Governance

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JM's site in Gliwice, Poland.

Chair's introduction to governance

Patrick Thomas
Chair

During the year, the board's discussions primarily focused on three key objectives:

- To confirm the strategy of our business, ensuring progress of the milestones previously communicated, whilst focusing on cash generation and delivering higher returns of capital
- To agree the target culture as we embed the effects of our transformation across all areas of JM and reinforce the need for capital discipline
- To advance succession planning for the board to secure strong and effective leadership for the future.

These objectives were set following the 2023/24 board and committee effectiveness review, to bring focus to our discussions and ensure Johnson Matthey is well positioned for long-term success.

Strategy

Our transformation strategy, launched in 2022, has been implemented against a backdrop of challenging market conditions and changing dynamics. The board has continued to support and challenge management, to ensure we remain agile and adjust our strategy as we continue our transformation into an industry-leading energy transition company. We receive regular presentations from senior management to ensure they are focused on delivering higher returns for our shareholders and making progress at pace.

Open and constructive dialogue with our shareholders is essential to effective governance and our strategy. Through regular engagement, board members gain valuable insight into shareholders' perspectives on our strategy, as well as financial performance and governance, which helps ensure our plans are aligned with their expectations. The board has been kept abreast of these discussions which informed and shaped our agendas and strategic decisions during the year. We remain committed to this ongoing dialogue.

During the year, the board recognised the need to adapt its investment strategy and has established an Investment Committee to reinforce cash generation and a disciplined and measured deployment of capital.

→ For more information on the Investment Committee see page 79.

Culture and workforce engagement

Our values provide the framework for how we perform our duties, engage with each other in JM and with our customers and stakeholders. The board places great emphasis on ensuring JM's culture aligns with our purpose, values and strategy, and supported by the Societal Value Committee, considers multiple sources to monitor and assess how our culture is embedded. During the year the board has considered management's approach to how JM's culture is evolving and the behaviours needed to drive change. It is recognised that further work will need to be undertaken in the year ahead to redefine our target culture, to drive a truly high performing culture as we pivot to a focus on cash.

We remain mindful of how our decisions impact our various stakeholders and the range of matters discussed and debated by the board during the year can be found on page 62. Listening to our colleagues enables us to understand what matters to them and the challenges to their day-to-day work. Board members met with colleagues across JM to hear their experience of our transformation journey first hand. You can read more about our culture and stakeholder engagement on pages 65-66.

Board composition and succession

The board, together with the Nomination Committee, continued to monitor the board's composition, skills and diversity to ensure we have the right structure and skills to support and challenge the management team. We were delighted to welcome Sinead Lynch to the board in January 2025. Sinead has strong experience across commercial operations and organisational change, as well as a deep understanding of low carbon energy and sustainability. Stephen Oxley, Chief Financial Officer, stood down from the board in March 2025 and his successor, Richard Pike, was appointed as Chief Financial Officer Designate in February 2025, and appointed to the board as Executive Director in April 2025. Richard brings strong financial leadership and a deep understanding of manufacturing and recycling industries. You can read more about the process that led to Sinead's and Richard's appointments on page 68.

Looking ahead

The agreement to sell the Catalyst Technologies business to Honeywell International Inc. (Honeywell) is the start of a new era for Johnson Matthey, supported by a leaner operating model to create a highly focused and cash generative group.

I will step down as Chair of the board following the conclusion of the 2025 Annual General Meeting (AGM) and look forward to welcoming my successor to lead the company in the next part of its journey. It has been a privilege to serve Johnson Matthey and I look forward to watching the company succeed in the years ahead.

Patrick Thomas
Chair

Board at a glance

as at 31st March 2025

Board and committee attendance during the year

This table includes attendance at scheduled meetings. Throughout the year, several ad hoc meetings were held to discuss key matters that arose between scheduled meetings. These ad hoc meetings, which are not included in the table below, comprised six board meetings, three Nomination Committee meetings and two Remuneration Committee meetings.

Richard Pike was appointed to the board as an Executive Director and member of the Investment Committee and Societal Committee on 1st April 2025. The Investment Committee held its first meeting in 2025/26.

	Board	Nomination Committee	Audit Committee	Societal Value Committee	Remuneration Committee
Patrick Thomas	6/6	3/3	–	–	–
Liam Condon[1]	6/6	–	–	4/5	–
Stephen Oxley[2]	6/6	–	–	5/5	–
Rita Forst	6/6	3/3	4/4	5/5	–
Jane Griffiths[3]	5/5	3/3	4/4	4/4	3/3
Barbara Jeremiah[4]	6/6	3/3	4/4	3/5	–
John O'Higgins	6/6	3/3	4/4	5/5	4/4
Xiaozhi Liu	6/6	3/3	–	–	4/4
Sinead Lynch[5]	1/1	–	–	1/1	1/1
Doug Webb	6/6	3/3	4/4	–	4/4

1. Liam Condon was unable to attend one Societal Value Committee meeting due to a scheduling conflict.
2. Stephen Oxley stepped down from his position as Chief Financial Officer and Executive Director on 31st March 2025.
3. Jane Griffiths stepped down as a Non-Executive Director of the board, Chair of the Societal Value Committee, and member of the Nomination Committee and Audit Committee on 31st December 2024.
4. Barbara Jeremiah was unable to attend two Societal Value Committee meetings due to scheduling conflicts.
5. Sinead Lynch joined the board as a Non-Executive Director, and as a member of the Nomination Committee, Societal Value Committee and Remuneration Committee on 1st January 2025.

Non-executive directors' skills and experience

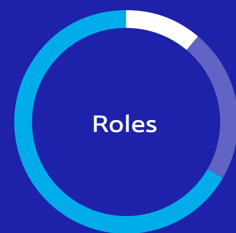
Industry experience	Patrick Thomas	Rita Forst	Barbara Jeremiah	John O'Higgins	Xiaozhi Liu	Sinead Lynch	Doug Webb
Automotive	●	●		●	●		
Chemicals	●		●	●			
Energy				●	●	●	
Oil and gas	●			●		●	
Precious metals	●	●	●				
Manufacturing	●	●	●	●	●		●
Professional services		●					●
Technology	●	●	●	●	●	●	●
Sustainability	●	●	●		●	●	
Organisation transformation	●	●	●	●	●		●

Board composition

Directors:

Male	56%	5
Female	44%	4

0-3 years	29%	2
4-6 years	57%	4
7-9 years	14%	1



Chair	11%	1
Executive	22%	2
Non-Executive	67%	6

British	33.3%	3
Irish	33.3%	3
German	22.2%	2
US citizen	11.1%	1

Board of Directors

Patrick Thomas
Chair

Appointed to the board: June 2018

Career and experience which support strategy and long-term success
Between 2015 and May 2018, Patrick was Chief Executive Officer and Chair of the Board of Management at Covestro AG. Between 2007 and 2015, he was Chief Executive Officer of its predecessor, Bayer MaterialScience, before its demerger from Bayer AG. He is a fellow of the Royal Academy of Engineering.

Contribution
Patrick has deep experience of leading international speciality chemical businesses. He also has a track record in driving growth through science and innovation across global markets, with a strong focus on sustainability.

External appointments
Member of Covestro AG's Supervisory Board.

Liam Condon
Chief Executive Officer

Appointed to the board: March 2022

Career and experience which support strategy and long-term success
Liam was previously a member of the Board of Management of Bayer AG and President of the Crop Science Division, a role he held for nine years. He has also served in senior roles at Schering AG and Bayer HealthCare.

Contribution
Liam is a dynamic and values-driven leader, with an impressive track record of leading science-based businesses while delivering consistent high-quality performance. He balances commercial ability with a strong strategic perspective. He has a proven track record of driving growth, as well as modernising organisations.

External appointments
Non-Executive Director at Halma plc.

Richard Pike
Chief Financial Officer

Appointed to the board: April 2025

Career and experience which support strategy and long-term success
Most recently Richard was Group Finance Director of DS Smith plc. He has previously held the roles of Chief Financial Officer at both Biffa plc and Boparan Holdings Limited, Managing Director of British Sugar and Group Finance Director of AB Sugar (both parts of ABF plc). Earlier in his career, Richard held a variety of financial and operational roles at Scapa Group plc, Pilkington plc and Manchester Airports Group. Richard trained and qualified as a chartered accountant with PwC.

Contribution
Richard brings strong financial leadership and a deep understanding of manufacturing and recycling industries. He also has significant experience of capital allocation and delivery, enhancing cash flow and improving cost efficiencies.

External appointments
None

Barbara Jeremiah
Senior Independent Director

Appointed to the board: July 2023

Career and experience which support strategy and long-term success
Most recently, Barbara was Executive Vice President, Corporate Development of Alcoa Inc, a global aluminium producer. She has extensive board experience, having previously been a non-executive director of Premier Oil, plc, Aggreko and Russel Metals Inc. Barbara is a qualified lawyer.

Contribution
Barbara brings strong leadership, deep understanding of metals and has extensive experience in North American markets, having spent over 30 years at Alcoa Inc. Her previous experience as a non-executive director enables her to act as a sounding board for the Chair.

External appointments
Chair of The Weir Group PLC and Non-Executive Director of Senior plc.

Rita Forst
Independent Non-Executive Director

Appointed to the board: October 2021

Career and experience which support strategy and long-term success
Rita has spent more than 35 years at the Opel European division of General Motors in senior engineering, product development and management positions, including Vice President, Engineering, for General Motors Europe. Rita was responsible for the development of new generations of engines and car models for Opel and General Motors, as well as European research and development activities.

Contribution
Rita has a deep understanding of the automotive and powertrain sectors. Her extensive knowledge includes research and development of conventional and alternative powertrains, as well as future vehicle technologies.

External appointments
Non-Executive Director of AerCap Holdings N.V. and Member of the Supervisory Board of NORMA Group SE.

Changes during the year:
Jane Griffiths stepped down as a Non-Executive Director of the board on 31st December 2024.
Stephen Oxley stepped down from his position as Chief Financial Officer and Executive Director on 31st March 2025.

N Nomination Committee member | A Audit Committee member | I Investment Committee member | S Societal Value Committee member | R Remuneration Committee member | Committee Chair

Board of Directors continued

N R

Xiaozhi Liu
Independent Non-Executive Director

Appointed to the board: April 2019

Career and experience which support strategy and long-term success

Xiaozhi is the founder and Chief Executive of ASL Automobile Science & Technology, a position she has held since 2009. She was previously a senior executive in several automotive companies, including Chair and Chief Executive of General Motors Taiwan.

Contribution

Xiaozhi has deep knowledge and perspective on sustainable and technology-driven businesses, and strong experience of the global automotive sector, particularly in China, as well as Europe and the US.

External appointments

Chief Executive of ASL Automobile Science & Technology, Non-Executive Director of Autoliv Inc., Ambassador for FISITA.

N I S R

Sinead Lynch
Independent Non-Executive Director

Appointed to the board: January 2025

Career and experience which support strategy and long-term success

Sinead was Senior Vice President of Shell Plc's Low Carbon Fuels business, developing technologies and investing in projects to produce sustainable renewable fuels at scale. Prior to Shell's acquisition of BG Group, she was appointed as the BG Executive Vice President of Integration and co-led the successful merger of the two businesses. Sinead began her career as a geophysicist.

Contribution

Sinead has extensive knowledge and experience of the low carbon fuel sector with a particular interest in sustainability and the energy transition pathway. She has deep experience across commercial operations, organisational change and multidisciplinary integration.

External appointments

Trustee of the Shell Foundation.

R N A S

John O'Higgins
Independent Non-Executive Director

Appointed to the board: November 2017

Career and experience which support strategy and long-term success

John was Chief Executive of Spectris plc from January 2006 to September 2018, leading the business through a period of significant transformation. He previously worked for Honeywell as President of Automation and Control Solutions, Asia Pacific, and in other management roles. From 2010 to 2015, John was a Non-Executive Director at Exide Technologies Inc, a battery technology supplier to automotive and industrial users. He began his career as a design engineer at Daimler-Benz in Stuttgart.

Contribution

John has extensive business and industrial experience, as well as a track record of portfolio analysis and realignment, driving growth and improving operational efficiencies.

External appointments

Chair of Elementis plc, Non-Executive Director of Oxford Nanopore Technologies Plc, member of the Supervisory Board of ENVEA Global SA.

A N I R

Doug Webb
Independent Non-Executive Director

Appointed to the board: September 2019

Career and experience which support strategy and long-term success

Doug was Chief Financial Officer of Meggitt plc from 2013 to 2018, and was previously Chief Financial Officer at London Stock Exchange Group plc and QinetiQ Group plc. Before that, he held senior finance roles at Logica plc. Doug began his career in Price Waterhouse's audit and business advisory team. He is a fellow of the Institute of Chartered Accountants in England and Wales.

Contribution

Doug has a strong background in corporate financial management and a deep understanding of the technology and engineering sectors. Doug chaired the Audit Committee at SEGRO plc for nine years until April 2019, making him ideally suited to chairing our Audit Committee and acting as its financial expert.

External appointments

Non-Executive Director of United Utilities Group PLC.

Simon Price
General Counsel and Company Secretary

Appointed as General Counsel and Company Secretary: June 2023

Career and experience which support strategy and long-term success

Simon trained as a research scientist before moving into law, spending 11 years at Freshfields and then at Smiths Group plc, where he was General Counsel for the APAC region. He joined JM in 2019 as Deputy General Counsel and General Counsel of Clean Air before being appointed to the role of General Counsel and Company Secretary in June 2023.

Contribution

Simon's in-depth knowledge of corporate law and legal risk, along with his experience of the chemicals and technology sectors, means he is well placed to advise JM on key issues relating to legal matters, corporate governance and compliance.

External appointments

None

N Nomination Committee member · A Audit Committee member · I Investment Committee member · S Societal Value Committee member · R Remuneration Committee member · Committee Chair

Board statements

How we apply the principles of the UK Corporate Governance Code 2018 (the Code)

Board leadership and company purpose	
The role of the board	Page 61
Purpose and culture	Pages 1 and 81
Resources and controls	Page 76
Stakeholder engagement	Pages 65-66
Workforce engagement	Page 82
Division of responsibilities	
Role of the Chair, non-executive directors and Company Secretary	Page 61
Composition of the board	Pages 57-59
Composition, succession and evaluation	
Appointments to the board and succession planning	Page 69
Career, experience and knowledge of the board	Pages 58-59
Board evaluation	Page 63
Audit, risk and internal control	
Audit Committee report	Pages 70-78
Risk report	Pages 46-51
Remuneration	
Remuneration Committee report	Pages 83-106

Compliance with the Code

During the year under review, we have applied all the principles and complied with all the provisions of the Code except provision 41 – engagement with the workforce on alignment of executive pay with the wider company pay policy. While we inform our employees of global changes to pay and benefits, we have not actively sought a two-way dialogue over executive pay. We benchmark remuneration against our peers to ensure we offer competitive pay and benefits, so we continue to attract and retain the highest-calibre candidates.

During the year, all employees were able to provide feedback on a range of matters, including remuneration, as part of our annual employee engagement survey.

→ Read more in our Remuneration Committee report on pages 83-106.

The Code is publicly available on the Financial Reporting Council (FRC) website, frc.org.uk

Plans are in place to implement the applicable recommendations set out in the revised UK Corporate Governance Code 2024 (2024 Code). The 2024 Code will apply to JM for 2025/26 (except provision 29) and there will be some recommendations we will report on in next year's Annual Report.

Fair, balanced and understandable

In accordance with the Code, the board considers that, taken as a whole, the Annual Report and Accounts 2025 is fair, balanced and understandable (FBU), and provides the information necessary for shareholders to assess Johnson Matthey's position, performance, business model and strategy. The Audit Committee assessed the process that management used to support the recommendation to the board.

→ Read more about our FBU process on page 76.

Going concern

The directors have a reasonable expectation that Johnson Matthey Plc has adequate resources to continue to fund its operations for a period of 12 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the accounts.

→ Read more about our going concern on page 54.

Viability

The directors have assessed the viability of the company and group over a three-year period, taking into account the group's current position and the potential impact of the principal risks and emerging risks. Based on this assessment, the directors confirm they have a reasonable expectation that the company and group will be able to continue operating and meet its liabilities as they fall due over the three-year period to 31st March 2028.

→ Read more about our viability on page 54.

Risk assessment of the principal risks facing the company and annual review of systems of risk management and internal control

The board acknowledges its responsibility for establishing procedures to manage risk. During the year, the board reviewed the effectiveness of the company's risk management and internal control systems and conducted a robust review of the company's principal risks. These activities meet the board's responsibilities in connection with risk management and internal control as set out in the Code.

→ Read more about our risk assessment of the principal risks facing the company and annual review of systems of risk management and internal control on pages 46-51.

Our governance structure

Our board of directors

At the date of this report, the board comprises nine directors: the Chair, two executive directors, the Senior Independent Director and five independent non-executive directors.

The board is responsible for our long-term success. It provides leadership and direction and monitors Johnson Matthey's culture and values. The board also sets our strategy and oversees its implementation, ensuring we are managing risks appropriately and acting in the interests of our stakeholders. The responsibilities we do not delegate as a board are included in the Matters Reserved for the Board in our Corporate Governance Framework.

Board composition and roles

Our non-executive directors are determined to be independent by the board, in accordance with the Code's criteria. The board members' respective career, experience and knowledge enable them to discharge their respective duties and responsibilities effectively. Further details can be found on pages 58-59. The Chair was considered independent on appointment.

Our board committees

The number of board and committee meetings held during the financial year are included on page 57. The board keeps the number of meetings under review to ensure that non-executive directors have sufficient time to discharge their duties.

Board composition and roles

Chair
Patrick Thomas

- Leads the board
- Ensures an effective board, including welcoming contributions and challenges from directors

Independent non-executive directors
Rita Forst, Xiaozhi Liu, Sinead Lynch, John O'Higgins and Doug Webb

- Constructively challenge the executive directors
- Scrutinise management's performance

Senior Independent Director
Barbara Jeremiah

- Provides a sounding board for the Chair
- Acts, if necessary, as a focal point and intermediary for the other directors
- Is available to shareholders should they have concerns

Chief Executive Officer
Liam Condon

- Day-to-day responsibility for running the group's operations
- Recommends and implements group strategy

Chief Financial Officer
Richard Pike

- Has day-to-day responsibility for managing the finance function

General Counsel and Company Secretary
Simon Price

- Together with the Chair, keeps the effectiveness of the company's and the board's governance processes under review

Our board committees

Nomination Committee

→ Read more on pages 67-69

Audit Committee

→ Read more on pages 70-78

Investment Committee

→ Read more on page 79

Societal Value Committee

→ Read more on pages 80-82

Remuneration Committee

→ Read more on pages 83-106

Disclosure Committee

- Executive management and General Counsel and Company Secretary (Chair)
- Identifies and controls inside information, and determines how and when that information is disclosed

Details of the roles and responsibilities of our committees are set out in our Corporate Governance Framework available on our website: matthey.com/governance-framework

Group Leadership Team

The board delegates responsibility for implementing operational decisions and for the day-to-day management of the business to the Chief Executive Officer, who is supported by the Group Leadership Team (GLT). Our Delegation of Authorities Framework sets out levels of authority for decision-making throughout the group.

Details of GLT members and their relevant experience can be found on our website: matthey.com/GLT

Board outcomes

The table below shows key activities and outcomes of the board's discussions during the year and up to the date of this report. The Stakeholder engagement section on pages 65-66 explains how the board considers stakeholder views and the outcomes of those considerations.

Regular reporting

Meeting agendas are agreed by the Chair, CEO and General Counsel and Company Secretary, and combine a balance of regular standing items as outlined below:

- **Executive reports:** The CEO and CFO provide high-level operational and financial updates presenting key achievements, challenges and action being taken.
- **Strategy and performance:** The board reviews key areas of strategy and performance, presented by our business Chief Executives and Function leaders.
- **Transformation:** The board receives updates on the work of the Transformation Office and JM Global Solutions, our significant change programme.
- **Risk, governance and compliance:** The General Counsel and Company Secretary provides regular updates on corporate governance developments as well as internal governance matters. The board reviews the company's principal risks at least twice a year.

