) | – | – | (2) |
| Cash flow hedges – transferred to foreign exchange (income statement) | – | – | – | 2 | – | 2 |
| Cancelled ordinary shares from share buyback | 18 | – | – | – | – | 18 |
| Tax on above items taken directly to or transferred from equity | – | – | – | – | 10 | 10 |
| **At 31st March 2025** | **31** | **–** | **–** | **2** | **29** | **62** |
| Cash flow hedges – gains / (losses) taken to equity | – | – | 1 | (5) | (3) | **(7)** |
| Cash flow hedges – transferred to revenue (income statement) | – | – | (4) | – | (23) | **(27)** |
| Cash flow hedges – transferred to foreign exchange (income statement) | – | – | (1) | 5 | – | **4** |
| Exchange differences on translation of foreign operation taken to equity | – | (9) | – | – | – | **(9)** |
| Tax on above items taken directly to or transferred from equity | – | – | 1 | – | 6 | **7** |
| **At 31st March 2026** | **31** | **(9)** | **(3)** | **2** | **9** | **30** |

## 50 Commitments

### Capital commitments – future capital expenditure contracted but not provided

| | 2026 £m | 2025 £m |
|---|---|---|
| Property, plant and equipment | 54 | 131 |
| Other intangible assets | 6 | 28 |

## 51 Related undertakings

A full list of related undertakings at 31st March 2026 (comprising subsidiaries and associates) is set out below. Those held directly by the parent company are marked with an asterisk (*) and those held jointly by the parent company and a subsidiary are marked with a cross (+). All the companies are wholly owned unless otherwise stated. All the related undertakings are involved in the principal activities of the group. Unless otherwise stated, the share class of each related undertaking comprises ordinary shares only. As permitted by section 479A of the Companies Act 2006, the Company intends to take advantage of the audit exemption in relation to the individual accounts of the companies marked with a hash (#).

| | Entity | Registered address |
|---|---|---|
| + | Johnson Matthey Argentina S.A. | Tucumán 1 Piso 4, Buenos Aires, C1049AAA, Argentina |
| + | Johnson Matthey Belgium | Pegasuslaan 5, 1831 Diegem, Belgium |
| | The Argent Insurance Co. Limited | Rosebank Centre, 5th Floor, 11 Bermudiana Road, Pembroke HM 08, Bermuda |
| | Johnson Matthey Brasil Ltda | Rua Olimpiadas, 205 - 4º andar, Sala 438, Edifício Continental Square, Vila Olímpia, São Paulo, CEP 04.551-000, Brazil |
| | Johnson Matthey Canada, Inc. | 340 Albert Street, Suite 1400, Ottawa ON K1R 0A5, Canada |
| | Johnson Matthey Argillon (Shanghai) Emission Control Technologies Ltd | Ground Floor, Building 2, No. 298 Rongle East Road, Songjiang Industrial Zone, Shanghai, 201613, China |
| | Johnson Matthey Battery Materials (Changzhou) Co., Ltd | A10 Building, No.2 Xinzhu Road, Xinbei District, Changzhou, China |
| | Johnson Matthey Chemical Process Technologies (Shanghai) Company Limited | Room 1066, Building 1, No 215 Lianhe North Road, Fengxian District, Shanghai, China |
| | Johnson Matthey (China) Trade Co., Ltd | 1st and 2nd Floor, Office Block, Building No. 7, No 298 Rongle East Road, Songjiang District, Shanghai, China |