April 2024

- Xiaozhi Liu visited Shanghai, China and met with colleagues as part of the board's workforce engagement programme
- Reviewed progress on the delivery of a new refinery to replace our ageing asset in the UK

May 2024

- Agreed to defer the start-up of the Hydrogen Technologies facility at Royston, UK given a slowing down of market conditions
- Challenged management's plans to optimise Clean Air manufacturing footprint and to reduce the number of production lines
- Received a board teach-in on sustainable aviation fuels, including a discussion with DG Fuels, a key customer, to understand their perspective on the market
- Discussed external board and committee effectiveness review findings and set objectives for 2025

July 2024

- £250 million share buyback programme approved and commenced following the completion of the sale of the Medical Device Components business
- Approved the sale of the Battery Materials site at Konin, Poland for £26 million
- Commenced the search for Stephen Oxley's successor, having advised the board he would step down from his position as Chief Financial Officer on 31st March 2025

August 2024

- Doug Webb visited Chilton and Stockton, UK sites, and met with colleagues as part of the board's workforce engagement programme

September 2024

- Approved the refinancing of £300 million of debt, including through the US Private Placement market
- Board visit to the US including site tours and engagement with colleagues. This included meeting with representatives from the employee resource group and teach-ins on the US market and labor relations

November 2024

- Agreed changes to the composition of the GLT to create a smaller, more focused leadership team
- Reviewed and agreed with management's decisions to impair certain IT assets

December 2024

- Jane Griffiths stepped down from the board as a non-executive director
- £250 million share buyback programme completed
- Reviewed and approved management's proposal to reduce investment in the Hydrogen Technologies business, with no additional growth investment planned

January 2025

- Sinead Lynch joined the board as a non-executive director
- Alignment of 2025/26 remuneration incentives to increase the weighting towards cash generation targets
- Agreed and published a response to the letter issued by Standard Investments LLC on 16th December 2024 and engaged with major shareholders on key topics including strategy and governance
- Investment Committee established to reinforce the company's investment strategies and capital allocation

February 2025

- Appointment of new Chief Financial Officer Designate, Richard Pike
- The Nomination Committee commenced a search for a successor to Patrick Thomas after he confirmed he would step down as Chair following the 2025 AGM
- Agreed to exit the China fuel cells market
- Approved the refinancing of a £1 billion Revolving Credit Facility

April 2025

- Rita Forst visited Redwitz, Germany and met with colleagues as part of the board's workforce engagement programme

May 2025

- Agreed the sale of Catalyst Technologies to Honeywell for £1.8 billion on a cash and debt-free basis and agreed in principle to return £1.4 billion of proceeds to shareholders following completion of the sale
- Reviewed and agreed with management's decisions to impair certain assets in Clean Air, PGM Services and Hydrogen Technologies following the assessment for the year-end

Board and committee effectiveness

As part of our commitment to strong governance, our 2024/25 board effectiveness review was led by John O'Higgins, independent Non-Executive Director, following the Chair's decision to step down from the board. John O'Higgins held one-to-one discussions with each board member to seek their input on a range of topics, including board composition, dynamics, strategy, meetings and the committees. This annual effectiveness review helps drive continuous improvement of the board and, in turn, performance of the company.

Board effectiveness review outcomes

The 2024/25 review highlighted the constructive relationships between board members, good collective knowledge of JM and strong engagement on strategy.

The review also identified areas for continued development, including ensuring clarity of responsibility for tasks and actions between committees, finding further opportunities for interaction with the workforce and continuing to embed the annual planner.

2024/25 action	Responsibility
Continue to enhance and embed the annual planner to support key decisions	Chair, Committee Chairs, with support from the General Counsel and Company Secretary
Review responsibilities of key committees to ensure these remain efficient	General Counsel and Company Secretary
Continue to enhance engagement with the workforce to support the board's understanding of JM's culture	Chair, Chief Executive Officer, with support from the General Counsel and Company Secretary

2023/24 review

Actions from the 2023/24 review are set out below together with details of the progress made.

2023/24 action	2023/24 Progress and Insight
Agree board objectives for 2024/25, supported by an annual planner	The board agreed its objectives for the year would focus on strategy, culture and succession planning. This was supported by an annual planner.
Increase engagement between GLT members and non-executive directors	GLT members continued to regularly present to the board, providing an opportunity for direct engagement. When presenting, GLT members will often join the board for lunch, enabling more informal engagement. The Chair and Senior Independent Director each held various 1:1 calls with different GLT members throughout the year.
As the new arrangements for board committee composition and cadence embeds, review roles and responsibilities to ensure these remain appropriate and are in support of the board's objectives	The board discussed the committee composition and cadence, including the roles and responsibilities of the committees. This led to the creation of the Investment Committee, to ensure that capital investments are rigorously assessed and aligned with our long-term strategic objectives and to deploy capital effectively.

Review of the Chair's performance

Led by Barbara Jeremiah, the Senior Independent Director, the non-executive directors met without Patrick Thomas in May 2024 to discuss his performance as Chair. They considered he continues to provide effective leadership for the board and facilitates open and constructive debate. As announced in February 2025, the Chair announced his decision to step down from the board following the company's AGM in July 2025. Led by John O'Higgins, Non-Executive Director, the non-executive directors met to discuss the key skills and expertise sought from a new Chair. Further details on this search process will be included in our Annual Report and Accounts 2026.

Section 172 statement

Our Section 172 statement comprises this section and pages 65-66; it describes how the directors have had regard to stakeholders' interests when discharging their duties under Section 172 of the Companies Act 2006. The mechanisms used to engage with shareholders are described on page 65. You can also read more about how the board considered these matters during the year, as follows:

Section 172(1) considerations

(a) The likely consequences of any decision in the long-term During the year, the directors focused on our strategy to drive value, including cost reduction, portfolio rationalisation and growth, to improve cash generation. This will ensure we are positioned to create long-term value for shareholders following the completion of the sale of the Catalyst Technologies business.	• Our purpose – see page 1 • Our business model – see pages 6-7 • Our strategy – see pages 8-10 • Board outcomes - see page 62	• Themes that are changing our world – see page 3 • Financial performance review – see pages 18-24 • Sustainability – see pages 25-34
(b) Interests of employees The directors recognise the importance of attracting, retaining and motivating high-performing individuals, especially during times of significant change. The directors consider the implications of the board's decisions for our colleagues where possible, and the equitable treatment of employees during their departure from the company. They also seek to ensure we remain committed to promoting a safe and inclusive working environment for all our people.	• People – see pages 32-35 • Employee engagement – see page 82 • Diversity, equity, inclusion and belonging – see pages 34-35 • Speak Up • Culture – see pages 33 and 81	
(c) Fostering the company's business relationships with suppliers, customers and others Our relationship with customers, suppliers, governments and partners is essential to ensure the success of our strategy and the long-term success of the company. The board receives updates on engagement across the group at meetings.	• Financial performance review – see pages 18-24 • Modern Slavery Statement • Our business model – see pages 6-7 • Sustainability – see pages 25-34	• Human rights and ethical standards • Culture – see pages 33 and 81
(d) Impact of operations on the community and the environment Sustainability is at the heart of our strategy, and the impact we have on the community and environment is carefully considered by the board. The board closely monitors decisions relating to our sustainability strategy through the Societal Value Committee.	• Our purpose – see page 1 • Themes that are changing our world – see page 3 • Sustainability – see pages 25-34	• Task Force on Climate-related Financial Disclosures report– see pages 35-42 • Societal Value Committee report – see pages 80-82
(e) Maintaining a reputation for high standards of business conduct Our Code of Ethics, Supplier Code of Conduct and Modern Slavery Statement are reviewed regularly by the board. This ensures the high standards of conduct we expect are upheld by all levels of the business. The board monitors compliance with these through JM's internal control framework.	• Our purpose – see page 1 • Speak Up • Human rights and ethical standards • Internal controls – see page 76	• Modern Slavery Statement • Ethics and compliance
(f) The need to act fairly between members of the company Following careful consideration of all relevant factors including the impact on our stakeholders, the directors assess the course of action that enables the delivery of our strategy and the long-term success of the company.	• Stakeholder engagement – see pages 65-66 • Board outcomes – see page 62 • Annual General Meeting – see page 109	

Sustainability website: matthey.com/en/sustainability

Governance: matthey.com/investors/governance

Modern Slavery Statement: matthey.com/modern-slavery

Stakeholder engagement

We are focused on driving long-term sustainable success for the benefit of our stakeholders. This section provides an insight into how we, as a board, engage with our stakeholders to understand what matters to them. Examples of some of the principal decisions taken by the board during the year and the stakeholder views and inputs considered as part of these decisions are on pages 65-66. Find more information on board outcomes see page 62.

Customers and strategic partners

How we engage at board level

- Customer relationships are regularly discussed by the board
- The board was informed of ongoing key strategic partnerships in order to assess progress against our strategic milestones

How we engage across the company

- Customer satisfaction surveys
- Tracking customer perceptions against key indicators
- Engaging customers in the development process of new products

Investors

How we engage at board level

- Regular investor updates are presented at board meetings to ensure investor views are fully considered when taking decisions
- Investors have the chance to ask directors questions at the AGM
- The Chair, Chief Executive Officer and Chief Financial Officer have regular engagement with investors and analysts, including presenting full and half year results
- The Remuneration Committee Chair engages directly on remuneration matters and application of policy
- The Senior Independent Director and Committee Chairs are available to meet with investors

How we engage across the company

- Regular dialogue with shareholders to support them in their investments and understand their priorities
- Investor roadshows and investor conferences, including PGM Services investor seminar
- Investor site visits

Our people

How we engage at board level

- Review the results of the employee engagement surveys
- Monitor culture and the impact of significant changes on our people
- Regular visits to JM sites to meet colleagues
- Review process safety and EHS processes to ensure they keep our people safe
- The Nomination Committee receives talent and succession updates
- The Societal Value Committee reviews matters raised through our independent Speak Up process
- The Remuneration Committee sets the reward and benefits framework

How we engage across the company

- Regular internal communications and town halls
- Employee engagement surveys
- Policies, processes and events to keep our people safe and promote a culture of diversity, equity, inclusivity and belonging, that reflects our values
- Annual JM Awards to showcase the best of JM and celebrate the exceptional delivery from our individuals and teams

Society

How we engage at board level

- Address key societal issues within our strategy
- Through the Societal Value Committee, review the progress towards our sustainability targets

How we engage across the company

- Play an active role in a variety of associations, including the Henry Royce Institute and the Society of Chemical Industries

Communities

How we engage at board level

- The Societal Value Committee receives reports on sustainability and actions to support our communities

How we engage across the company

- JM colleagues can take up to two paid volunteering days every year to work with projects that benefit their local communities. In 2024/25 volunteering activities ranged from restoring forests through tree planting, delivering STEM talks to young people, supporting refugees through mentoring and sorting surplus food at food banks
- Match funding for employee donations to certain charitable causes. In 2024/25 JM matched charitable donations made to a variety of charities such as Cancer Research UK, The Red Cross and Movember
- Donations to support communities in the regions that we operate in, including supporting relief efforts in The Republic of North Macedonia (catastrophic fires broke out in different regions), and India (supporting more than1,300 families affected by flooding in Pune)

Suppliers

How we engage at board level

- Review payment practices reporting and areas of improvement
- Review and approve the Modern Slavery Statement
- Promote an ethical culture

How we engage across the company

- Continually review relationships with our strategic and high-impact suppliers
- Policies and processes to ensure an ethical supply chain, including the Human Rights Policy and Conflict Minerals and Cobalt Policy
- Communications to raise awareness of the importance of ethical conduct within our supply chain

Stakeholder engagement in action

Stakeholder engagement is vital to building a sustainable business. The board recognises the need to foster positive business relationships with suppliers, customers and governments.

Transforming the future of refining

The 3rd Century Refining (3CR) project is a transformative investment for JM, aimed at strengthening our leadership position as the world's largest refiner of recycled platinum group metals (PGMs) by volume. Replacing the ageing Royston, UK refinery, 3CR is critical to JM's long-term refining strategy, ensuring business continuity, driving sustainability and enabling circularity for customers.

Stakeholder considerations

Our people	Employee health and safety will be enhanced by reducing Platinum Salt Sensitisation (PSS) risks through better physical barriers and improving ergonomics to create safer, more comfortable working conditions.
Investors	The 3CR project is ahead of schedule and under budget, with operations planned to commence in November 2026. This positions JM to deliver significant cost efficiencies, increased cash flow benefits and reduced working capital. The project aligns with the growing demand for recycled PGMs, strengthening JM's market leadership and supporting profitable growth for long-term shareholder value.
Communities and society	Key environmental, health and safety concerns will be addressed by reducing JM's environmental impact through enhanced asset integrity and waste management practices, ensuring sustainability remains central to JM's refining operations.
Suppliers	The 3CR facility will handle more complex feeds, improving JM's ability to meet diverse customer needs through a robust supply chain, and offer circular lifecycle management to our customers.

Outcomes and impact on our long-term success

The 3CR project represents a monumental step forward for JM. By introducing cutting-edge technology, reducing cycle times and increasing capacity, the new refinery will solidify JM's standing as an industry leader. The operational efficiencies, sustainability measures and enhanced safety features will not only meet the demands of today, but also position JM for a thriving future in the energy transition.

Strengthening our governance

In January 2025 the board established the Investment Committee to reinforce the company's investment strategies and capital allocation. The committee reviews initiatives to optimise cash conversion, recommends the capital allocation framework to the board and monitors capital investment programmes against market conditions and business strategies, in the context of the overall portfolio strategy.

Stakeholder considerations

Investors	Following engagement with investors, the board recognised the need for the company to remain agile in uncertain markets and adapt its investment strategy and capital allocation as needed, alongside identifying initiatives to accelerate and deliver cash generation and enhanced returns on capital. The committee was set up to provide additional oversight to these areas, in line with the company's commitment to delivering sustainable shareholder value.
Customers and strategic partners	We have made substantial commercial progress, winning new business across all our business areas that will drive future growth. We continue to act with a strong sense of urgency as we adapt this strategy to the evolving market situation. The committee will continue to assess the progress made in these investments.
Our people	JM has made progress in a challenging market environment through our transformation, with the help of our employees. This has included significant cost reduction, the implementation of a global business services model and extensive organisational changes. The committee supports our overall governance of the management of capital expenditure, providing clarity to the decision-making authorities of our people.

The Investment Committee reports to the board in accordance with its Terms of Reference. More information can be found in the Investment Committee report on page 79.

Nomination Committee report

Patrick Thomas
Nomination Committee Chair

Membership

The committee comprises the Chair and all independent non-executive directors.

Other regular attendees at committee meetings

- Chief Executive Officer
- Chief HR Officer
- General Counsel and Company Secretary

→ Members' attendance at committee meetings during the year is on page 57

The committee's Terms of Reference set out its full responsibilities: matthey.com/governance-framework

As we executed our succession plans during the year, we welcomed Sinead Lynch and Richard Pike to the board. Sinead and Richard both bring key skills identified to strengthen the board's composition to support our strategy. The committee regularly reviews the effectiveness and composition of the board and its committees, recognising the importance of the board's collective skills being aligned with the company's strategic objectives, market dynamics and stakeholder expectations.

In December 2024, Jane Griffiths stepped down from the board, having been an independent Non-Executive Director for almost eight years. The committee monitors the tenure of non-executive directors closely to ensure effective succession planning and in January 2025, Rita Forst succeeded Jane as Chair of our Societal Value Committee.

The committee also led a search for a new Chief Financial Officer, following Stephen Oxley's decision to leave the company to pursue another opportunity. This was an important hire for the committee as we pivot our focus to drive a step change in cash generation and higher returns on capital. We were delighted to welcome Richard Pike to the company in February 2025 and he joined the board in April, following an orderly transition.

As a committee, we remain focused on understanding our executive talent pipeline, including how we can individually support talent development, as well as assess potential leadership gaps. We believe balancing continuity with fresh perspectives strengthens leadership and will ensure JM is well placed to meet operational needs and strategic challenges, now and in the future. We were pleased to see this balance being effected with simplification of the GLT membership during the year.

In February 2025, following almost seven years as Chair of Johnson Matthey, I notified the committee that I do not intend to seek re-election as a director at the company's AGM in July and will step down from the board and as Chair on 17th July 2025. Led by John O'Higgins, the committee commenced a thorough search for my successor.

Patrick Thomas
Nomination Committee Chair

Committee outcomes

The committee ensures JM is led by a diverse, high-quality board, with the appropriate skills, knowledge and experience to ensure our long-term success. The outcomes of the committee's key activities during the year and up to the date of this report include:

- The appointment of Sinead Lynch as an independent Non-Executive Director
- The appointment of Rita Forst as Chair of the Societal Value Committee
- The appointment of Richard Pike as Chief Financial Officer and Executive Director
- The reappointment of Patrick Thomas, Rita Forst and Xiaozhi Liu, each for a further three-year term
- Simplification of the GLT membership to create a smaller, focused leadership team.

Board appointment process

The committee leads the process for appointments to the board, ensuring there is a formal, rigorous and transparent procedure in place for each appointment. In considering any board appointments, the committee makes recommendations in consideration of our Board Diversity Policy.

The table below sets out the appointment process followed during the year in relation to the appointments of Richard Pike and Sinead Lynch.

	Chief Financial Officer	Independent Non-Executive Director
Candidate specification	The committee discussed the key qualities required for the Chief Financial Officer position. The specification required the ability to drive transformational change, cash generation and execution, with a preference for previous experience in manufacturing or industrial industries.	The committee reviewed the board skills matrix and discussed the existing skills and tenure of the independent non-executive directors. It was agreed that an independent non-executive director with understanding of the energy transition would strengthen the board's collective skills.
Professional advisers	Following board input and discussion, the committee engaged Korn Ferry, a leading executive search firm, to support with evaluating internal and external talent against the required criteria. Korn Ferry is a signatory to the Voluntary Code of Conduct for Executive Search Firms. During the year Korn Ferry provided senior-level recruitment services, including assessment and people development services. Korn Ferry is also appointed as adviser to the Remuneration Committee.	Following consideration, the committee engaged Egon Zehnder, a leading search firm, to support with the search for a new independent non-executive director. Egon Zehnder is a signatory to the Voluntary Code of Conduct for Executive Search Firms. During the year Egon Zehnder provided senior-level recruitment services, including assessment and people development services. Egon Zehnder has no other connection with the company or any other directors.
Longlist and shortlist review	The committee reviewed a long list of candidates, with short listed candidates interviewed by the Chief HR Officer and Chief Executive Officer. High potential candidates met with the Chair, Audit Committee Chair and Senior Independent Director.	The committee reviewed a long list of candidates, with short listed candidates interviewed by the Chair, Chief Executive Officer and Senior Independent Director. High potential candidates met with other board members.
Recommendation and approval	In February 2025, the committee recommended the appointment of Richard Pike as Chief Financial Officer and director of the company to the board. Richard brings strong financial leadership and deep understanding of manufacturing and recycling industries. Richard joined the company on 10th February 2025 as Chief Financial Officer Designate and was appointed to the board from 1st April 2025, ensuring an orderly transition from Stephen Oxley.	In September 2024, the committee decided to recommend the appointment of Sinead Lynch to the board, Nomination Committee, Investment Committee, Societal Value Committee and Remuneration Committee with effect from 1st January 2025. Sinead brings deep experience of the energy transition, including low carbon energy, as well as a strong understanding of safety and sustainability.
Induction	All new directors receive a tailored, comprehensive induction programme upon joining the board, including reading material and meetings with colleagues. Induction plans for Richard Pike and Sinead Lynch comprised a balance of knowledge-based sessions in addition to site visits, to provide exposure to JM's business, working environment and culture.	

Board composition

The committee regularly reviews the composition of the board and its committees to ensure there is an appropriate balance of skills to support the company's strategy. This is facilitated via an assessment of the board's collective skillset by asking each non-executive director to identify their strengths, scoring their level of expertise on a scale of one to five. The table on page 57 shows the skills held by our non-executive directors that are most relevant to their role at JM.

Nomination Committee report continued

The committee is satisfied that each director continues to effectively contribute to the board and fulfil their duty to promote the success of the company. The board and committees include a strong mix of experienced individuals who provide constructive challenge to all discussions. All directors have demonstrated a strong commitment to their roles and careful consideration is given to external appointments, to ensure sufficient time can be dedicated to their roles on our board and committees.

Succession planning

Board

The board skills matrix captures the key skills and experiences of the current board members and helps to identify gaps or potential gaps that could arise as existing non-executive directors step down. Details of the non-executive directors' skills, experience and tenure are shown on page 57. The skills matrix is regularly reviewed and includes a discussion of any new skills or experiences the board would benefit from to develop and execute our strategy. Details of the selection and appointment process in respect of Sinead Lynch is set out in the table on page 68.

Executive directors and GLT

The committee also oversees succession planning for senior leadership roles and talent development to build capability for the future. This includes discussion of the development needs of potential successors to fulfil a role in the medium and long-term. Further insight into the selection and appointment process in respect of Richard Pike is set out in the table on page 68.

During the year, and as we continue to simplify the organisation, the committee oversaw changes within the GLT to create a smaller, focused leadership team with the right balance between business and functional leaders, enabling further focus, pace and speed of decision-making. As previously announced, we now have one GLT lead for both the Clean Air and Hydrogen Technologies businesses, providing a more efficient management structure. Anish Taneja, previously Chief Executive, Clean Air is now Chief Executive of Clean Air and Hydrogen Technologies. We have also combined several functions which are central to our strategy under one GLT role, to maximise synergies and ensure the appropriate support for the businesses.

Alastair Judge is now Head of Strategy and Operations, having previously been Chief Executive, PGM Services. Louise Melikian, previously Chief Strategy and Corporate Development Officer, succeeds Alastair as Chief Executive, PGM Services business.

Diversity and inclusion

The committee continues to drive the diversity agenda across JM. A diverse and inclusive organisation is fundamental to our vision, and our Board Diversity Policy ensures that the tone is set from the top.

During the year, we have continued to meet the objectives of our Board Diversity Policy which reflect the requirements of the FCA's Diversity Listing Rules, FTSE Women Leaders and Parker Reviews, to maintain:

- 40% of women on the board
- at least one woman in the chair or senior independent director role
- one director from an ethnic minority group.

Our Board Diversity Policy is applied consistently across all board committees.

Details of gender and ethnic representation as prescribed by UKLR 6.6.6R(10) of the Listing Rules are set out in the tables below. The board and GLT members confirmed their gender and ethnicity for the purpose of collecting these data.

Board Diversity Policy: matthey.com/board-diversity

The board also supports the terms of the Voluntary Code of Conduct for Executive Search Firms. All our appointed executive search firms are required to secure a diverse long list of candidates, including Black, Asian and minority ethnic talent.

Beyond the board, we aspire to have gender balance across the group. One of our key milestones is to achieve greater than 40% of female representation across management and professionals by 2030, and plans are in place to achieve this.

Further details on how we are improving diversity across the group, the gender balance of senior management and our Diversity, Equity, Inclusion and Belonging Policy are set out on pages 33-35.

Gender representation as at 31st March 2025

	Number of board members	% of the board	Number of senior board positions (CEO, CFO, SID, Chair)	Number in executive management[1]	% of executive management
Men	5	56%	3	6	67%
Women	4	44%	1	3	33%
Not specified/prefer not to say	0	0	0	0	0

Ethnic representation as at 31st March 2025

	Number of board members	% of the board	Number of senior board positions (CEO, CFO, SID, Chair)	Number in executive management[1]	% of executive management
White British or other White (including minority-white groups)	8	89%	4	8	89%
Mixed/Multiple Ethnic Groups	0	0	0	0	0
Asian/Asian British	1	11%	0	1	11%
Black/African/Caribbean/Black British	0	0	0	0	0
Other ethnic group	0	0	0	0	0
Not specified/prefer not to say	0	0	0	0	0

1. Executive management includes all members of the GLT.

Audit Committee report

Doug Webb
Audit Committee Chair

Membership

- Doug Webb (Chair)*
- Rita Forst
- John O'Higgins
- Barbara Jeremiah

Other regular attendees at committee meetings:

- Chair of the board
- Chief Executive Officer
- Chief Financial Officer
- General Counsel and Company Secretary
- Group Assurance Director (formerly the Director of Assurance and Risk)
- Group Financial Controller
- PwC audit partner

→ Members' attendance at committee meetings during the year is on page 57

The committee's Terms of Reference set out its full responsibilities: matthey.com/governance-framework

* Doug Webb is a chartered accountant who brings a wealth of recent and relevant financial experience, including acting as Chief Financial Officer at London Stock Exchange Group plc, QinetiQ Group plc and Meggitt plc.

On behalf of the Audit Committee, I am pleased to present the committee's report for the year ended 31st March 2025.

The committee met four times during the year, with members of senior management present as and when appropriate. The committee meets with the external auditor and the Group Assurance Director separately during the year without management present. In addition, as committee chair, I hold regular private sessions with the Chief Financial Officer, senior members of the finance team, the Group Assurance Director, and the external auditor to ensure that open and informal lines of communication exist should they wish to raise any concerns outside formal meetings. During the year, the committee approved an annual agenda planner which is linked to the company's financial calendar. The agenda is flexible, enabling in-depth reviews of topics of particular importance to the committee.

The core work of the committee is to ensure the integrity of JM's financial and non-financial reporting, the adequacy of its internal control framework and to oversee how the company manages its principal and emerging risks. This year the committee has challenged management on the significant accounting judgements made in the financial reporting, as well as reviewing the analysis behind our going concern and viability statements, and considered the processes that underpin the preparation of the Annual Report and Accounts.

The committee received regular updates at each meeting from the Group Assurance Director, covering the control and risk management framework and internal audit reviews. The committee continued to oversee the programme assurance activities, receiving regular updates on the progress of key programmes and effectiveness of managing their risks. Specific focus was given to our aligned assurance programme, streamlining and co-ordinating reviews between the second and third lines of defence, and providing line of sight to the committee in the form of an assurance map across our principal risks. This is an important piece of roadmap connecting with a developing body of work preparing JM for compliance with the new provision 29 of the UK Corporate Governance Code 2024 (2024 Code). Further details can be found on page 76.

The committee engaged on the organisational changes as a result of the transformation, and the management of controls and the impact on reporting. In addition to our reporting and control responsibilities, this year we focused on controls relating to material risks, IT general controls, and other, specifically IT-enabled projects and programmes, and the transition to JM Global Solutions (JMGS). We enhanced our understanding of the continuously evolving regulatory and legal landscape, and how the group adapts to it.

→ Read more about the Audit Committee outcomes during the year on page 71

During the year, the committee was briefed on the FRC's Audit Committees and the External Audit: Minimum Standard (Minimum Standard). Among minor modifications to the committee's Terms of Reference, the approved changes took into account the requirements of the Minimum Standard to ensure the approach and policies were aligned. This report aims to provide the disclosures set out in the Minimum Standards. In particular, it explains how the committee has had oversight of, and assessed, the relationship with the external auditor and the effectiveness and quality of the external audit process, and the approach to managing non-audit services (see page 78). The committee believes it complied with the provisions of the Minimum Standard during 2024/5.

In 2025/26, our primary focus, beyond our core responsibilities, will remain on supporting the Investment Committee in creating strong and long-lasting foundations for driving a step change in cash efficiency and higher returns on capital, along with the implications for our internal controls following the sale of our CT business. We will also continue to oversee the preparation for compliance requirements under the 2024 Code.

Doug Webb
Audit Committee Chair

Audit Committee report continued

Committee outcomes

Financial reporting

- Reviewed the Annual Report and Accounts 2024 process, including challenges and what went well, and agreed actions to improve the process for the following year.
- Reviewed the group's financial statements and results announcements, with consideration given to the appropriateness of accounting policies and critical accounting judgements. Recommendations were made to the board supporting the half and full-year accounts and financial statements.
- Reviewed credit controls and risks in the context of continuous challenging market conditions.
- Reviewed management's consideration of the various FRC thematic reviews and guidance for financial reporting.
- Reviewed the FRC's letter regarding their evaluation of JM's Annual Report and Accounts 2024 and noted that there were no questions or queries raised, and only a few matters detailed where the FRC believed that users of the accounts might benefit from improvements to our existing reporting. The committee oversaw management's response to the points raised, to ensure they were incorporated into the Annual Report and Accounts 2025 where appropriate.

Narrative reporting

- Considered the viability and going concern statements and their underlying assumptions, evaluating going concern over a 12-month period, which included a review of financial plans and assumptions, access to financing and the challenging economic environment, the adaptability of financial plans and the mitigating actions that could be taken should downside scenarios crystallise.
- Considered the appropriateness of a three-year viability assessment period after modelling the impact of certain scenarios arising from the group's principal risks.
- Reviewed and approved the verification process of the contents of material statements contained in the non-financial and narrative reporting within the Annual Report and Accounts 2025, and approved the scope of, and provider of, external assurance over sustainability data.

Internal control and risk management

- Oversight of significant work performed on business controls across several key processes and independent testing of those controls, providing more confidence on improvements in the control environments and a focus on remediation efforts, noting that IT is a specific area of risk in light of recurring and increasing cyber risk.
- Considered and agreed with management's determination that there were no significant control weaknesses or lack of adherence to policies and procedures identified for 2024/25.
- Discussion of JM's captive insurance arrangements and governance, with a recommendation to strengthen the board composition of the subsidiary entity with an individual outside of the assurance function/insurance team being appointed during 2025.
- Received updates from the Head of Tax on the progress of the Pillar 2 analysis and impact on the group and the VAT risk mitigation strategy to reduce the group's transaction tax risks.
- Principal risk management reviews including IT and cyber, cyclical operations reviews, project and programme assurance.

External audit

- After due challenge and discussion, the committee agreed the scope of the 2024/25 external audit. The committee appraised the effectiveness and performance, independence and objectivity of PwC, our external auditors, approved the external audit fees and terms of engagement, and reviewed and approved non-audit services.
- Determined that a good-quality, comprehensive audit was completed for 2024/25, following a review of PwC's regular reports to the committee, and feedback from PwC's independent quality review partner. As a result, the committee recommended PwC's re-appointment.
- Discussed the future audit tender requirements as stipulated by the FRC and how these impact the group, and JM's current non-audit related spend with other accountancy firms and to what it relates.
- Reviewed and approved the group's non-audit services policy.

Internal audit

- Following regular reports from the Group Assurance Director, the committee reviewed the effectiveness of the risk management culture and internal controls in meeting the group's needs and managing risk exposure.
- Reviewed management's explanation of remediation steps where internal audit had identified that controls were not operating as well as intended.
- Monitored progress against the 2024/25 Group Assurance plan, which focused on execution against its four pillars.
- Continued to assess the results of programme reviews carried out by Group Assurance, ensuring 'lessons learnt' were incorporated into the design and implementation of current and future programmes.
- Reviewed Group Assurance's principal risk assurance map, which lists assurance activities that have taken place against each of the principal risks during the year, as the first step in mapping JM's assurance activities across the organisation and supporting delivery of aligned assurance.
- Reviewed and approved the changes to the Group Assurance audit charter, to reflect the separation of the Group Risk and Group Assurance functions, as well as changes made to align with the new Institute of Internal Auditors Global Internal Audit Standards issued in July 2024.
- Oversaw the use of a new Power BI based Assurance Intelligence tool, which enhances Group Assurance's data-led risk assessment capabilities. This tool facilitated more effective assurance planning and will assist the group's progress towards the requirements of the 2024 Code.

Sustainability

- Reviewed the sustainability assurance framework and concluded that it continued to deliver against what was agreed by the committee in 2022.
- In conjunction with the Societal Value Committee, agreed to re-appoint an independent third party, which, in conjunction with internal audit, provided limited assurance to ISAE3000 for selected sustainability data in our Annual Report and Accounts 2025.
- Ensured the TCFD recommendations were incorporated into the Annual Report and Accounts 2025 as appropriate, following an assessment by management of how the considerations of TCFD impacted the financial accounts. Those areas within the accounts which are likely to be impacted by climate change disclosures are continuously monitored.
- Reviewed Corporate Sustainability Reporting Directive plans in light of recent EU announcements.

Governance and regulatory updates

- Regular updates and review of fraud risk management policy/processes, as well as reviews of relevant security and fraud incidents in accordance with our fraud management framework.
- Remained well-informed of key regulatory developments relating to audit committees, including the 2024 Code and Guidance on the Going Concern Basis of Accounting and Related Reporting, including Solvency and Liquidity Risks.
- Oversight of management's reviews of the group's precious metal policies and governance. Approved updated liquidity and overnight limits.

Financial reporting

Significant issues considered by the committee in relation to the group's and company's accounts

It is a fundamental part of the committee's role that we act independently from management to ensure that the interests of shareholders are properly protected in relation to financial reporting. When the accounts are being prepared, there are areas where management exercises a particular judgement or degree of estimation. The committee assesses whether the judgements and estimates made by management are reasonable and appropriate. In the process of applying the group's accounting policies, management also makes judgements and estimates that have a significant effect on the amounts recognised in the financial statements. The group's key accounting judgements discussed and challenged by the committee are set out below.

Significant current year considerations

Significant current year considerations in relation to the accounts	Work undertaken/outcome
Major impairment of goodwill, other intangibles and other assets Key judgements are made in determining the appropriate level of cash generating unit (CGU) for the group's impairment analysis. Key estimates are made in relation to the assumptions used in calculating discounted cash flow projections to value the CGUs containing goodwill, to value other intangible assets not yet being amortised, and to value other assets when there are indications that they may be impaired. The key assumptions are management's estimates of budgets and plans for how the relevant businesses will develop or how the relevant assets will be used in the future, as well as discount rates and long-term average growth rates for each CGU.	For the goodwill impairment testing, we reviewed a report from management explaining the methodology used, assumptions made and significant changes from those used in prior years. In light of the current volatile macroeconomic environment, management considered the impact within underlying forecasts and discount rates. We also reviewed the latest market forecasts and related sensitivities for transition to electric vehicles specifically for Clean Air. We challenged management on the rationale behind the key assumptions and sensitivities such as discount rates and growth rates in the goodwill value in use calculations, especially within Clean Air and Catalyst Technologies, to ensure we were satisfied on their reasonableness. We reviewed a report from management outlining the work carried out to assess the carrying value of the Hydrogen Technologies CGU following an impairment indicator from the further slow-down in the year in the transition to hydrogen fuel cell and electrolyser technologies, and increased uncertainty in the last six months surrounding trade tariffs and global regulatory environment. This indicator resulted in a formal impairment review being performed. The assessment considered the net present value of the post-tax cash flows expected to be generated by the CGU. The approach involved an estimation of future cash flows and a selection of appropriate key assumptions including growth, margin and discount rates. Management concluded that an impairment of £105 million was required to be recognised. We challenged management on the rationale behind the key assumptions and the methodology applied to assess the carrying value of the CGU. We concluded that management's key assumptions and disclosures were reasonable and appropriate. We received a report from management explaining the basis of recognition and estimate for other impairments. These impairments include those in relation to China related assets, including in Clean Air, PGM Services and Hydrogen Technologies, and also in Hydrogen Technologies in the US, as well as over the group's IT assets following a strategic review of, and subsequent changes to, the IT operating model and the discontinuation of certain divisional IT projects. See page 62 for further reference to board outcomes. We challenged the indicators driving these impairments and considered them appropriate and to have occurred in the current financial year. We challenged whether the residual asset values at the year end were supportable and considered they were. We concluded that management's key assumptions and disclosures were reasonable and appropriate.
Refining process and stocktakes When agreeing commercial terms with customers and establishing process loss provisions, key estimates are made of the amount of precious metal that may be lost during the refining and fabrication processes. Refining stocktakes involve key estimates regarding the volumes of precious metal-bearing material in the refining system and the subsequent sampling and assaying to assess the precious metal content.	We received a report from management which summarised the results of the refinery stocktakes in the year. The report was reviewed to ensure that the results were in line with expectations and historic trends. We concluded that management's accounting for refining stocktake gains and losses was in accordance with the agreed methodology.

Audit Committee report continued

Significant current year considerations in relation to the accounts	Work undertaken/outcome
Provisions and contingent liabilities Key estimates are made in determining provisions in the accounts for disputes and claims which arise from time to time in the ordinary course of business. Key judgements are made in determining appropriate disclosures in respect of contingent liabilities.	We received a report from management providing information in respect of significant disputes and claims, including the accounting and disclosure implications, which we discussed and challenged. We also received a report and presentation from our legal advisors on specific legal matters that arose during the year. We concurred with management's conclusions regarding provisions and contingent liabilities and considered the disclosures to be appropriate.

Other matters considered

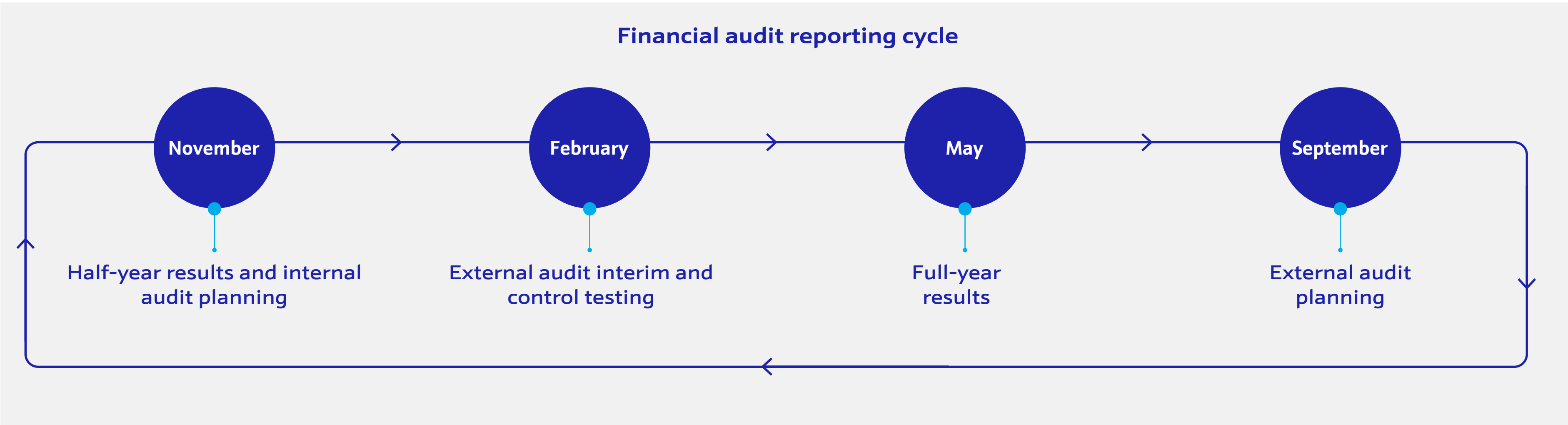
Other matters considered in relation to the accounts	Work undertaken/outcome
Major restructuring activities and transformation costs Key judgements in relation to restructuring provisions related to estimates of future cost and the disclosures relating to transformation costs.	We received a report from management explaining the basis of recognition for restructuring/transformation costs. The report detailed how transformation-related costs reconciled back to previously announced transformation programmes. We challenged the rationale behind the presentation of the costs as non-underlying, with particular focus on areas that required judgement around recognition. We concluded that management had appropriately accounted for and disclosed the impacts from major impairment and restructuring activities (see note 6 to the financial statements).
Profit on disposal of businesses Material accounting matter in the current year accounts	We reviewed and discussed the accounting for the following disposals: On 30th April 2024, the group completed the sale of its Battery Systems business for an enterprise value of £14 million (£19 million on a debt free basis after working capital adjustments). The loss on disposal was £2 million. On 1st July 2024, the group completed the sale of its Medical Device Components business for an enterprise value of £555 million (£559 million on a debt free basis after working capital adjustments). The profit on disposal was £491 million. On 24th July 2024, the group completed the sale of the land and buildings of our previous Battery Materials business in Poland for £26 million. The profit on disposal was £1 million. The group recorded £18 million of disposal related costs. This comprised £13 million for the disposals of Medical Device Components (£12 million) and Battery Materials Poland (£1 million) which were signed during the year and £5 million in relation to disposals in prior years. This resulted in a total profit on disposal of £482 million. We concluded that management's key assumptions and disclosures on the profit on disposal of businesses above were reasonable and appropriate.

Audit Committee report continued

Other matters considered in relation to the accounts	Work undertaken/outcome
Businesses classified as "held for sale" at year end Key judgements in relation to assessing whether a subsequent event is classified as held for sale at the year end.	On 22nd May 2025, the group announced the agreement of the sale of its Catalyst Technologies business to Honeywell. At the balance sheet date there was no specific active programme to dispose of the business by the board and the offer received was unsolicited. The board took into account the best interests of the group and the potential sale was at the early stages of negotiation and there was no firm commitment by the board to sell. The sale was therefore not considered highly probable. Management applied judgement in concluding that the criteria of IFRS 5 for classification as held for sale at 31st March 2025 had not been met. Consequently, the Catalyst Technologies business had not been classified as held for sale and a discontinued operation within these consolidated accounts. We reviewed management's assessment of whether the held for sale criteria were met at the reporting period date. We concluded that management had appropriately not classified this as held for sale based on the facts and circumstances at the balance sheet date. We agreed with management's conclusion that this was a post balance sheet event as disclosed in note 34 to the financial statements.
Post-employment benefits Key estimates are made in relation to the assumptions used to value post-employment benefit obligations, including the discount rate and inflation. The key assumptions are based on recommendations from independent qualified actuaries.	We received a report from management which summarised the key assumptions used to value the liabilities of the main post-employment benefit plans. The assumptions were agreed with the group's actuary and PwC's assessment of the reasonableness of the assumptions was considered. We also assessed the independence and experience of the actuarial adviser who supported management in making these judgements. We concluded that the assumptions used, and accounting treatment, were appropriate for the group's post-employment benefit plans.
Tax provisions and deferred tax assets Key estimates are made in determining the tax charge in the accounts where the precise impact of tax laws and regulations is unclear and also in assessing the recoverability of deferred tax assets.	We received a report from management which explains the issues being discussed with tax authorities across the business, the calculation of tax provisions and relevant disclosures. We also considered the sensitivities around the provisions and debated the circumstances in arriving at the key provisions. We received a report from management outlining the movements in the deferred tax asset during the year, as well as management's consideration of the recoverability of the residual deferred tax asset. We concluded that management's assessment was appropriate. Tax provisioning and deferred tax assets was an area of focus for PwC who reported their findings to us. We concluded that management's key assumptions and disclosures were reasonable and appropriate.