| | Johnson Matthey Clean Energy Technologies (Beijing) Co., Ltd | Unit 01/14th Floor, Pacific Century Place, 2A Gong Ti Bei Lu, Chaoyang District, Beijing, China |
| | Johnson Matthey (Shanghai) Catalyst Co., Ltd | 586 Dongxing Road, Songjiang Industrial Zone, Shanghai, 201613, China |
| | Johnson Matthey (Shanghai) Chemicals Limited | 588 and 598 Dongxing Road, Songjiang Industry Zone, Shanghai, 201613, China |
| | Johnson Matthey (Shanghai) Hydrogen Technologies Co., Ltd | JT7575, Room 108, Floor 1, Building 1, 6988 Jiasong North Road, Anting, Jiading, Shanghai, China |
| | Johnson Matthey (Shanghai) Trading Limited | Room 1615B, No. 118 Xinling Road, Waigaoqiao Free Trade Zone, Shanghai, China |
| | Johnson Matthey (Zhangjiagang) Environmental Protection Technology Co., Ltd | No. 9 Dongxin Road, Yangtze River International Chemical Industrial Park, Jiangsu Province, Jiangsu, 215634, China |
| | Johnson Matthey (Zhangjiagang) Precious Metal Technology Co. Ltd | No. 48, the west of Beijing Road, Yangtze River International Chemical Industrial Park, Jiangsu, 215633, China |
| | Johnson Matthey A/S | c/o DLA Piper Denmark, Oslo Plads 2, 2100 Copenhagen, Denmark |
| | Johnson Matthey Battery Materials Finland Oy (in liquidation 09.12.2025) | c/o Asianajotoimisto Krogerus Oy, Unioninkatu 22, Helsinki, 00130, Finland |
| | Johnson Matthey SAS | Les Diamants - immeuble B, 41 rue Delizy, 93500 Pantin, France |
| | Johnson Matthey Catalysts (Germany) GmbH | Bahnhofstrasse 43, 96257 Redwitz an der Rodach, Germany |
| | Johnson Matthey Chemicals GmbH | Wardstrasse 17, D-46446 Emmerich am Rhein, Germany |
| | Johnson Matthey Deutschland GmbH | Otto-Volger-Strasse 9b, 65843, Sulzbach, Taunus, Germany |
| | Johnson Matthey Pacific Limited[1] | Unit 4-6, 8th floor, 909 Cheung Sha Wan Road, Cheung Sha Wan, Kowloon, Hong Kong |
| + | Johnson Matthey Chemicals India Private Limited | Plot No 6A, MIDC Industrial Estate, Taloja, Maharashtra, 410208 India |
| | Johnson Matthey India Private Limited | Regus Business Centre, 5th Floor, Caddie Commercial Tower – Aerocity, New Delhi, 110037, India |
| | Johnson Matthey Italia S.r.l. | Corso Francesco, Ferrucci 112, Turin, Italy |
| | Johnson Matthey Fuel Cells Japan Limited | 5123-3 Kitsuregawa, Sakura-shi, Tochigi, 329-1412, Japan |
| | Johnson Matthey Japan Godo Kaisha | 5123-3 Kitsuregawa, Sakura-shi, Tochigi, 329-1412, Japan |
| | Johnson Matthey Arabia for Business Services LLC | 2975 Prince Ahmad Ibn Abdulaziz, 8124 Al Woroud Dist., Riyadh, 12253, Kingdom of Saudi Arabia |
| | Johnson Matthey Global Business Services Lithuania UAB | Konstitucijos prospektas 18B, Vilnius, LT-09308, Lithuania |
| * | Johnson Matthey Sdn. Bhd. | Suite 13.03, 13th Floor, Menara Tan & Tan, 207 Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia |
| | Johnson Matthey Services Sdn. Bhd. | Suite 13.03, 13th Floor, Menara Tan & Tan, 207 Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia |
| | Johnson Matthey de Mexico, S. de R.L. de C.V. | c/o Cacheaux, Cavazos and Newton, No. 437 Col. Colinas del Cimatario, Queretaro, CP 76090, Mexico |