Audit Committee report continued

Other matters considered in relation to the accounts	Work undertaken/outcome
Climate change Key estimates are made in relation to climate change and the impact on the going concern period and viability of the period over the next three years. Additionally, the potential impact of climate on the financial statements including forecasts of cash flows used in impairment assessments, recoverability of deferred tax assets and expected lives of fixed assets and their exposure to the physical risk posed by climate change.	Management has considered the impact of climate change in their assessment of Useful Economic Lives for fixed assets; goodwill impairment calculations and going concern/viability forecasts. We concluded that management's key assumptions and disclosures were reasonable and appropriate.



Going concern and viability statement

We reviewed the matters, assumptions and sensitivities being used to assess both the going concern basis and the long-term viability of the group. This included assessing risks that would threaten our business model and current funding position, as well as different stress scenarios and mitigating actions. As part of our going concern assessment analysis we have considered the impact of the sale of Catalyst Technologies and have concluded that this transaction does not impact on the groups' ability to continue as a going concern. The transaction is expected to complete by the first half of calendar 2026 and will result in positive cash flows, likely in the going concern period. Further, we do not believe that the sale will undermine the assumptions made in our viability assessment as the group will continue to be cash flow positive with sufficient time to refinance our debts, and put mitigating actions in place, if needed.

Following our review and recommendation, the board concluded that JM is able to continue operating and can meet its liabilities over at least three years, which remains the most appropriate time span. Further details on our going concern and viability statement, and the scenarios considered, are on page 54.

Fair, balanced and understandable

We review and assess management's process to support the board, so it can give its assurance that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable (FBU) and provides the information necessary for shareholders to assess JM's position and performance, business model and strategy.

For the Annual Report and Accounts 2025, management selected two individuals from across the group, who were not involved in the drafting, but were familiar with our strategy and business model, to carry out a detailed review, with the support of Group Assurance carrying out checks and balances. These individuals and Annual Report project team determined whether key messages aligned with the group's position, performance and strategy, and the narrative sections and financial statements were consistent. A report was presented a report to the board, highlighting the key themes from the review and discussion points. The board reviewed the verification process dealing with the report's factual content to further support the board's review.

Risk management and internal control

As delegated by the board, the committee is responsible for reviewing the adequacy and effectiveness of internal financial controls, and internal control and risk management systems. These controls are a critical component of our governance and assurance framework, and they detail the minimum controls we need to keep our people safe, ensure compliance with our standards and regulations, protect our physical and intellectual assets, and facilitate the accuracy and completeness of financial reporting. During the year, the committee assessed the effectiveness of these controls, considered the key identified control gaps and assessed how management planned to address the findings.

We work with the board to review and refine the risk assurance processes, including the integrated assurance framework and control self-assessment. We concentrate on reviewing the mitigating controls and the levels of assurance, while the board is directly responsible for managing risks and establishing levels of risk appetite for the group's principal risks.

The Group Assurance function carries out any additional assurance and reports back to the committee. During the year, the Group Assurance Director independently assured that our risk management and internal control processes operated effectively. Working closely with leadership and management, she provided regular oversight of risk matters that affect our business, made recommendations to address key issues and ensured that mitigating actions are properly tracked, challenged and reported.

The group's internal controls over financial reporting include policies and procedures designed to ensure the accuracy of our financial statements. JM's control self-assessment and business filing assurance processes provide management with a view of the operation of these controls. The committee reviews the assessment of the control environment based on the results of these processes, any deficiencies raised by our external auditor, and management's remediation plans.

The board maintains ownership and accountability for our Audit, Assurance and Risk Policy through the committee. The board acknowledges that the policy will continue to evolve in response to regulatory and stakeholder demands, developing best practice, materiality and the maturity of key processes and assurance activity. The committee is responsible for maintaining the policy as well as reviewing and presenting any changes to the board for approval on at least an annual basis. The policy was developed based on consultation and input from the committee, senior stakeholders across the group, the external auditor, second line assurance providers, and publicly available guidance.

The committee is satisfied that the group's internal financial controls operated effectively throughout the year and up to the date of approval of this report. However, these controls do not provide absolute assurance against material misstatement or loss and are assessed based on materiality and level of activities within the business. Further, in light of the recurring and increasing cyber risk, ongoing focus on our control improvements, specifically over our IT infrastructure, remain an area of focus.

Operation of controls and assurance

There is an ongoing comprehensive improvement programme across JM's financial and operational controls, including control self-assessment, which has led to positive development in our internal controls over financial reporting. During the year, we continued to review the controls strategy, focusing on several cultural and operational factors to ensure JM's readiness for the enhanced reporting on the operating effectiveness of controls from 2026. A second level line of testing of internal controls was carried out during the year to provide management with independent assurance over the effectiveness of the control self-assessment process.

Group assurance and risk

At the end of 2024, it was decided to separate the Group Risk and Group Assurance functions. The aim of this is to strengthen JM's ability to create, protect and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight and foresight. The Group Assurance Director (formerly the Director of Assurance and Risk) will continue to report functionally to the Committee Chair and administratively to the Chief Financial Officer. This positioning provides the organisational authority and status to bring matters directly to senior management and escalate matters to the board, when necessary, without interference, and supports internal audit's ability to maintain objectivity. The Group Risk function now reports to the General Counsel and Company Secretary.

During the year the Group Assurance Director provided regular reports on internal audit reviews, including key findings, actions needed and progress on their implementation. We continually review the effectiveness of the Group Assurance function, using inputs including audit reports, management's response to audit actions and discussions over risk exposures. We looked at whether the function has adequate standing across the group, was free from management influence or other restrictions and was sufficiently resourced.

Group Assurance is leading the aligned assurance initiative which allows us the opportunity to have a holistic approach to risk management, by interacting and working closely with all teams responsible for first, second and third lines of defence. This co-ordination helps set the right risk culture and allows further assurance that risks are being appropriately identified and controlled across the organisation and that appropriate mitigation strategies are being put in place.

Annual audit and assurance plans

The annual audit plan is reviewed and approved by the committee to ensure it is comprehensive and reflects the challenges and changes to JM. The audit plan is regularly reviewed throughout the year to monitor progress and to incorporate any changes driven by emerging risks. We are confident that it provides an appropriate level of assurance over the group's key risks.

When we reviewed the 2024/25 plan, we specifically considered whether it continues to provide a level of assurance over JM's principal and operational risks and contributes to the improvement in our overall controls culture and maturity of the second line of defence.

The annual audit plan is formed on a risk-based audit universe covering areas across financial and operational functions including IT and transformation activities at group and business levels. We consider a wide range of risks that fall into those areas, including level of change and transformation in the group and organisational culture. Close collaboration with the business ensures it adds value to management with pragmatic and manageable action plans. The plan also allows greater flexibility to ensure that the Group Assurance team has capacity to deal with unexpected events.

We believe our 2025/26 assurance plans are adequate for JM's size and nature. It is our opinion they will continue to provide the group with necessary focus on maturing controls culture across business and IT processes. The quality and standing of the Group Assurance function is appropriate to provide necessary challenge and support to the transforming organisation.

External auditor

Auditor independence is an essential part of our audit framework and the assurance it provides. We confirm ongoing compliance with the Competition and Markets Authority's Statutory Audit Services Order.

Tenure

Our shareholders appointed PwC as the group's external auditor in July 2018, following a formal tender process. This is the seventh year that PwC has audited the group, with Graham Parsons as current lead audit partner. We have no immediate plans to re-tender the auditor, however, we anticipate that it would be conducted to coincide with when Graham Parsons is required to rotate off after the 2027 audit, in accordance with the current regulation that requires a tender every ten years. The proposed tender date is in the best interests of shareholders and the company, as PwC has a detailed knowledge of our business, an understanding of our industry, and continues to demonstrate that it has the necessary expertise and capability to undertake the audit. The committee continually monitors, assesses, and evaluates the effectiveness of the external auditor, all of which can trigger the need to rotate our external auditor.

External audit plan

In developing the external audit plan for 2024/25, PwC carried out a risk assessment to identify potential risks of material misstatement in the financial statements. This risk assessment considered the nature, magnitude and likelihood of each identified risk, together with relevant controls in place, to identify audit risks. Given the slowdown in hydrogen markets, PwC increased their categorisation of HT as a significant risk. PwC refer to key audit matters in the independent auditors' report on pages 112-121, which formed the basis of the external audit plan.

In determining the scope of coverage, PwC considered management reporting, the group's legal entity structure, the 2024/25 financial results and the financial forecast for 2025/26. PwC set out details of the coverage and the agreed scope in the independent auditors' report on pages 112. The methodology of assessing materiality was consistent with the prior year and agreed at approximately 5% of the three-year average profit before tax from continuing businesses.

Following discussion and challenge, we concluded the proposed external audit plan was sufficiently comprehensive for the audit of the group's accounts and approved the proposed fee.

How we gather feedback on the effectiveness of our external auditor and external audit process:

Third-party reviews

Consideration of the external reviews of the external auditor performed by the FRC's Audit Quality Review team and the Quality Assurance Department of The Institute of Chartered Accountants in England and Wales (ICAEW).

Information provided by the auditor

Details on the delivery of the audit plan and any changes to the scope of work and the impact of any risks.

Assurance on the operation of audit quality control procedures.

Management feedback

Survey of audit quality and effectiveness completed by executive directors and senior management. This includes recommendations for improvement.

Assurance on the disclosure process for the provision of information to the auditor.

Committee assessment

Quality of regular audit reports.

Feedback from committee members and regular attendees, including the Group Financial Controller and Group Assurance Director.

How we review PwC's performance

Throughout the year, we review the ongoing effectiveness and quality of PwC and the audit process. We look at several factors: the auditors' reports to the committee; Graham Parsons and the PwC team's performance in and outside committee meetings; how the PwC team interacts with and challenges management; and on PwC's efforts at building relationships with the JM team. We ensure that we spend sufficient time with the auditors without management present as part of our assessment.

We considered how PwC challenged management's judgements and assumptions on matters highlighted on pages 72-75 and asked PwC to confirm if those matters had been addressed correctly by management. Following detailed analysis of the assurance completed, PwC agreed with management's judgements and assumptions.

We seek direct feedback from PwC's independent Quality Review Partner to review their assessment of the external auditor's key planning judgements and the execution of PwC's response to significant risks and reporting. We also ask PwC to share with us the results of their internal quality inspections for PwC UK, as well as those conducted by the FRC. In addition, we feel it is important to understand management's opinion of audit quality and effectiveness, with the executive directors and senior management completing a questionnaire on the external auditor each year.

Provision of non-audit services

JM's external auditors do not undertake non-audit services that would compromise its independence and objectivity. The auditors can only provide non-audit services which they either must undertake or are best placed to do so, and which does not impact their integrity, objectivity, or independence. In accordance with the FRC's Revised Ethical Standard 2019, the auditor can only provide additional services directly linked to the audit.

Our Non-Audit Services policy sets out how approval should be obtained before PwC is engaged to provide a permitted non-audit service. Services likely to cost £25,000 or less must be approved by the Chief Financial Officer; services likely to cost more than £25,000 but less than £100,000 must be approved by the Committee Chair. Services likely to cost over £100,000 must be approved by the committee.

A summary of non-audit services provided by the external auditor is reported to the committee every six months. During the year we reviewed compliance with the policy, details of the non-audit services provided by PwC and associated fees. Audit-related assurance services reported as non-audit services related to the review of half-year financial information and reporting, amounting to £368,750; other non-audit services in the year were £12,106, in total representing 7% of the audit fee, compared with audit fees of £5.3 million. More information on fees incurred by PwC for non-audit services, as well as the split between PwC's audit and non-audit fees, are in note 4 to the financial statements on page 143.

Objectivity and independence

We are responsible for monitoring and reviewing the objectivity and independence of PwC. We considered the information provided by PwC, confirming that no PwC employees involved with the audit have links or connections to JM and that they complied with the FRC's Revised Ethical Standard. We concluded that PwC is independent.

Proposed re-appointment of PwC

Following our assessment, we believe that PwC provides a robust audit and valuable technical knowledge, and is free from third-party influence and restrictive contractual clauses. Following the committee's recommendation, the board included a resolution proposing PwC's re-appointment as auditor and authorising the committee to determine PwC's remuneration in our 2025 Notice of Annual General Meeting.

Investment Committee report

Barbara Jeremiah
Investment Committee Chair

Membership

- Barbara Jeremiah (Chair)
- Liam Condon
- Sinead Lynch
- Richard Pike (from 1st April 2025)
- Doug Webb

Other regular attendees at committee meetings

- Head of Strategy and Operations

→ Members' attendance at committee meetings during the year is on page 57

The committee's Terms of Reference set out its full responsibilities: matthey.com/governance-framework

This marks the first report of the Investment Committee, which was established in January 2025 to support the board's strategy to deliver sustainable shareholder value through a disciplined and focused approach to capital allocation and enhanced cash generation.

During the year many of the board's discussions have centred on the uncertainty of the markets in which we operate and the importance of our strategy remaining agile, to adapt to changing landscapes and customer expectations. Alongside this, it is imperative that we drive a step change in cash generation and higher returns on capital. This cultural change needs to be driven from the top of the organisation, to reinforce the accountability, financial discipline and value creation in all investment decisions. The committee plays a key role in supporting the board to ensure that all major investment decisions are rigorously assessed and aligned with JM's long-term strategic objectives, reinforcing both cash generation and a disciplined and measured deployment of capital.

The committee's primary responsibilities include reviewing and endorsing i) investment and capital allocation strategy, ii) major capital projects, and iii) mergers and acquisition (M&A) activity. In discharging these duties, the committee considers leading market indicators, execution risk, and levels of return and cash generation for shareholders. To date, our focus has been on reviewing and challenging the budget for the year ended 31st March 2026 and the three-year plan, ensuring that our capital expenditure is allocated appropriately and in line with our commitment to reduce capital expenditure to a maximum of £0.9 billion for the three-year period to 2026/27.

We reviewed management's plans to reduce capital expenditure approval thresholds across the organisation, to enhance discipline and strengthen oversight, supported by a rigorous stage-gate process to prioritise investments and improve capital efficiency.

Looking ahead and following the planned divestment of Catalyst Technologies, the committee will oversee a significant return of capital to shareholders. The committee is committed to a disciplined and proactive investment approach, to ensure JM deploys its capital effectively to support the execution of our strategy and deliver shareholder value. We look forward to keeping you updated on our progress in the years to come.

Barbara Jeremiah
Investment Committee Chair

Committee outcomes

The outcomes of the committee's key activities post-31st March 2025 included:

- Review and challenge of the 2025/26 budget and three-year plan to ensure capital expenditure is allocated appropriately to deliver our strategy.
- Review and challenge of management's plans to enhance capital efficiency, including our internal governance.

Societal Value Committee report

Rita Forst
Societal Value Committee Chair

Membership

- Rita Forst (Chair from 1st January 2025)
- Liam Condon
- Barbara Jeremiah
- Sinead Lynch (from 1st January 2025)
- John O'Higgins
- Richard Pike (from 1st April 2025)

Other regular attendees at committee meetings

- Chief Sustainability Officer including Communications and Government Affairs
- Head of Strategy and Operations
- Chief HR Officer
- General Counsel and Company Secretary

→ Members' attendance at committee meetings during the year is on page 57

The committee's Terms of Reference set out its full responsibilities: matthey.com/governance-framework

I am delighted to introduce my first report as Chair of the Societal Value Committee (SVC). Sustainability is core to JM's foundations and our strategy, guiding our commitment to transforming energy and reducing carbon emissions and delivering long-term value for our stakeholders.

The committee continued to drive progress towards our ambitious sustainability targets for 2030. These targets build upon our inspiring science and innovation to support the energy transition that will benefit society. The committee is pleased with the progress made to date, although recognises that further work is required in certain areas such as energy efficiency and Scope 3 decarbonisation. As our business evolves, it is important that the committee reflects on our sustainability targets and makes necessary adjustments, balancing the importance of stretching targets together with the business plans to achieve cash generation and higher returns on capital. Following detailed discussion, it was agreed to remove the target for avoided greenhouse gas (GHG) emissions, due to lower forecast of sales of our products and services which avoid GHG emissions by 2030. The committee also approved the change from a net water usage target to a water intensity target, aiming to achieve 30% reduction by 2030. We reviewed the road maps in place to achieve all of our targets and agreed these remained robust, with a pragmatic approach to execution supported by business case. We will review these targets again during 2025/26 in light of the sale of our Catalyst Technologies business.

Sustainability disclosures

- The committee reviewed and recommended to the Board the approval of the disclosures in the Sustainability report on pages 25-34, including our TCFD disclosures on pages 36-43.

Sustainability Performance Data Book: matthey.com/sustainability-databook

I am particularly pleased with the progress made to reduce our Scope 1 and 2 Greenhouse gas (GHG) emissions by 39% this year, driven by the continuation of our renewable electricity purchase, electrification of some of our operations, and gas efficiency projects. Decarbonisation actions are supported at all levels of the company including through our active network of Sustainability Champions who drive initiatives at the local level.

Culture continues to be a key focus area, as we embed the effects of our transformation across all areas of JM to create a high-performance environment. We receive regular reports on the initiatives in place to shape our culture and the behaviours we expect to see. Our ethics and compliance programme provides further insight to our culture and we are kept informed of trends, material Speak Up cases and review ethical dilemmas on JM fact patterns that provide examples of how we adhere to our values. More details on how the committee reviewed progress against the cultural dashboard can be found on page 81.

The committee monitors evolving external trends related to sustainability, in particular the reporting regulations that may apply to JM in the future, such as the EU Corporate Sustainability Reporting Directive and the pathway to ensure we are well-placed to meet these new requirements. In response to regulations and increasing interest from external stakeholders, we launched a new Nature Strategy at the beginning of the financial year. This included a new commitment to conduct a global nature-related impact assessment of biodiversity risk.

Looking ahead, the committee will continue to oversee the company's climate strategy and ensure our sustainability targets remain stretching as we shape our future to create long-term value for all our stakeholders.

Rita Forst
Societal Value Committee Chair

Societal Value Committee report continued

The committee's role

The committee assists the board in overseeing the execution of the group's sustainability strategy, including net zero commitments, science-based GHG targets, monitoring culture and driving a truly inclusive organisation, overseeing the group's ethical conduct and keeping up to date with societal value topics, including stakeholder expectations.

Information on the governance of sustainability matters beyond the committee's role can be found within our TCFD disclosures on pages 36-37.

Committee outcomes

The outcomes of the committee's key activities during the year included:

- Challenged sustainability performance data and agreed on adjustments to our 2030 targets.
- Reviewed the roadmap to achieve our 2030 targets and net zero commitment by 2040.
- Received an update on the cultural transformation and reviewed the dashboard which assists in monitoring culture.
- Reviewed and approved the Nature Strategy and received an update on nature assessments to measure biodiversity risk.
- Challenged progress in respect of diversity, inclusion and belonging.
- Received regular horizon scanning updates, including future sustainability reporting requirements and benchmarks.
- Received updates on ethics and compliance matters, including Speak Up trends, outcomes and remedial actions to significant investigations, ethical dilemmas and ethical culture heatmaps.
- Reviewed the Speak Up process and agreed this remained effective with proportionate and independent investigation, and appropriate effective follow-up action.
- Recommended the Human Rights policy and Modern Slavery Statement 2024 to the board for approval.

Culture

The committee is responsible for monitoring and overseeing the culture of the group, including against the desired culture agreed by the board. We consider multiple sources to assess the strength of culture and understand employee sentiment through regular reporting and metrics, including:

- Feedback from the board's direct interaction with the workforce, through engagement forums, site visits and interactions with management.
- Regular reviews of the cultural dashboard.
- Updates from the Chief HR Officer on the progress to create a diverse, inclusive and engaged company, and the workstreams to support the cultural transformation.
- Regular Speak Up reports and heatmaps to indicate the ethical culture at key sites.

As JM pivots its focus to cash, it is recognised that the culture required to drive our re-calibrated strategy will need to be refreshed to ensure a high-performing and execution focus.

Our cultural dashboard

Our cultural dashboard enables the committee to track progress of our cultural transformation. The committee reviewed the cultural dashboard comprising data relating to the key dimensions of the 'Play to Win' behaviours. The dashboard acts as a check for the committee on the cultural context in which our colleagues work, and allows us to identify any areas of misalignment and take appropriate action.

Transformation pillar		How we measure it
People growth	Accountability Performance People growth	Quarterly and annual 'Play to Win' employee engagement survey results
	Inclusiveness	Annual 'Play to Win' engagement survey results Gender diversity
	Engagement	Annual 'Play to Win' engagement survey results
	Voluntary attrition	Voluntary attrition
	Safety	Quarterly total recordable incident rate
Simplification	Simplification	Quarterly and annual 'Play to Win' engagement survey results
Customer centricity	Customer focus	Net promoter score

Societal Value Committee report continued

Engagement with the workforce

Engaging with the workforce at all levels allows the board to understand the culture, issues and challenges across our business. During the year and up to the date of this Annual Report and Accounts, engagement forums have been held in the UK, China, the US and Germany. These forums are led by a Non-Executive Director and comprise approximately eight colleagues from different businesses, functions, job types, ages and tenures. These face-to-face sessions provide the opportunity for informal discussions and are centred on the understanding of JM's transformation journey, opportunities to improve engagement and how enabled colleagues feel to deliver in their role. To support unconstrained dialogue, it was important that local management were not present for the forums. The directors discussed the feedback from the engagement forums with the committee and applicable senior leaders.

Alongside this, the board continues to engage with colleagues via site tours, face-to-face discussions at meetings and attendance at employee events.

Non-executive director engagement with the workforce

Country	Director	Engagement
UK	Doug Webb	• Tour of Chilton and Stockton operations including meetings with local management • Employee engagement forum took place
	Barbara Jeremiah, John O'Higgins and Sinead Lynch	• Tour of the new PGMS 3CR refinery in Royston including meetings with the Head of Strategy and Operations and other PGMS leaders to understand the new ways of working and the culture required to deliver the project
	All	• Met with employees who supported the transition to a new London Head Office
China	Xiaozhi Liu	• Tour of Shanghai manufacturing facilities led by JM's China President • Employee engagement forum took place
Germany	Rita Forst	• Tour of Redwitz, Germany operations • Employee engagement forum took place
US	All board members	• In September 2024 the board visited the US and toured the facilities at West Deptford and Devon. The visit included employee engagement forums, hearing from Employee Resource Group representatives and meeting with local management

Remuneration Committee report

John O'Higgins
Chair of the Remuneration Committee

Membership

- John O'Higgins (Chair)
- Xiaozhi Liu
- Sinead Lynch
- Doug Webb

Other regular attendees at committee meetings

- Board Chair
- Chief Executive Officer
- Chief HR Officer
- Group Reward Director

→ Members attendance at committee meetings during the year is on page 57

The committee's Terms of Reference set out its full responsibilities: matthey.com/governance-framework

On behalf of the Remuneration Committee, I am pleased to introduce the Directors' remuneration report for the year ended 31st March 2025.

This report is divided into three sections: my statement, a summary of the Directors' Remuneration Policy put to shareholders at the 2023 Annual General Meeting and our Annual Report on Remuneration for the year ended 31st March 2025.

Our approach to remuneration

Our overall purpose at Johnson Matthey is to catalyse the net zero transition for our stakeholders. We have an important role to play in this process through the application of our sustainable technologies, products and services and we will have an increasingly important role to play as we further commercialise long-term sustainable technologies to enable decarbonisation and enhance circularity.

Our Remuneration Policy has been purposefully designed to support our strategy as detailed above. Our pay model, while market consistent, is weighted towards long-term variable pay which supports the long-term nature of the investment decisions we make. Our executive directors' remuneration includes base salary, pension and benefits, annual bonus, a Performance Share Plan and share ownership requirements with the same policy generally cascading to our leaders below board level. However, we do operate alternative incentives, including restricted stock, to ensure we can compete for the best executive talent in the geographic locations in which we operate.

Committee outcomes

The outcomes of the committee's key activities during the year and up to the date of this report include:

- Considered changes to institutional investor guidelines, regulatory changes and highlights from the 2024 AGM season
- Determined the extent of achievement against the 2023/24 annual bonus targets and 2021/22 Performance Share Plan award targets
- Set the performance measures and targets for the 2024/25 annual bonus and Performance Share Plan awards
- Reviewed group-wide salary budgets
- Approved executive director and Group Leadership Team base salary increases
- Reviewed the Chair's fee
- Approved the new CFO's remuneration package
- Determined the extent of achievement against the 2024/25 annual bonus targets and 2022/23 Performance Share Plan award targets
- Reviewed the short incentive plan performance measures for 2025/26 and included cash generation targets in light of company strategy and investor feedback

Overview of company performance

The 2024/25 financial year has been a year of continued strategic execution and transformation progress in line with our strategy. We continued to transform our business to create a more streamlined organisation and delivered in excess of our targeted £200 million of cost savings by the conclusion of the year under review. We also achieved key milestones, for example, three large-scale project wins in our Catalyst Technologies' sustainable technologies portfolio and our PGM refinery investment being progressed in line with our plans. These steps ensure we move into 2025/26 a stronger business that is well placed to continue to deliver mid to high single digit growth in underlying operating performance at constant precious metal prices and constant currency.

With regard to financial performance during the year under review, notwithstanding ongoing challenging macroeconomic conditions, we achieved growth in underlying profit excluding divestments (at constant exchange rates and adjusting for lower precious metal prices) of 6%, delivering a total underlying operating profit of £389 million.

2024/25 incentive plan outcomes

Annual Incentive Plan (AIP)

The maximum bonus opportunity for 2024/25 remained unchanged at 180% of salary for the Chief Executive Officer and 150% of salary for the Chief Financial Officer. The bonus was based on underlying profit before tax (45%), working capital (15%), gross corporate costs (15%) and strategic and transformation objectives (25%).

Based on our resilient underlying financial performance, delivery of stretch corporate cost reduction targets and delivery of strong strategic progress (as noted above), the outcome of the AIP was a bonus of 77.1% of maximum payable to Liam Condon. Stephen Oxley was not eligible for a bonus following his resignation and cessation of employment on 31st March 2025.

The committee was comfortable that the outcome of the bonus was appropriate and so no discretion was applied. In reaching this conclusion, the committee noted that the bonus payable to the Chief Executive Officer was within the typical range of bonuses (expressed as a percentage of the maximum bonus available) paid to employees across the group and it also considered the broader stakeholder experience through the year. One half of the bonus payable will be deferred in shares for a period of three years. More details on the performance against the annual targets and strategic objectives are set out on page 98.

Performance Share Plan (PSP)

Our Chief Executive Officer and Chief Financial Officer were both granted PSP awards in August 2022 that were eligible to vest based on performance against challenging EPS growth, relative TSR (Total Shareholder Returns) performance and sustainability targets tested over the three year period ending 31st March 2025. With regard to Stephen Oxley, his August 2022 award lapsed (along with all his other outstanding PSP awards) on 31st March 2025 as a result of his resignation and cessation of employment.

With regard to Liam Condon, and other participants in the 2022 PSP, as a result of strong progress in reducing our Scope 1 and 2 GHG emissions, and improving the percentage of female representation in management roles, we achieved partial vesting against the sustainability targets. However, in light of the challenging external market conditions operating during the performance period, including continued destocking across a number of our markets, we did not meet the EPS or TSR targets. As part of confirming total vesting at 13.33% of the maximum, the committee had regard to the level of Return On Invested Capital (ROIC) achieved during the period. The committee was comfortable that the level of vesting was appropriate in the context of the overall progress of the company.

The Remuneration Committee, having had regard to the remuneration outcomes across the group, including considering the relationship between executive and wider workforce pay, is satisfied that the remuneration outcomes are appropriate and that the Remuneration Policy operated as intended during the year.

Applying the Remuneration Policy in 2025/26

Base salary

During the year the committee reviewed the salary increase budget for the wider workforce, which was set at 3% in the UK. With regard to Liam Condon, having considered recent market practice for executive director salaries and increases to salaries for the wider workforce, the committee approved an increase of 2.5% with effect from 1st April 2025. Stephen Oxley was not eligible to receive a salary increase as a result of his resignation and cessation of employment on 31st March 2025.

Chief Financial Officer appointment

Richard Pike was appointed Chief Financial Officer Designate on 10th February 2025 and became Chief Financial Officer on 1st April 2025 following Stephen Oxley's cessation of employment. On appointment, his base salary was set at £600,000. The salary was set by the committee after having regard to the calibre of the individual (noting he is a well-established FTSE 100 Chief Financial Officer), current market rates of remuneration in companies of a comparable size and complexity (i.e. the top half of the FTSE 250 and bottom half of the FTSE 100) and his remuneration package at his former employer (DS Smith). Having considered these factors, and the other elements of his remuneration package at Johnson Matthey, the committee was comfortable setting his base salary at £600,000.

The broader context considered when agreeing the Chief Financial Officer's base salary was that the overall target value of the package was set to be broadly equivalent to that of Stephen Oxley. However, it was constructed with a lower base salary (£600,000 versus £620,388) and a higher PSP award (at 200% of salary versus 175% of salary). The higher PSP matched the annual award level at DS Smith. The committee was comfortable in approving a marginal rebalancing of the former Chief Financial Officer's package to one that enabled the attraction of a high calibre Chief Financial Officer having had regard to all the factors noted above.

Other aspects agreed with Richard Pike in connection with his appointment include support with relocation within two years of commencing employment and also a 2024/25 PSP award at 50% of salary (reduced pro-rata having joined in the final quarter of the financial year). No buy-out award was made in respect of his recruitment. Full details are set out on page 103.

AIP

The maximum opportunity will remain at 180% of salary for the Chief Executive Officer and 150% of salary for the Chief Financial Officer and the target will continue to be set at 50% of the maximum.

The committee reviewed the choice of performance metrics for the 2025/26 AIP. This review took into account the evolution of the company's strategy, including our increased focus on cash generation and efficiency, as well as the feedback received from the investor engagement the board undertook during December 2024 and January 2025. As a result of this review, the committee has refined the AIP structure for 2025/26 so that it is simpler and has a material weighting on cash generation. As a result of the changes, 37.5% of the AIP will be determined based on group free cash flow, 37.5% will be based on underlying profit before tax and the remaining 25% will be based on strategic targets.

PSP

The Remuneration Committee intends to grant awards at 250% of salary for the Chief Executive Officer and 200% of salary for the Chief Financial Officer respectively. With regard to the Chief Financial Officer, the award at 200% of salary mirrors the annual award level at his previous employer and was agreed in connection with his recruitment.

The committee considered the impact of the sale of Catalyst Technologies on its ability to set performance conditions for the three-year performance period ending 31st March 2028 and determined in principle that it remained appropriate to continue with a combination of shareholder return, financial and strategic and/or sustainability targets. The committee deferred setting the measures and associated targets until later in the year to enable the impact of the sale to be fully considered. The targets will be disclosed in the market announcement when the awards are granted to the Executive Directors and in next year's Directors' Remuneration Report.

The Remuneration Committee retains discretion on vesting to adjust the number of shares vesting having had regard to underlying performance during the three-year performance period and/or if it considers there to have been the potential for a windfall gain on vesting. The factors that the committee would consider in determining if there had been a windfall gain would include, but not be limited to, the share price on grant and at the end of the period, and performance through the period.

Prior to granting the 2025/26 PSP award the committee intends to undertake a final review of the award quantum and performance measures. This will allow for consideration of the prevailing market conditions at the time of grant. The committee will also set the target ranges having had regard to the proposed quantum of awards to ensure the targets are suitably stretching.

Directors' Remuneration Policy review

The AGM in 2026 will be the third anniversary of the current Directors' Remuneration Policy (which received 89.08% shareholder support). As a result, the committee intends to undertake a full review of the current Remuneration Policy during 2025 and early 2026 in light of the evolution of our strategy, including our increased focus on cash generation and efficiency. It is our intention to engage with our major shareholders as a key part of this process.

Chair and non-executive director fees

The fees payable to the Chair and non-executive directors are reviewed annually. In line with the increase in base salaries for executive directors, the Chair fee and non-executive director fees were increased by 2.5% with effect from 1st April 2025. The fees payable to the Chair and non-executive directors are reviewed annually by the board.

Wider employee remuneration

Paying our employees fairly for their role, skills, experience and performance is central to our approach to remuneration, and our reward framework and policies support us in doing this.

Equal pay is also critical, and we review our pay levels on an ongoing basis to ensure that employees are paid fairly. We continued our work in this area during the year under review and continue to take steps to be ready for the EU Pay Transparency Directive.

We are also committed to the real living wage and narrowing the gender pay gap that exists among our employees, and to tackling the root causes of gender imbalance to ensure a truly inclusive culture that supports diversity. We aspire to offer a well-balanced, progressive and structured approach to reward, with appropriate variation by location. We also find that non-financial reward elements are essential to a supportive culture, with the wellbeing of staff a prominent part of our employment proposition. The committee reviews workforce remuneration and related policies to ensure there is alignment of reward and incentives with culture.

This year, all employees were able to provide their feedback on a range of matters, including remuneration, through our annual employee engagement survey and local and global town hall meetings.

2025 AGM

The committee believes that the remuneration policy and our approach to implementation are in the best interests of the company.

We welcome an open dialogue with our shareholders, and I will be available at the 2025 AGM to answer any questions about the work of the Remuneration Committee

I ask you to support the advisory vote on this annual statement and the 2024/25 annual report of remuneration at our AGM on 17th July.

John O'Higgins
Chair of the Remuneration Committee

Remuneration at a glance

Aligning remuneration with strategy

We will use our deep knowledge of metals chemistry to help our customers address the complex technical challenges of the four transitions – transport, energy, decarbonising chemicals production and a circular economy – by delivering sustainable products, services and technologies. The 2024/25 Strategic milestones and our KPIs can be found on pages 5 and 11.

2025 pay outcomes

The pay breakdowns for the executive directors in 2023/24 and 2024/25 are set out below:

Fixed pay (£'000)	2024/25	2023/24
Salary	1,013	983
Benefits	264	283
Pension	152	147

Variable pay (£'000)	2024/25	2023/24
Annual Incentive Plan	1,406	1,176
Performance Share Plan	216	–

Fixed pay (£'000)	2024/25	2023/24
Salary	620	602
Benefits	20	20
Pension	93	90

Variable pay (£'000)	2024/25	2023/24
Annual Incentive Plan	–	600
Performance Share Plan	–	–
Restricted Share Plan*	633[1]	–

	Outcomes of variable remuneration	Weighting	Liam Condon Formulaic outcome (% base salary)
Annual Incentive Plan	Profit before tax	45%	81
	Working capital days	15%	0
	Corporate cost reduction	15%	21.8
	Strategic objectives	25%	36
	Total	100%	138.8
Performance Share Plan	Compound annual growth rate in earnings per share	40%	–
	Total shareholder return	40%	–
	Sustainability	20%	13.33[2]

1. The Restricted Share Plan payment for Stephen Oxley was an award of shares to compensate him for the loss of deferred cash awards from his former employer (KPMG) on joining Johnson Matthey. This award was not subject to performance conditions and vested in full in the year ended 31st March 2025. Details on page 100.
2. 13.3% is vesting level of the 2022 PSP grant.

Remuneration Policy

The Directors' Remuneration Policy was approved at the 2023 AGM on 20th July 2023 and will remain in effect until the 2026 AGM.

A summary of the policy is set out below. The full policy can be found on our website: matthey.com/investors/governance.

Remuneration Policy table

Element	Summary	Potential value of element and performance measures
Base salary	Base salaries will normally be reviewed annually, and any changes normally take effect from 1st April each year. In determining salaries and salary increases, the Remuneration Committee will take account of the performance of the individual director against a broad set of parameters including financial, environmental, social and governance issues. The Remuneration Committee will also take into account the director's knowledge, contribution to the role, length of time in post, and any additional responsibilities since the last salary review, as well as the level of salary increases awarded to the wider Johnson Matthey workforce.	**Maximum opportunity** No salary increase will be awarded which results in a base salary which exceeds the competitive market range considered appropriate by the committee for the role.
Benefits	Benefits include, but are not limited to, medical, life and income protection insurance, medical assessments, company sick pay, a company car (or equivalent), relocation benefits relating to business moves and assistance with tax advice and compliance services where appropriate. Other appropriate benefits may also be provided from time to time at the discretion of the Remuneration Committee.	Benefits are not generally expected to be a significant part of the remuneration package in financial terms. Car benefits will not exceed a total of £25,000 per annum. The cost of medical insurance for an individual executive director and dependants will not exceed £25,000 per annum.
Pension	All executive directors will be eligible to participate in a company pension plan and/or paid a cash supplement in lieu of membership in a pension plan.	The maximum company contribution is 15% of base salary for executive directors. This is aligned to the typical cost of providing pension benefits to other employees in the UK.
Annual Incentive Plan	The Remuneration Committee sets the AIP performance measures and targets for each new award cycle. At the end of the year, the committee determines the extent to which these have been achieved. The committee retains the discretion to reduce any bonus award if, in its opinion, the underlying financial performance of the company has not been satisfactory in the circumstances. Of any bonus paid, up to 50% is paid in cash and the remaining balance is deferred into shares for a three-year period as an award under the deferred bonus plan.	**Maximum opportunity and vesting thresholds** • Chief Executive Officer – 180% of base salary. • Other executive directors – 150% of base salary. Where financial measures are set the threshold performance level will result in a bonus of up to 25% of the target bonus opportunity. On-target performance will result in 50% payment of the maximum opportunity. Where non-financial targets are set, it may not be practicable to set targets on a sliding scale.

Remuneration Policy continued

Element	Summary	Potential value of element and performance measures
Performance Share Plan	Shares may be awarded each year and are subject to performance conditions tested over a minimum three-year performance period. 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.	**Award levels and vesting thresholds** The maximum award level is 250% of salary. The current award levels are: • Chief Executive Officer – 250% of base salary. • Other executive directors – 200% of salary. Threshold performance will result in vesting of up to a maximum of 25% for each performance measure.
All-employee share plan	Executive directors are entitled to participate in the company's all-employee plan under which regular monthly share purchases are made and matched with the award of company shares, subject to retention conditions. Executive directors would also be entitled to participate in any other all-employee arrangements that may be established by the company on the same terms as all other employees.	Executive directors are entitled to participate up to the same limits in force from time to time for all employees.
Shareholding requirements	Executive directors are expected to build up a shareholding in the company over a reasonable period of time, and upon cessation of employment are expected to retain a shareholding for a period of up to two years.	The minimum shareholding requirement while an executive director and for the two-year period after cessation of employment is as follows: • Chief Executive Officer – 250% of base salary. • Other executive directors – 200% of base salary.
Non-executive director fees	Non-executive director fees are determined by the board and the non-executive directors exclude themselves from these discussions. The fees for the Chair are determined by the Remuneration Committee taking into account the views of the Chief Executive Officer. The Chair excludes himself from these discussions. Non-executive directors are paid a base fee each year with an additional fee for each Committee Chair or additional role held. Non-executive director fees are reviewed every year.	The fee levels are set subject to the maximum limits set out in the company's Articles of Association.

The committee is responsible for determining, and agreeing with the board, the Directors' Remuneration Policy and has oversight of its implementation. The committee has clear terms of reference, works with management and independent advisers to develop proposals and recommendations, and exercises independent judgement when making decisions. This process is considered to manage any potential conflicts of interest.

The policy is performance focused and, given the long-term nature of JM's business, is weighted towards long-term performance and includes market standard shareholding expectations and recovery and withholding provisions.

The committee considered the principles listed in the UK Corporate Governance Code 2018 when reviewing the Directors' Remuneration Policy and took these into account in its design and implementation.

Clarity	**Remuneration arrangements have defined parameters which can be transparently communicated to shareholders and other stakeholders**
Simplicity	Remuneration arrangements for executive directors consist of: • Salary, benefits and a fixed pension contribution – set to reflect the typical rate provided to the UK workforce. • Annual Incentive Plan (AIP), a portion of which is deferred into shares. • Annual long-term Performance Share Plan (PSP) awards which provide focus on performance over the longer term. Unnecessary complexity is avoided by the committee in operating the arrangements.
Risk	The remuneration arrangements are designed to have a robust link between pay and performance, thereby mitigating the risk of excessive reward. In addition, behavioural risks are considered when setting targets for performance-related pay, and the arrangements have safeguards to ensure that pay remains appropriate, including committee discretion to adjust incentive outturns, deferral of incentive payments in shares, recovery provisions and share ownership requirements. To avoid conflicts of interest, committee members are required to disclose any conflicts or potential conflicts ahead of committee meetings. No executive director or other member of management is present when their own remuneration is under discussion.
Predictability	The committee set specific targets for different levels of performance which are communicated to the individuals and disclosed to shareholders.
Proportionality	The AIP and PSP have performance metrics that are aligned with the company's KPIs, and the payouts reflect achievement against the targets. The committee may reduce payouts under the AIP and PSP if they are not considered aligned with underlying performance. Safeguards are identified to ensure that poor performance is not rewarded.
Alignment to culture	The directors' remuneration arrangements are cascaded through the organisation ensuring that there are common goals. The committee reviews remuneration arrangements throughout the company and takes these into account when setting directors' remuneration.