## 51 Related undertakings (continued)

| | Entity | Registered address |
|---|---|---|
| | Johnson Matthey Servicios, S. de R.L. de C.V. | c/o Cacheaux, Cavazos and Newton, No. 437 Col. Colinas del Cimatario, Queretaro, CP 76090, Mexico |
| | Intercat Europe B.V. | Robert Schumandomein 2, Begane Grond & 2de Verdieping, 6229 ES, Maastricht, The Netherlands |
| | Johnson Matthey International Management Services B.V. | Javastraat 12, 3016 CE, Rotterdam, The Netherlands |
| | Johnson Matthey Netherlands 2 B.V. | Javastraat 12, 3016 CE, Rotterdam, The Netherlands |
| | Johnson Matthey DOOEL Skopje | Technological Industrial and Development Zone Bunardzik Skopje 1, Str.102, Ilinden, 1041, Republic of North Macedonia |
| | Johnson Matthey Poland Spółka z ograniczoną odpowiedzialnością | ul. Alberta Einsteina 6, 44-109, Gliwice, Poland |
| | Johnson Matthey Battery Materials Poland spółka z ograniczoną odpowiedzialnością | ul. Alberta Einsteina 6, 44-109, Gliwice, Poland |
| + | Macfarlan Smith Portugal, Lda | Largo de São Carlos 3, 1200-410, Lisbon, Portugal |
| | Johnson Matthey Catalysts Korea Limited | (Jung-dong), #802-11, 33 Dongbaek 3-ro 11 beon-gil, Giheung-gu, Yongin-si, Gyeonggi-do, Korea, Republic of |
| | Johnson Matthey Korea Limited | (Taepeyongro-1ga), S8020, 8F, 136 Sejong-daero, Jung-gu, Seoul, Republic of Korea |
| | Johnson Matthey Singapore Private Limited | 9 Raffles Place, 13-03 Republic Plaza, Singapore, 048619, Singapore |
| | Johnson Matthey (Proprietary) Limited | c/o Thomson Wilks Attorneys, 1st Floor, Pebble Beach Building, Inanda Greens Business Park, 54 Weirda Road West, Weirda Valley, Sandton, 2196, Republic of South Africa |
| | Johnson Matthey Research South Africa (Proprietary) Limited | c/o Thomson Wilks Attorneys, 1st Floor, Pebble Beach Building, Inanda Greens Business Park, 54 Weirda Road West, Weirda Valley, Sandton, 2196, Republic of South Africa |
| | Johnson Matthey Salts (Proprietary) Limited | c/o Thomson Wilks Attorneys, 1st Floor, Pebble Beach Building, Inanda Greens Business Park, 54 Weirda Road West, Weirda Valley, Sandton, 2196, Republic of South Africa |
| | Johnson Matthey AB | Victor Hasselblads Gata 8, 421 31 Västra Frölunda, Göteborg, Sweden |
| | Johnson Matthey Formox AB | SE-284 80, Perstorp, Sweden |
| | Johnson Matthey & Brandenberger AG | c/o PRÜFAG, Wirtschaftsprüfung AG, Badenerstrasse 144, 8004 Zürich, Switzerland |
| | LiFePO4+C Licensing AG | Hertensteinstrasse 51, 6004 Lucerne, Switzerland |
| | Johnson Matthey Services (Trinidad and Tobago) Limited | Queen's Park Place, 17-20 Queens Park West, Port of Spain, Trinidad and Tobago |
| | Stepac Ambalaj Malzemeleri Sanayi Ve Ticaret Anonim Sirketi (in liquidation 06.07.2023) | Güzeloba Mah. Rauf Denktaş Cad., No.56/101, Muratpaşa /Antalya, Turkey |
| | Johnson Matthey Catalyst Technologies – LLC – S.P.C. | King Abdullah bin Abdulaziz, 408 Al Saud St, AL BATEEN, Abu Dhabi 20011, United Arab Emirates |
| * | JMEPS Trustees Limited | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |
| + | Johnson Matthey (Nominees) Limited | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |
| * | Johnson Matthey (Scotland) Limited Partnership[2] | c/o DWF LLP, 103 Waterloo Street, Glasgow, Scotland, G2 7BW, United Kingdom |
| * | Johnson Matthey Battery Materials Limited (in liquidation 03.09.2025) | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |
| * | Johnson Matthey Davy Technologies Limited | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |
| * | Johnson Matthey General Partner (Scotland) | c/o DWF LLP, 103 Waterloo Street, Glasgow, Scotland, G2 7BW, United Kingdom |
| *# | Johnson Matthey Hydrogen Technologies Limited (04393161)[3] | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |
| # | Johnson Matthey Investments Limited (01004368) | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |
| | Johnson Matthey Plc | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |
| *# | Johnson Matthey Precious Metals Limited (03657767) | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |
| # | Johnson Matthey South Africa Holdings Limited (07419436) | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |

## 51 Related undertakings (continued)

| | Entity | Registered address |
|---|---|---|
| # | Johnson Matthey Tianjin Holdings Limited (5391061) | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |
| *# | Johnson Matthey UK Holdings Limited (14090567) | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |
| | Matthey Finance B.V.[3] | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |
| +# | Matthey Finance Limited (301279) | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |
| *# | Matthey Holdings Limited (03130188) | 5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom |
| | Johnson Matthey Holdings, Inc. | 1397 Kings Road, West Chester PA 19380, United States of America |
| | Johnson Matthey Hydrogen Technologies, Inc. | 1397 Kings Road, West Chester PA 19380, United States of America |
| | Johnson Matthey Inc.[4] | 1397 Kings Road, West Chester PA 19380, United States of America |
| | Johnson Matthey Process Technologies, Inc. | 1397 Kings Road, West Chester PA 19380, United States of America |
| | Johnson Matthey Stationary Emissions Control LLC | 1397 Kings Road, West Chester PA 19380, United States of America |
| | Johnson Matthey USA Holdings Inc. | 435 Devon Park Drive, Suite 600, Wayne PA 19087, United States of America |
| | Red Maple LLC (50.0%)[5] | Corporation Service Company, 251 Little Falls Drive, Wilmington DE 19808, United States of America |
| | Veranova Parent Holdco L.P. (30.0%)[5] | 1209 Orange Street, New Castle County, Wilmington, Delaware, 19801, United States of America |

In some jurisdictions in which the group operates, share classes are not defined and in these instances, for the purpose of disclosure, these holdings have been classified as ordinary shares.

1. Ordinary and non-cumulative redeemable preference shares
2. Limited partnership, no share capital
3. Ordinary preference shares
4. Ordinary and series A preferred stock
5. Joint venture / Associate.