Selection of performance targets

Annual Incentive Plan

Financial performance targets under the AIP are set by the Remuneration Committee with reference to the prior year and to the budgets and business plans for the coming year, ensuring the levels to achieve threshold, target or maximum payout are appropriately challenging.

The committee reviewed the choice of performance metrics for the 2025/26 AIP. This review took into account the evolution of the company's strategy, including our increased focus on cash generation and efficiency, as well as the feedback received from the investor engagement the board undertook during December 2024 and January 2025. As a result of this review, the committee has refined the AIP structure for 2025/26 so that it is simpler and has a material weighting on cash generation. As a result of the changes, 37.5% of the AIP will be determined based on group free cash flow, 37.5% will be based on underlying profit before tax and the remaining 25% will be based on strategic targets.

Commercial sensitivity precludes the advance publication of the actual bonus targets, but these targets will be retrospectively published in the Annual Report on Remuneration for 2025/26.

Performance Share Plan

The performance targets under the PSP are set to reflect the company's longer-term growth objectives at a level where the maximum represents genuine outperformance. As detailed in the Committee Chair's introductory statement, while the committee approved in principle a continuation with the performance measures chosen for the 2024/25 PSP awards for this year's awards, the committee will undertake a further review of the choice of metrics and targets as a result of the proposed sale of the Catalyst Technologies business. EPS has historically been chosen as it is a clear and transparent measure of absolute growth in line with the company's strategy. TSR and ROCE (Return on Capital Employed) are respectively considered simple and clear measures of our success in creating relative and absolute shareholder value. Strategic and/or sustainability targets align with our medium to long-term objectives.

Discretion

The Remuneration Committee can exercise discretion in a number of areas when operating the company's incentive plans, in line with the relevant rules of the plan. These include (but are not limited to):

- The choice of participants
- The size of awards in any year (subject to the limits set out in the Directors' Remuneration Policy table)
- The extent of payments or vesting in light of the achievement of the relevant performance conditions
- The determination of good or ordinary leavers and the treatment of outstanding awards (subject to the provisions of the plan rules and the Remuneration Policy provisions)
- The treatment of outstanding awards and assessing performance in the event of a change of control.

In addition, if events occur which cause the Remuneration Committee to conclude that any performance condition is no longer appropriate, that condition may be substituted, varied or waived as is considered reasonable in the circumstances, in order to produce a fairer measure of performance that is not materially less difficult to satisfy.

Remuneration Policy continued

Remuneration scenarios

Below is an illustration of the potential future remuneration that could be received by each executive director for the year starting 1st April 2025, both in absolute terms and as a proportion of the total package under different performance scenarios. The value of the PSP is based on the award that will be granted in August 2025. In developing the scenarios, the following assumptions have been made:

Below threshold	Only fixed elements of remuneration (base salary, pension and benefits) are payable
Threshold	Fixed elements of remuneration plus 25% of target bonus and 22% vesting of PSP award are payable
Target	Fixed elements of remuneration plus 50% of maximum bonus and 60% vesting of PSP award are payable
Maximum	Fixed elements of remuneration plus 100% of maximum bonus and 100% vesting of PSP award are payable
Maximum plus 50% share price appreciation	Maximum plus a 50% share price appreciation on the PSP award

Value of package

Composition of package

Liam Condon

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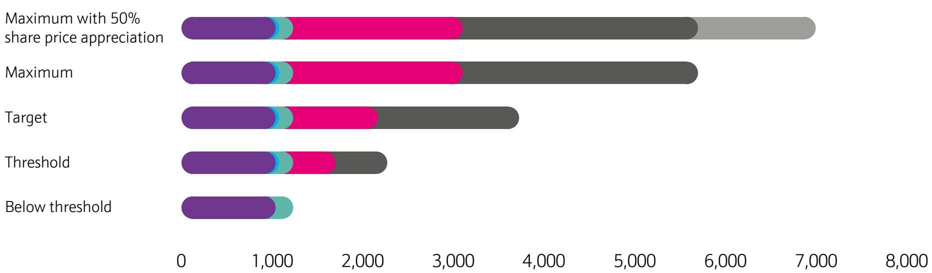
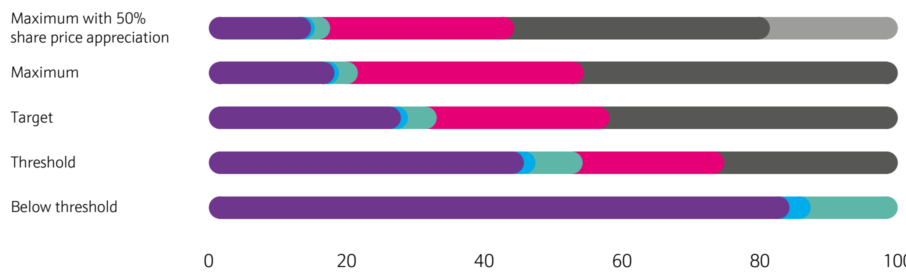
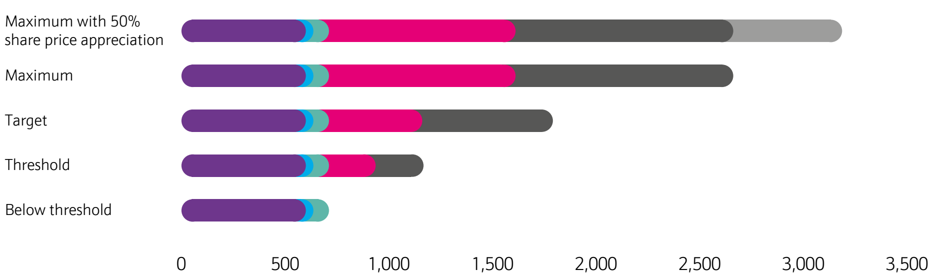
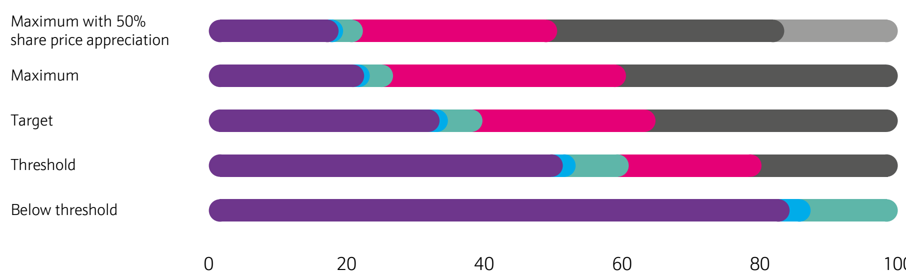




Richard Pike

('000)





Base salary Benefits Pension Bonus PSP PSP share price appreciation

Remuneration Policy continued

Group employee considerations

The Remuneration Committee considers the directors' remuneration, along with the remuneration of the GLT, in the context of the wider employee population, and is kept regularly updated on pay and conditions across the group.

We aspire to offer a well-balanced, progressive and structured approach to reward, with appropriate variation by location. We also find that the non-financial reward elements are essential to a supportive culture, with the wellbeing of staff a prominent part of our employment proposition.

The general principle for remuneration in Johnson Matthey is to provide a competitive package of pay and benefits in all markets and at all job levels to attract and retain high-quality and diverse employees. Equal and fair pay is also a critical component of our proposition, and we regularly review our pay levels and develop actions to remove any form of potential inequality. The proportion of variable pay increases with progression through management levels, with the highest proportion of variable pay at executive director level, as defined by the Remuneration Policy.

The table below sets out how our remuneration arrangements cascade through the organisation:

	Executive directors	Senior managers	Middle managers	Managers	Wider workforce
Base salary	Base salary is set with reference to the relevant local market and takes account of the employee's knowledge, experience and contribution to the role. Base salaries are usually reviewed annually and take into account local salary norms, local wage inflation and business conditions. Increases in base salary for directors will take into account the level of salary increases granted to all employees within the group.				Base salary is either subject to negotiation with local trade unions or follows the market pay approach outlined for managers.
Pension and benefits	Employment-related benefits are offered in line with local market conditions.				
Short-term incentives	Annual incentive based on 75% financial metrics plus 25% strategic objectives. Compulsory deferral into shares for three years.	Annual incentive based on 75% financial metrics or strategic business goals, plus 25% individual performance. Compulsory deferral into shares for three years for certain levels within this category.	Annual incentive based on 75% financial metrics or strategic business goals plus 25% individual performance.		Annual incentive is either subject to negotiation with local trade unions or follows the standard AIP framework with financial, non-financial and individual performance measures used.
Long-term incentives	PSP awards are subject to a three-year performance period and a two-year holding period. Performance conditions are designed to drive company financial performance and align with stakeholder interests.	PSP awards are subject to a three-year performance period. Performance conditions are designed to drive company financial performance and align with stakeholder interests. Restricted Share Plan (RSP) awards may be granted as special recognition or to motivate and retain key talent. They are typically subject to a two to three-year service condition.		RSP awards may be granted as special recognition or to motivate and retain key talent. They are typically subject to a two to three-year service condition.	
	Eligible employees may participate in JM's Share Incentive Plan (ShareMatch). For the year ending 31st March 2025, two free matching shares were awarded for every one partnership share purchased by the employee. Effective 1st April 2025, one matching share will be awarded for every one partnership share purchased by the employee, subject to an annual maximum employee contribution of £1,500.				

Shareholder considerations

The committee has a standard annual agenda item whereby the feedback from shareholders and investor advisory bodies is presented and discussed following the AGM. The Committee Chair is also available for questions at the AGM. The feedback that the committee receives then informs discussions for the formulation of future policy and subsequent remuneration decisions. The committee is also regularly updated on the collective views of shareholders and investor advisory bodies by its independent adviser.

Approach to recruitment

The recruitment policy provides an appropriate framework within which to attract individuals of the required calibre to lead a company of Johnson Matthey's size, scale and complexity. The Remuneration Committee determines the remuneration package for any appointment to an executive director position, either from within or outside Johnson Matthey.

The following table sets out the various components which would be considered for inclusion in the remuneration package for the appointment of an executive director and the approach to be adopted by the Remuneration Committee in respect of each component.

In the case of an internal promotion to the board, the company will honour any contractual commitments made prior to the promotion.

Service contracts and policy on payment for loss of office

The following table summarises relevant key provisions of executive directors' service contracts and the treatment of payments on termination of employment. The full contracts of service of the executive directors (as well as the terms and conditions of appointment of the non-executive directors) are available for inspection at the registered office of the company during normal business hours as well as prior to and during the forthcoming AGM.

In exceptional circumstances, the Remuneration Committee may authorise, where it considers it to be in the best interests of the company and shareholders, entering into contractual arrangements with a departing executive director, for example a settlement, confidentiality, restrictive covenant or other arrangement, pursuant to which sums not set out in the following table may become payable. Full disclosure of the payments will be made in accordance with the remuneration reporting requirements.

The table on the following page describes the contractual conditions pertaining to the contracts for Liam Condon, Stephen Oxley, Richard Pike and for any future executive director.

Area	Policy and operation
Overall	The policy of the board is to recruit the best candidate possible for any board position and to structure pay and benefits in line with the Remuneration Policy set out in this report. The ongoing structure of a new recruit's package would be the same as for existing directors, with the possible exception of an identifiable buy-out provision, as set out below.
Base salary or fees	Salary or fees will be determined by the Remuneration Committee in accordance with the principles set out in the approved Remuneration Policy: matthey.com/remuneration-committee
Benefits and pension	An executive director will be eligible for benefits and pension arrangements in line with the company's approved Remuneration Policy for current executive directors: matthey.com/remuneration-committee
Annual Incentive Plan	The maximum level of opportunity is as set out in the policy summary on page 87. The Remuneration Committee retains discretion to set different performance targets for a new externally appointed executive director, or to adjust performance targets and/or measures in the case of an internal promotion, to be assessed over the remainder of the financial year. In this case any bonus payment would be made at the same time as for existing directors, such award to be pro-rated for the time served in the performance period.
Performance Share Plan	The maximum level of opportunity is as set out in the policy summary on page 88. In order to achieve rapid alignment with Johnson Matthey's and shareholder interests, the Remuneration Committee retains discretion to grant a PSP award to a new externally appointed executive director on or soon after appointment if they join outside of the normal grant period.
Replacement awards buy-out	The Remuneration Committee retains discretion to grant replacement buy-out awards (in cash or shares) to a new externally appointed executive director to reflect the loss of awards granted by a previous employer. Where this is the case, the Remuneration Committee will seek to structure the replacement award such that overall it is on an equivalent basis to broadly replicate that foregone, using appropriate performance terms. If granted, any replacement buy-out award would not exceed the maximum set out in the rules of the 2017 Performance Share Plan (350% of base salary). If the executive director's prior employer pays any portion of the remuneration that was anticipated to be forfeited, the replacement awards shall be reduced by an equivalent amount.
Other	The Remuneration Committee may agree that the company will meet certain mobility costs and relocation costs including temporary living and transportation expenses, in line with the company's prevailing mobility policy for senior executives as described in the approved Remuneration Policy Governance: matthey.com/governance

Summary of key provisions of executive directors' service contracts and treatment of payments on termination

	Liam Condon	Stephen Oxley	Richard Pike
Date of service agreement	10th November 2021	1st December 2020	10th February 2025
Date of appointment as director	1st March 2022	1st April 2021	1st April 2025
Employing company	Johnson Matthey Plc		
Contract duration	No fixed term		
Notice period	No more than 12 months' notice		
Post-termination restrictions	The contracts of employment contain the following restrictions on the director for the following periods from the date of termination of employment: • non-compete – six months • non-dealing and non-solicitation of client/customers – 12 months • non-solicitation of suppliers and non-interference with supply chain – 12 months • non-solicitation of employees – 12 months.		
Summary termination – payment in lieu of notice (PILON)	The company may, in its absolute discretion, terminate the employment of the director with immediate effect by giving written notice together with payment of a sum equivalent to the director's base salary and the value of his contractual benefits as at the date such notice is given, in respect of the director's notice period, less any period of notice actually worked. The company may elect to pay the PILON in equal monthly instalments. The director is under a duty to seek alternative employment and to keep the company informed about whether they have been successful. If the director commences alternative employment, the monthly instalments shall be reduced (if appropriate to nil) by the amount of the director's gross earnings from the alternative employment. A PILON paid to a director who is a US taxpayer would be in equal monthly instalments.		
Termination payment – change of control	If, within one year after a change of control, the director's service agreement is terminated by the company (other than in accordance with the summary termination provisions), the company shall pay, as liquidated damages, one year's base salary, together with a sum equivalent to the value of the director's contractual benefits, as at the date of termination, less the period of any notice given by the company to the director.		
Termination – treatment of annual incentive awards	Annual bonus awards are made at the discretion of the Remuneration Committee. Executive directors leaving the company's employment will receive a bonus, pro-rata to service, unless the reason for leaving is resignation or misconduct. Any bonus awarded would continue to be subject to deferral as set out in the Remuneration Policy. In relation to deferred bonus awards which have already been made, shares will be released on the normal vesting date unless one of the following circumstances applies, and subject to the discretion of the Remuneration Committee: • the participant leaves as a result of misconduct; or • the participant, prior to vesting, breaches one of the post-termination restrictions or covenants contained in their employment contract, termination agreement or similar agreement. In which case the deferred awards will lapse on cessation of employment. The Remuneration Committee has the discretion to accelerate vesting of a deferred award if appropriate to do so to reflect the circumstances of the departure. It is intended that this would only be used in the event of a departure due to ill health (or death).		

Remuneration Policy continued

Summary of key provisions of executive directors' service contracts and treatment of payments on termination (continued)

	Liam Condon	Stephen Oxley	Richard Pike
Termination – treatment of long-term incentive awards	Employees, including executive directors, leaving the company's employment will normally lose their long-term incentive awards unless they leave for a specified 'good leaver' reason (e.g. death, retirement), in which case their shares will be released on the normal release dates, subject to the performance condition. The Remuneration Committee has discretion to accelerate vesting, in which case the performance condition would be assessed based on available information at the time. In either case, unless the Remuneration Committee determines otherwise, the level of vesting shall be pro-rated to reflect the proportion of the performance period which has elapsed to the date of leaving. In the post-vesting deferral period, only those who leave due to misconduct will lose their shares.		
Redundancy arrangements	Directors are not entitled to any benefit under any redundancy payments arrangement operated by the company.		
Holiday	Upon termination for any reason, directors will be entitled to payment in lieu of accrued but untaken holiday entitlement.		

Chair and non-executive directors

The Chair and each of the non-executive directors have letters of appointment. The letters of appointment do not contain any contractual entitlement to a termination payment and the non-executive directors can be removed in accordance with the company's Articles of Association. Directors are required to retire at each AGM and seek re-election by shareholders.

The details of the service contracts, including notice periods, contained in the letters of appointment in relation to the non-executive directors who served during the year are set out in the table below. Neither the Chair nor the non-executive directors has provisions in his or her letter of appointment that relate to a change of control of the company.

Non-executive director	Committee appointments	Date of appointment	Expiry of current term	Notice period by the individual	Notice period by the company
Patrick Thomas (Chair)	N	1st June 2018	31st May 2027	6 months	6 months
Jane Griffiths[1]		1st January 2017	31st December 2024	1 month	1 month
John O'Higgins	R S N A	16th November 2017	16th November 2026	1 month	1 month
Xiaozhi Liu	N R	2nd April 2019	1st April 2028	1 month	1 month
Doug Webb	A I N R	2nd September 2019	1st September 2025	1 month	1 month
Rita Forst	S N A	4th October 2021	3rd October 2027	1 month	1 month
Barbara Jeremiah	I S N A	1st July 2023	30th June 2026	1 month	1 month
Sinead Lynch	I S N	1st January 2025	31st December 2027	1 month	1 month

A Audit Committee R Remuneration Committee N Nomination Committee S Societal Value Committee I Investment Committee Committee Chair

1. Jane Griffiths stepped down from the board on 31st December 2024.

Annual report on remuneration

This section provides details of how the Directors' Remuneration Policy was implemented during 2024/25 and how we intend to apply it in 2025/26.

About the Remuneration Committee

The members of the Remuneration Committee are John O'Higgins (Chair), Sinead Lynch, Xiaozhi Liu and Doug Webb. Details of attendance at committee meetings during the year ended 31st March 2025 are shown on page 57.

The Remuneration Committee's Terms of Reference can be found at matthey.com/REM-terms-of-reference. These include determination of fair remuneration for the group Chair, executive directors and senior management, including the General Counsel and Company Secretary (no individual participates in discussions of their own remuneration). The General Counsel and Company Secretary acts as secretary to the committee.

Advisers to the committee

The committee appoints and receives advice from independent remuneration consultants on the latest developments in corporate governance and market trends in pay and incentive arrangements. The committee appointed Korn Ferry as adviser to the Remuneration Committee after a competitive tender process in 2017. The total fees paid to Korn Ferry in respect of its services to the committee during the year were £68,045 +VAT. The fees paid to Korn Ferry are based on the standard market rates Korn Ferry has for remuneration committee advisory services.

Korn Ferry also provides consultancy services to the company in relation to certain employee and benefit matters to those below the Board. Korn Ferry is a signatory to the Remuneration Consultants Group Code of Conduct.

The committee is satisfied that the advice provided by Korn Ferry was independent and objective and that the provision of additional services did not compromise that independence. The committee is also satisfied that the team who provided that advice does not have any connection to Johnson Matthey that may impair their independence and objectivity.

A statement regarding the use of remuneration consultants for the year ended 31st March 2025 is available at: matthey.com/remuneration-committee

Statement of shareholder voting

We carefully monitor shareholder voting on our Remuneration Policy and its implementation. We recognise the importance of our shareholders' continued support for our remuneration arrangements.

The next table shows the results of the polls taken on the resolution to approve the Remuneration Policy at the 2023 AGM and Annual Statement and Annual Report on Remuneration at the 2024 AGM.

Resolution	Number of votes cast	For	Against	Votes withheld
Remuneration Policy	129,179,627	115,069,890 (89.08%)[1]	14,109,737 (10.92%)[1]	1,656,783
Annual Statement and Annual Report on Remuneration	120,886,102	115,078,573 (95.2%)	5,807,529 (4.8%)	43,607

1. Percentage of votes cast, excluding votes withheld.

The Remuneration Committee believes that the 89.08% vote in favour of the Remuneration Policy at the 2023 AGM and the 95.2% advisory vote in favour of the Annual Statement and Annual Report on Remuneration at the 2024 AGM showed strong shareholder support for the group's remuneration arrangements at that time.

Remuneration for the year ended 31st March 2025

Single total figure table of remuneration (audited)

Our Remuneration Policy operated as intended over the year, and the table below sets out the total remuneration and breakdown of the elements each director received in relation to the years ended 31st March 2025 and 31st March 2024. An explanation of how the figures are calculated follows the table.

	Base salary/fees £'000		Benefits £'000		Pension[1] £'000		Total fixed remuneration £'000		Annual incentive £'000		Long-term incentive £'0000		Total variable remuneration £'000		Total remuneration £'000	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Executive directors																
Liam Condon	**1,013**	983	**264[3]**	283[2]	**152**	147	**1,429**	1,413	**1,406**	1,176	**216**	–	**1,622**	1,176	**3,051**	2,589
Stephen Oxley	**620**	602	**20**	20	**93**	90	**733**	712	**–**	600	**633[7]**	–	**633**	600	**1,366**	1,312
Non-executive directors																
Patrick Thomas	**401**	390	**–**	–	**–**	–	**401**	390	**–**	–	**–**	–	**–**	–	**401**	390
Jane Griffiths	**70[4]**	90	**–**	–	**–**	–	**70**	90	**–**	–	**–**	–	**–**	–	**70**	90
John O'Higgins	**93**	90	**–**	–	**–**	–	**93**	90	**–**	–	**–**	–	**–**	–	**93**	90
Xiaozhi Liu	**73**	71	**–**	–	**–**	–	**73**	71	**–**	–	**–**	–	**–**	–	**73**	71
Doug Webb	**95**	93	**–**	–	**–**	–	**95**	93	**–**	–	**–**	–	**–**	–	**95**	93
Rita Forst	**78**	71	**–**	–	**–**	–	**78**	71	**–**	–	**–**	–	**–**	–	**78**	71
Barbara Jeremiah	**93**	67[5]					**93**	67							**93**	67
Sinead Lynch	**18[6]**	–					**18**	–							**18**	–

1. Represents a cash allowance in lieu of a pension.
2. Liam Condon was entitled to certain temporary allowances and benefits associated with his international relocation. These include housing (£180k), schooling and other family disturbance allowances (£70k).
3. Liam's temporary allowances ceased at the end of February 2025.
4. Jane Griffiths left the board on 31st December 2024. The fee disclosed reflects nine months served on the board.
5. Barbara Jeremiah joined the board on 1st July 2023. The fee disclosed for 2024 relates to the nine months served on the board.
6. Sinead Lynch joined the board on 1st January 2025. The fee disclosed relates to three months served on the board.
7. Relates to 41,500 shares awarded on recruitment to compensate for the loss of KPMG long-term deferred cash awards. There were no performance conditions attached to his share award. Full details of the buy-out award were set out in Johnson Matthey's 2020/21 Annual Report.

Salary	Salary paid during the year to executive directors and fees paid during the year to non-executive directors.
Benefits	All taxable benefits, such as medical and life insurance, service and car allowances, mobility allowances, matching shares under the all-employee share incentive plan and assistance with tax advice and tax compliance services, where appropriate.
Pension	The amounts shown represent the value of any cash supplements paid in lieu of pension membership.
Annual incentives	Annual bonus awarded for the year ended 31st March 2025. The figure includes any amounts deferred and awarded as shares. These shares are not subject to any further conditions other than forfeiture in certain termination scenarios.
Long-term incentives	The 2025 figure represents the value of shares that satisfied performance conditions on 31st March 2025 and are due to vest on 1st August 2025. The value is estimated based on a share price of 1,407.21 pence, being the three-month average share price between 1st January 2025-31st March 2025. The 2024 figure represents the value of shares that satisfied performance conditions on 31st March 2024. None of the value delivered on vesting is attributable to share price appreciation.

Annual report on remuneration continued

Annual bonus for the year ended 31st March 2025 (audited)

Liam Condon was eligible for a maximum annual bonus of 180% of base salary. The target bonus opportunity was set at 50% of maximum and the threshold bonus opportunity was 25% of the target opportunity. Stephen Oxley became ineligible for a bonus following his resignation.

The performance measures and weightings for the annual bonus were as follows:

	Percentage of bonus available			
	Group underlying PBT	Group working capital days[1]	Corporate cost reduction	Strategic objectives
Liam Condon	45%	15%	15%	25%
Stephen Oxley	45%	15%	15%	25%

Group working capital days is split 50% total working capital (including PGMs) and 50% total working capital days (excluding PGMs). Performance targets were set by looking at:

- Previous year financial performance.
- Budgets and business plans for 2024/25. These are built from the bottom up and are subject to thorough challenge before being finalised by the board.
- Consensus of industry analysts' forecasts, provided by Vara Research.

The committee also considered the performance range for the group profit measures and concluded that the range should be set at 95% to 105% of target performance. The 2024/25 targets are considered similarly challenging, if not more challenging than those set in 2023/24.

The strategic objectives were set based on well-defined key deliverables that support our strategy relating to science, customers, operations and people.

Bonus outcomes (audited)

Bonus targets for the 2024/25 year were set against the backdrop of a very stretching Budget and a continuation of challenging market conditions. As such, the group PBT target was set at £319 million. The committee was satisfied that allowing for the impact of external factors such as metal prices and exchange rates, that the range of targets set was at least as challenging as the targets set for the prior year. The working capital days targets and corporate cost targets were set at the same level as the budget and considered similarly challenging by the committee. Based on performance against the targets, total bonuses for the year ended 31st March 2025 were as set out below. The committee is comfortable that the bonuses earned, based on the targets set and actual performance, which equated to a growth in underlying operating profit excluding divestments (at constant exchange rates and adjusting for lower precious metal prices) of 6%, are appropriate in the context of the wider stakeholder experience in light of market conditions through the year. During the year the committee has not had to override the formulaic outcome of the bonus as set out below.

	Financial measures outcome (% base salary)	Strategic measures formulaic outcome (% base salary)	Total bonus outcome (% base salary)	Total bonus outcome (% of target)	Total value of bonus[1] (£)
Liam Condon	102.8	36.0	138.8	154.2	1,405,622

1. 50% of this figure is deferred into conditional shares subject to a three-year holding period with no other performance conditions. This figure represents the full bonus paid for the year.

The detailed breakdown of performance against the financial targets and strategic objectives is set out in the next tables.

Financial measures

							Liam Condon	
Performance measure[1]	Bonus weighting	Unit	Outcome	Target	Threshold	Maximum	Maximum bonus available (% base salary)	Outcome (% base salary)
Group underlying PBT[2]	45%	£m	379.0	319.0	303.1	335.0	81.0	81.0
Group working capital days (incl. PGMS)	7.5%	Average days	33.3	26.8	28.1	25.5	13.5	0.0
Group working capital days (excl. PGMS)	7.5%	Average days	63.0	50.0	52.5	47.5	13.5	0.0
Gross corporate cost	15%	£m	217.0	221.0	227.6	214.4	27.0	21.8
Total bonus for financial measures	75%						135.0	102.8

1. Group underlying PBT and group working capital days are measured using Johnson Matthey's budgeted foreign exchange rates.
2. Group underlying PBT is measured based on 50% constant and 50% actual metal prices.

Annual Incentive Plan – Executive Directors: Strategic Objectives and Personal Targets FY2024/25

The executive directors' were both subject to a combination of common strategic milestones and tailored individual targets. The targets, their assessment and achievement against each target (subject to commercial sensitivities) is set out below.

Strategic targets	Target	Assessment	Outcome
Shared: Customer	Targets were set with reference to a target level of cash generation from Clean Air; securing a target number of projects in Catalyst Technologies and delivering a target number of new Hydrogen Technologies partnerships.	The target for Clean Air cash generation on track to be exceeded, the number of projects won in Catalyst Technologies was at the target performance level. The number of new Hydrogen Technologies partnerships is tracking well against the two-year target.	Overall performance outcome was 'between target and maximum'
Shared: Capability	The targets were set with regard to commissioning a new PGM refinery and expanding engineering capacity in Catalyst Technologies.	Progress on the PGM refinery was at, or ahead of, internal planning at year end; with the expanded engineering capacity in Catalyst Technologies well ahead of the target.	Overall performance outcome was 'at maximum'
Shared: Transformation	The targets were set against ICCA process safety rates; employee engagement; cost savings; JM Global Solutions launch; and Scope 1 and Scope 2 CO_2e emissions reduction.	The process safety rate target was below target; the target engagement score on target; Group cost savings were delivered ahead of the target; JM Global solutions was launched in the UK and US meeting the target; and the carbon reduction target was met in full.	Overall performance outcome was 'between target and maximum'
Personal: People	Deliver transformation objectives through optimising leadership through the establishment of a high performing leadership team.	Leadership team restructured and delivering in line with Board plans.	Overall performance outcome was 'at target'
Personal: Portfolio	Deliver: • a refined Hydrogen Technologies strategy • a Catalyst Technologies strategic roadmap to capture high growth • an accelerated Clean Air process plan • the establishment of a clear JM cash flow model	Refined Hydrogen Technologies strategy completed enabling 'in year' actions ahead of the competition mitigating the volatile market conditions to achieve EBIT budget despite significant volume declines. Delivered Catalyst Technologies roadmap facilitating the opportunity to deliver target value from the business. Delivered a major transformation in Clean Air, enabling the achievement of a stretch target and margin improvement despite declining volumes. Progress in line with board's plans on cash flow model.	Overall performance outcome was 'between target and maximum'

Liam Condon

The maximum bonus available against Liam Condon's non-financial targets is 45% of base salary.

The outcome for 2024/25 is between target and max at 36% of base salary (80% of the maximum achieved).

Stephen Oxley

With regards to the targets set for Stephen Oxley, they included the shared strategic objectives noted above (i.e. customer, capability and transformation) which were scored as set out above. His tailored non-financial objectives related to actions underpinning (i) the roll-out of JM Global Solutions and (ii) refining Group cash flow models. With the roll-out of JM Global Solutions being delivered in line with the Board approved plans both in terms of timing and cost management and the work on refining the Group's cash flow model also progressing in line with the Board's plans, both objectives were assessed to have been achieved at the 'target' performance level. Following his resignation, he was no longer entitled to an annual bonus.

Annual report on remuneration continued

Long-term incentives

PSP awards vesting for the three-year performance period ended 31st March 2025 (audited)

The 2022 PSP awards were made in August 2022 and performance was measured over the period 1st April 2022 to 31st March 2025. Where the performance conditions are met, the shares will vest and be subject to a two-year holding period. The awards vest on a straight-line basis between threshold (15% vesting for EPS, 25% vesting for TSR and 25% for Sustainability) and maximum (100% vesting). The performance condition for the 2022 award and the actual performance achieved are shown below.

		Weighting	Threshold	Maximum	Actual	% of award to vest
Compound annual growth rate in earnings per share		40%	3%	8%	-1.3%	0%
Relative total shareholder return		40%	Median	Upper quartile	Below threshold	0%
	Tonnes of GHG avoided	20%	5.2MT	6.0MT	1.6MT	0%
	Reduction in scope 1 and 2 GHG emissions		12%	14%	39%	6.7%
Sustainability	% of female representation across management levels		31%	32%	32%	6.7%
Total % of award to vest						

The table below shows the vesting outcomes based on performance[4].

Executive directors	Grant date	Vest date	Holding period end date	Number of shares awarded	% vesting	Number of shares vesting	Average share price[1]	Estimated value of shares vesting[2]
Liam Condon	1st August 2022	1st August 2025	1st August 2027	115,260	13.33	15,364	14.0721	216,203.74
Stephen Oxley[3]	1st August 2022	1st August 2025	1st August 2027	49,424	–	–	–	–

1. Three month average 1st January 2025 – 31st March 2025.
2. No gain was attributable to share price appreciation.
3. Stephen Oxley's 2022 PSP award lapsed on his cessation of employment on 31st March 2025.
4. The committee was comfortable that the overall vesting result was appropriate in the context of the financial and non-financial performance delivered. In reaching this conclusion it considered a broad range of financial indicators including profitability and ROIC in the context of market conditions, at the same time as the strategic progress delivered.

Stephen Oxley buy-out award (audited)

On recruitment, Stephen Oxley received an award of shares to compensate him for the loss of deferred cash awards from his former employer (KPMG) on joining Johnson Matthey. This award was not subject to performance conditions and vested in full in the year ended 31st March 2025. Details of the award are below.

Award date	Vest date	Shares awarded	Shares vested	Shares vested (value)[1]
1st August 2021	18th October 2024	41,500	41,500	£633,088

1. No gain was attributable to share price appreciation. The share price used for vesting was £15.26 per share.

PSP awards granted in the year ended 31st March 2025 (audited)

The next table provides details of the PSP awards granted to executive directors in the year ended 31st March 2025[3].

Executive directors	Award date	Award type	Award size (% of base salary)	Number of shares awarded	Face value[1]	% vesting at threshold[2]	End of performance period	End of holding period
Liam Condon	1st August 2024	Conditional shares	250	151,954	£2,531,858	23%	31st March 2027	1st August 2029
Richard Pike	11th February 2025	Conditional shares	50	18,005	£299,963	23%	31st March 2027	1st August 2029

1. Face value is calculated using the award share price of 1,666.20 pence, which is the average closing share price over the four-week period starting on 23rd May 2024.
2. Threshold vesting is 15% for the earnings per share (EPS) measure and 25% for the relative total shareholder return (TSR), ROCE and strategic objectives scorecard measures. The value shown is the average threshold vesting for the award.
3. Stephen Oxley was not eligible for a 2024 award due to his resignation.

Annual report on remuneration continued

The performance targets and vesting ranges for the FY 2024/25 award are set out below:

25% of performance condition Compound annual growth rate earnings	
Performance	Proportion of shares vesting
<5%	0%
5%	15%
13%	100%
Between 5% and 13%	Straight-line between 15% and 100%

25% of performance condition Relative total shareholder return	
Performance	Proportion of shares vesting
Below median	0%
Median	25%
Upper quartile	100%
Between median and upper quartile	Straight-line between 25% and 100%

25% of performance condition Return on capital employed	
Performance	Proportion of shares vesting
<12%	0%
12%	25%
16%	100%
Between 12% and 16%	Straight-line between 25% and 100%

25% of performance condition

Strategic objectives scorecard (targets equally weighted)

Tonnes of GHG avoided using technologies enabled by our products and solutions	
Performance	Proportion of shares vesting
< 4.0m tonnes (MT)	0%
4.0 MT	25%
10.0 MT	100%
Between 4.0 MT and 10.0 MT	Straight-line between 25% and 100%

Reduction in Scope 1 and 2 GHG emissions	
Performance	Proportion of shares vesting
Below 32% reduction	0%
32% reduction	25%
36% reduction	100%
Between 32% and 26% reduction	Straight-line between 25% and 100%

Percentage of female representation across management levels	
Performance	Proportion of shares vesting
Below 33% representation	0%
33% representation	25%
35% representation	100%
Between 33% and 35% representation	Straight-line between 25% and 100%

Annual report on remuneration continued

Statement of directors' shareholding (audited)

The table below shows the directors' interests in the shares of the company, together with their unvested scheme interests, effective 31st March 2025.

	Ordinary shares[1]	Subject to ongoing performance conditions[2]	Not subject to further performance conditions[3]
Executive directors			
Liam Condon	68,576	407,479	71,633
Stephen Oxley	24,732	109,570	51,289
Non-executive directors			
Patrick Thomas	13,194	–	–
Jane Griffiths	5,171	–	–
John O'Higgins	1,520	–	–
Xiaozhi Liu	4,000	–	–
Doug Webb	6,500	–	–
Barbara Jeremiah	1,000	–	–
Rita Forst	2,000	–	–
Sinead Lynch	–	–	–

1. Includes shares held by the director and/or connected persons, including those in the all-employee share matching plan. Shares in the all-employee share matching plan may be subject to forfeiture in accordance with the rules of the plan.
2. Represents unvested PSP shares within three years of the date of award.
3. Represents unvested deferred bonus shares that are not subject to service conditions.

Directors' interests as at 21st May 2025 were unchanged from those listed above other than that the Trustees of the all-employee share matching plan have purchased another 42 shares for Liam Condon.

Executive directors are expected to achieve a shareholding guideline of 250% of base salary for the Chief Executive Officer and 200% for other executive directors, within a reasonable timeframe. The director's total shareholding for the purposes of comparing it with the minimum shareholding requirement includes shares held beneficially by the director and any connected persons (as recognised by the Remuneration Committee), together with the shares awarded under the Deferred Bonus Plan (DBP), for which there are no further performance or service conditions.

Shares that count towards achieving the post-cessation guideline include the same as those while an executive director. Executive directors are expected to retain at least 50% of the net (after tax) vested shares that are released under the PSP and DBP until the required levels of shareholding are achieved.

Executive director shareholdings as at 31st March 2025 as a percentage of base salary[1] are shown below:

	Liam Condon[2]	Stephen Oxley[3]
Shareholding requirement	250%	200%
% achievement	195%	172%

1. Value of shares as a percentage of base salary is calculated using a share value of 1,407.21 pence, which was the average share price prevailing between 1st January 2025 and 31st March 2025.
2. Liam Condon was appointed Chief Executive Officer on 1st March 2022 and will build his shareholding over a reasonable timeframe.
3. Stephen Oxley ceased employment on 31st March 2025 and will be subject to the post-cessation shareholding guidance as set out in the Remuneration Policy.

Pension entitlements (audited)

No director is currently accruing any pension benefit in the group's pension schemes. Both Liam Condon and Stephen Oxley receive an annual cash payment in lieu of pension membership, equal to 15% of base salary. This is in line with pension provision for the wider workforce.

Payments to former directors (audited)

There were no payments made to, or in respect of, any former director in 2024/25 that have not been previously disclosed.

Payments for loss of office (audited)

Stephen Oxley received no payments for loss of office on leaving Johnson Matthey.

Payments in Lieu of Notice

There was no payment in lieu of the balance of Stephen Oxley's nine months notice period.

The remuneration payable to Stephen following his resignation is shown below with the treatment of remuneration following the default for leaving by way of resignation in the relevant incentive plans.

Annual Incentive Plan

Stephen Oxley will not receive a bonus for the year ended 31st March 2025.

Stephen Oxley was awarded 14,723 shares under the Deferred Bonus Plan in August 2022, 18,548 in August 2023 and 18,018 in August 2024. These shares will be released on their normal release dates in August 2025, August 2026 and August 2027 respectively. Dividend equivalent shares will accrue on deferred bonus awards during the relevant vesting period.

Performance Share Plan

Stephen Oxley held unvested PSP awards granted in 2021, 2022 and 2023 which lapsed in full on 31st March 2025. No PSP award was made to Stephen in 2024.

Annual report on remuneration continued

Remuneration arrangements for Richard Pike

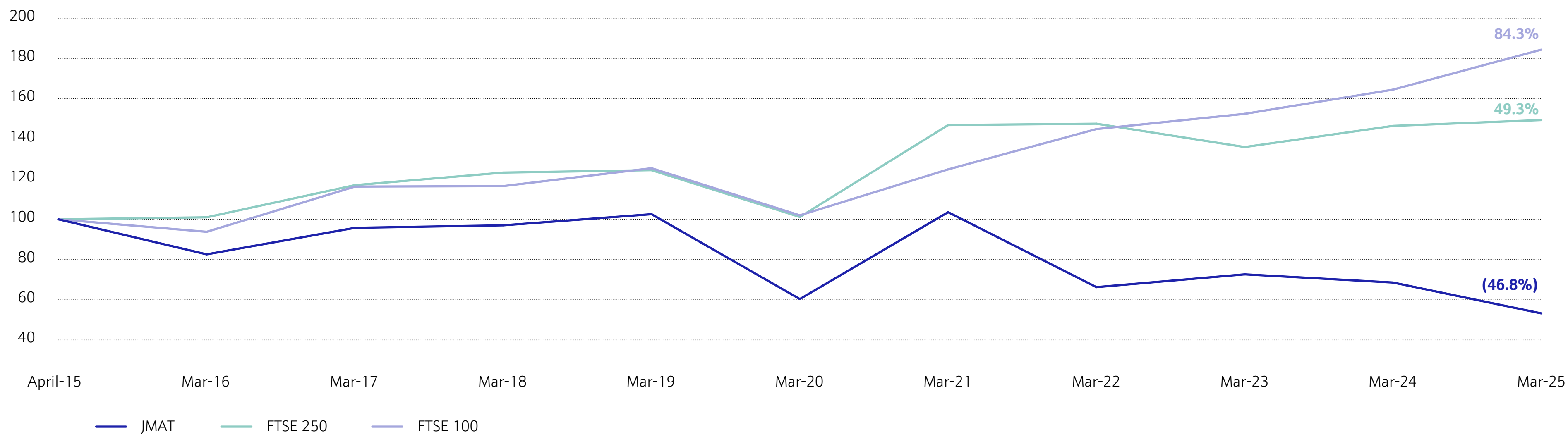
Richard Pike joined Johnson Matthey as Chief Financial Officer Designate on 10th February 2025 and joined the Company's Board on 1st April 2025. His remuneration arrangements are set out below:

Base salary	£600,000
Pension	15% cash supplement
Benefits	Standard UK benefits, in line with Remuneration Policy including: car allowance, medical insurance and health screening, life assurance and ill health benefits, holiday and eligibility to join ShareMatch on the same terms as all UK employees. In addition, Richard Pike is eligible to receive support of up to £180,000 in connection with relocation. The relocation allowance is subject to tax and other deductions and are repayable in full if employment with Johnson Matthey is voluntarily terminated within two-years of employment start date.
Annual Incentive Plan	Maximum opportunity of 150% of base salary, with 50% of any award being deferred into shares for three-years.
Performance Share Plan	Maximum opportunity of 200% of base salary. Subject to performance conditions over a three year period, with any vested shares subject to a further two-year holding period.
Shareholding requirement	200% of base salary, expected to be achieved within four years.
PSP award	Reflecting the timing of joining during the year, Richard Pike received a pro-rata 50% of salary PSP award in respect of the FY2024/25 financial year. The PSP award is subject to the same performance conditions as those attached to the 2024-2027 PSP awards and will vest on 1st August 2027.

Performance graph and comparison to Chief Executive Officer's remuneration

Johnson Matthey and FTSE 100 total shareholder return rebased to 100

The following chart illustrates the total cumulative shareholder return of the company for the ten-year period from 1st April 2015 to 31st March 2025 against the FTSE 100 and FTSE 250 as the most appropriate comparator groups when considering our market capitalisation over the period, rebased to 100 at 1st April 2015.



Annual report on remuneration continued

Historical data regarding Chief Executive Officer's remuneration

	2015/16[2]	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22[3]	2022/23[4]	2023/24	**2024/25**
Single total figure of remuneration (£000)	1,429	1,971	2,013	2,784	1,462	2,532	1,672	2,647	2,589	**3,051**
Annual incentives (% of maximum)	15	40	69	45	26	98	42	75	67	**77**
Long-term incentives (% of award vesting)[5]	33	28	–	67	–	–	–	–	–	**13.33**

1. The figures for 2014/15 are in respect of both Robert MacLeod and Neil Carson, who both held the position of Chief Executive Officer in the year. The single total figure of £2,539k comprises £1,594k for Robert MacLeod and £945k for Neil Carson.
2. Figures from 2015/16 to 2020/21 are in respect of Robert MacLeod.
3. The figures for 2021/22 are in respect of both Robert MacLeod and Liam Condon, who both held the position of Chief Executive Officer in the year. The single total figure of £1,672k comprises £1,557k for Robert MacLeod and £115k for Liam Condon. The value shown for annual incentives relates to Robert MacLeod only because Liam Condon was not eligible to participate in the AIP in 2021/22.
4. Figures for 2022/23 onwards are in respect of Liam Condon.
5. Vesting of long-term incentive awards whose three-year performance period ended in the financial year shown.

Change in directors' remuneration

The table below shows how the remuneration of directors, both executive and non-executive, has changed over the year ended 31st March 2025. This is then compared to employees of Johnson Matthey Plc.

	2025			2024			2023			2022			2021		
	Salary	**Bonus**	**Benefits**	Salary	Bonus	Benefits	Salary	Bonus	Benefits	Salary	Bonus	Benefits	Salary	Bonus	Benefits
Executive directors															
Liam Condon[1]	**3%**	**20%**	**-7%[19]**	4%	-8%	–	0%	–	–	–	–	–	–	–	–
Stephen Oxley[2]	**3%**	**–**	**0%**	4%	-8%	–	3%	7%	–	–	–	–	–	–	–
Non-executive directors															
Patrick Thomas	**3%**			4%	–	–	–	–	–	2%	–	–	–	–	–
Jane Griffiths	**-22%[16]**			5%	–	–	3%[11]	–	–	24%[3]	–	–	–	–	–
John O'Higgins	**3%**			4%	–	–	–	–	–	10%[5]	–	–	27%[4]	–	–
Xiaozhi Liu	**3%**			4%	–	–	–	–	–	2%	–	–	–	–	–
Doug Webb	**2%**			4%	–	–	–	–	–	10%[6]	–	–	31%	–	–
Rita Forst[10]	**10%[17]**			4%[14]	–	–	100%[12]	–	–	–	–	–	–	–	–
Barbara Jeremiah[13]	**39%[18]**			–	–	–	–	–	–	–	–	–	–	–	–
Sinead Lynch[15]	**–**														
Comparator group															
JM Plc employees	**6%[7]**	**-3%[8]**	**0%[9]**	10%[7]	9%[8]	0%[9]	8%[7]	-10%[8]	0%[9]	6%[7]	4%[8]	0%	2%	312%	0%

1. Liam Condon was appointed Chief Executive Officer on 1st March 2022, so no change in compensation can be calculated for 2022. No change in bonus can be calculated for 2023 as not eligible in 2022.
2. Stephen Oxley was appointed Chief Financial Officer on 1st April 2021, so no change in compensation can be calculated for 2022.
3. Represents the additional fee received for taking the SVC Chair position on 1st June 2021 and annual fee review.
4. Represents the additional fee received for taking the Societal Value Committee Chair position on 1st June 2021 and annual fee review.
5. Represents the additional fee received for taking the Senior Independent Director role on 23rd July 2020 and annual fee review.
6. Represents the additional fee received for taking the Audit Committee Chair role on 23rd July 2020 and annual fee review.
7. Includes promotions and market adjustments.
8. The percentage change in bonus was calculated based on the change in bonus accrual taken for Johnson Matthey Plc (JM Plc) employees, excluding the directors, for the 2024/25, 2023/24, 2022/23 and 2021/22 years.
9. There has been no change to the benefits policy for Johnson Matthey Plc employees; therefore, a 0% change has been reported.
10. Rita Forst was appointed to the board on 4th October 2021, so no change in compensation can be calculated for 2022.
11. Represents the additional fee received for taking the SVC Chair position on 1st June 2021, which was pro-rated in 2022.
12. Rita Forst was appointed to the board on 4th October 2021 and received a pro-rated fee for six months in 2022 and full fee based on 12 months in 2023.
13. Barbara Jeremiah was appointed to the board on 1st July 2023 so no change in compensation can be calculated for 2024.
14. Due to an administrative error, which has been corrected, fees received from October 2021 to April 2023 were £67k but should have been £68,350. Change in remuneration reflects the change from what the correct fees for 2023 should have been rather than what was actually paid.
15. Sinead Lynch was appointed to the board on 1st January 2025 so no change in compensation can be calculated for 2025.
16. Jane Griffiths stepped down from the board on 31st December 2024
17. Represents the additional fee received for taking the SVC chair position on 1st January 2025 and annual fee review.
18. Represents the additional fee received for taking the Investment Committee chair position on 1st January 2025 and annual fee review.
19. Liam's temporary allowances ceased at the end of February 2025.

Annual report on remuneration continued

Relative spend on pay

The table below shows the absolute and relative amounts of distributions to shareholders and the total remuneration for the group for the years ended 31st March 2024 and 31st March 2025.

	Year ended 31st March 2024 £ million	Year ended 31st March 2025 £ million	% change
Payments to shareholders	141	138	-2%
Total remuneration (all employees)[1]	746	675	-10%

1. Figure is for all operations and excludes termination benefit.

Chief Executive Officer to employee pay ratio

The table below shows the ratio of Chief Executive Officer to employee pay between 2020 and 2025. We have compared the single total figure of remuneration for the Chief Executive Officer to the total pay and benefits of UK employees, on a full-time equivalent basis, who are ranked at the lower quartile, median and upper quartile across all UK employees effective 31st March 2025.

We believe that using total pay and benefits for the year ending 31st March 2025 provides a like-for-like comparison to the Chief Executive Officer pay data.

Chief Executive Officer pay ratio

	2020	2021	2022	2023	2024[1]	**2025**
Method	A – Total pay and benefits in 2019/20	A – Total pay and benefits in 2020/21	A – Total pay and benefits in 2021/22	A – Total pay and benefits in 2022/23	A – Total pay and benefits in 2023/24	**A – Total pay and benefits in 2024/25**
Chief Executive Officer single figure	£1,462,000	£2,532,000	£1,672,000[2]	£2,646,222	£2,589,900	**£3,051,191**
Upper quartile	22:1	35:1	20:1	30:1	27:1	**34:1**
Median	28:1	45:1	28:1	42:1	38:1	**47:1**
Lower quartile	36:1	57:1	35:1	53:1	49:1	**58:1**

1. Chief Executive Officer pay ratio revised to include employee bonuses payable in relation to 2023/24. This changed upper quartile from 32:1 to 27:1, median from 42:1 to 38:1 and lower quartile from 53:1 to 49:1.
2. The Chief Executive Officer single figure for 2021/22 is in respect of both Robert MacLeod and Liam Condon, who both held the position of Chief Executive Officer in the year. The single total figure of £1,672,000 comprises £1,557,000 for Robert MacLeod and £115,000 for Liam Condon.

Bonus data for UK employees was left out of the 2025 calculation because it was not administratively possible to calculate these bonuses before the publication of this report. However, the calculation will be revised to include these bonuses once available and will be disclosed in the 2026 report.

Excluding the 2024/25 bonus payable to the Chief Executive Officer from the calculation would result in the following pay ratios: lower quartile – 27:1, median – 21:1 and upper quartile – 15:1.

The salary and total pay for the individuals identified at the lower quartile, median and upper quartile positions in 2025 are set out below:

2025	Salary[1]	Total pay
Upper quartile individual	70,910	89,167
Median individual	51,111	65,339
Lower quartile individual	42,464	52,948

1. Includes shift allowance.

Our principles for pay setting and progression are consistent across the organisation. Underpinning our principles is a need to provide a competitive total reward to enable the attraction and retention of high-calibre individuals and giving the opportunity for individual development and career progression. The pay ratios reflect the difference in role accountabilities that are recognised through our pay structures and the greater variable pay opportunity for more senior positions. The Chief Executive Officer's variable pay opportunity is higher than those employees noted in the table reflecting the weighting towards long-term value creation and alignment with shareholder interests inherent in this role.

The movement in our Chief Executive Officer to employee pay ratio between 2020 and 2025 is driven by the different bonus outcomes and fixed income for the Chief Executive Officer in each of these years. There have been no other changes to remuneration arrangements for our UK employees that would affect the CEO pay ratio.

We are satisfied that the median pay ratio is consistent with our wider pay, reward and progression policies for employees. All our employees have the opportunity for annual pay increases, career progression and development opportunities.

Annual report on remuneration continued

Implementing the Directors' Remuneration Policy for 2025/26

The table below sets out how the Remuneration Committee intends to apply the Directors' Remuneration Policy for the year ended 31st March 2026.

Salary	The Chief Executive Officer received a pay increase of 2.5%. This is in line with the pay increases awarded to the wider UK employee population.
Benefits	No change to policy applied in 2025/26.
Pension	All executive directors will have a maximum pension cash supplement of 15%.
Annual incentives	The maximum bonus opportunity for 2025/26 remains unchanged at 180% of salary for the Chief Executive Officer and 150% of salary for the Chief Financial Officer. As detailed in the Chair's Introductory Letter, to reflect the increased focus on cash generation, the 2025/26 bonus will be based on underlying profit before tax (37.5%), free cash flow (37.5%) and strategic and transformation objectives (25%). Targets for the Chief Executive Officer and Chief Financial Officer will be based on group performance. To the extent that metal prices move outside a defined corridor the Remuneration Committee will re-base the targets such that they are similarly challenging as when the targets were originally set. The Remuneration Committee considers forward-looking targets to be commercially sensitive but full retrospective disclosure of the actual targets will be included in next year's Directors' remuneration report. 50% of any bonus paid will be deferred in shares for three years, and the payment of any bonus is subject to appropriate malus and clawback provisions.
Long-term incentives	The Chief Executive Officer award level is 250% of base salary and the Chief Financial Officer award level is 200% of base salary. These award levels are in line with our Remuneration Policy. The Remuneration Committee determined that for the long-term Performance Share Plan it remained appropriate in principle to continue with a combination of shareholder return, financial and strategic and/or sustainability targets. The committee deferred setting the measures and associated targets until later in the year to enable the impact of the sale of Catalyst Technologies be fully considered. The committee expects to set targets at the July meeting and will disclose the agreed targets in the market announcement of the Executive Directors' awards at the time of grant and next year's Directors' remuneration report. Awards vest in year three and are then subject to a two-year holding period.
Chairman and non-executive director fees	The fees for the Chair and non-executive directors were reviewed during the year and increased in line with the increase awarded to executive directors.

This remuneration report was approved by the Board of Directors on 3rd June 2025 and signed on its behalf by:

John O'Higgins
Remuneration Committee Chair

Directors' report

Statutory and other information

The Directors' report required under the Companies Act 2006 (2006 Act) comprises the Governance report (pages 55 to 106), including the Sustainability report for our disclosure of carbon emissions, which is included in the Strategic report (pages 26 to 35). The management report required under Disclosure Guidance and Transparency Rule 4.1.8R comprises the Strategic report (pages 1 to 54), which includes the risks relating to our business and the Directors' report.

UK Listing Rule 6.6.1

Details of the disclosures to be made under UK Listing Rule 6.6.1 are set out on the following pages:

Interest capitalised	148
Allotments of equity securities for cash	110
Dividend waiver	110

There are no other applicable disclosures.

Index of disclosures referred to elsewhere in the report

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Other disclosures

Dividend reinvestment plan

A dividend reinvestment plan is available. This allows shareholders to purchase additional shares in Johnson Matthey Plc with their dividend payment. Further information and a dividend mandate can be obtained from our registrar, Equiniti, whose details can be found on page 200, and on our website: matthey.com

Directors' indemnities and insurance

Johnson Matthey Plc has granted indemnities to each Johnson Matthey Plc director and the directors of the group's subsidiaries in respect of certain liabilities arising against them in the course of their duties. Neither Johnson Matthey Plc nor any subsidiary has indemnified any director of the company or a subsidiary in respect of any liability that they may incur to a third party in relation to a relevant occupational pension scheme. The company maintains appropriate directors' and officers' liability insurance.

Conflicts of interest

The board has a policy for identifying and managing directors' conflicts of interest, which extends to cover close family members. The board annually reviews external appointments to consider any potential or actual conflict of interest. If a conflict of interest is declared, the board will review the authorisation and terms associated, to ensure that all matters presented to the board are considered solely with a view to promoting JM's business success. For the year under review, there were no potential or actual conflicts of interest.

External appointments

The board approves all external appointments in advance of acceptance. If an external appointment arises between meetings, this is considered by the Chair and Chief Executive Officer, with the assistance of the General Counsel and Company Secretary. In approving each additional external appointment, the board assesses time commitment to ensure that no directors are considered over-boarded.

Directors' reappointment

Johnson Matthey Plc's Articles of Association (the Articles) provide the rules on director appointments and are consistent with the recommendation contained within the UK Corporate Governance Code 2018. All directors retire and are eligible for re-election at each Annual General Meeting (AGM) (except any director appointed after the notice of an AGM meeting is published and before that AGM is held).

Directors' powers

The powers of the directors are determined by the Articles, UK legislation including the 2006 Act, and any directions given by the company in general meetings. The directors are authorised by the company's Articles to issue and allot ordinary shares and to make market purchases of its own shares. These powers are referred to shareholders for renewal at each AGM. Further information is set out on page 109 under 'Authority to purchase own shares'.

Constitution

Articles of Association

The Articles may only be amended by a special resolution at a general meeting of the company. The Articles were adopted on 17th July 2019 and are available on our website: matthey.com/governance.

Branches

The company and its subsidiaries have established branches in several different countries in which they operate.

Change of control

As at 31st March 2025 and as at the date of approval of this Annual Report and Accounts, there were no significant agreements, to which the company or any subsidiary was or is a party to, that take effect, alter or terminate on a change of control of the company, whether following a takeover bid or otherwise.

However, the company and its subsidiaries were, as at 31st March 2025, and as at the date of approval of this report, party to a number of commercial agreements. These may allow counterparties to alter or terminate the commercial agreements on a change of control of JM following a takeover bid. These are not deemed significant in terms of their potential effect on the group.

The group also has a number of loan notes and borrowing facilities that may require prepayment of principal and payment of accrued interest and breakage costs if there is a change of control of JM. The group has entered into a series of financial instruments to hedge its currency, interest rate and metal price exposures, which provide for termination or alteration if a change of control at JM materially weakens the creditworthiness of the group.

The executive directors' service contracts each contain a provision to the effect that, if the contract is terminated by the company within one year after a change of control of the company, JM will pay an amount equivalent to one year's gross base salary and other contractual benefits, less the period of any notice given by the company, to the director as liquidated damages.

The rules of the company's employee share schemes set out the consequences of a change of control of the company on participants' rights under the schemes. Generally, the rights will vest and become exercisable on a change of control, subject to the satisfaction of relevant performance conditions.

As at 31st March 2025, and as at the date of approval of this Annual Report and Accounts, there were no other agreements between the company, any subsidiaries and directors or employees, providing compensation for loss of office or employment (through resignation, purported redundancy or otherwise) that occurs due to a takeover bid.

Stakeholders and policies

Suppliers

We recognise the importance of good supplier relationships to our overall success. Further information on our payment practices is on the UK Government's reporting portal.

Read more about our Supplier Code of Conduct and our engagement with suppliers during the year online: matthey.com/sustainability

Political donations

No political donations or contributions to political parties under the 2006 Act have been made during the year. The group policy is that no political donations be made or political expenditure incurred.

Events occurring after the reporting period

On 21st May 2025 Johnson Matthey Plc reached an agreement to sell its Catalyst Technologies business to Honeywell. The transaction is expected to complete in the first half of calendar year 2026.

There have been no other material events affecting Johnson Matthey Plc or any subsidiary between 31st March 2025 and 3rd June 2025.

Shareholders and share capital

AGM

Our 2025 AGM will be held on Thursday 17th July 2025 at 11.00 am at Herbert Smith Freehills, Exchange House, Primrose Street, London EC2A 2EG. We will provide a live webcast and telephone conference so shareholders can also participate virtually and ask questions in real time. Details on how to join are included in the Notice of AGM (Notice). In the Notice, we propose separate resolutions on each substantially separate issue. For each resolution, shareholders may direct their proxy to vote either for or against or to withhold their vote. A 'vote withheld' is not legally a vote and will not be counted in the calculation of the proportion of the votes cast. All AGM resolutions are decided by a poll, with the results announced as soon as possible and posted on our website. This poll will show votes for and against, as well as votes withheld.

Authority to purchase own shares

At the 2024 AGM, shareholders authorised Johnson Matthey Plc to make market purchases of up to 18,393,997 ordinary shares of 110 49/53 pence each, representing 10% of the then issued share capital of the company (excluding treasury shares). Any shares so purchased by the company may be cancelled or held as treasury shares. This authority will cease at the conclusion of the 2025 AGM, and shareholders will be asked to give a similar authority at the AGM.

We announced our intention to conduct a share buyback programme of Johnson Matthey Plc ordinary shares for up to a maximum consideration of £250m on 3rd July 2024. Purchases were made in two tranches, with shares purchased cancelled to reduce the share capital of the company. The purchase of ordinary shares under the programme was effected within certain pre-set parameters and in accordance with JM's general authority to repurchase ordinary shares granted by its shareholders at the 2024 AGM, the FCA's UK Listing Rule 9, the Market Abuse Regulation (EU) 596/2014 (as in force in the UK and as amended by the Market Abuse (Amendment) (EU Exit) Regulations 2019), and the Commission Delegated Regulation (EU) No 2016/1052 (as in force in the UK and as amended by the FCA's Technical Standards (Market Abuse Regulation) (EU Exit) Instrument 2019). The first tranche of the share buyback programme of up to £125 million was launched on 3rd July 2024 and completed on 23rd September 2024. A total of 7,777,020 ordinary shares with a total nominal value of 110 49/53 pence (representing 4.39% of the company's total issued share capital, excluding treasury shares, as at 31st March 2025) were purchased. The total price of the shares purchased was £124,999,946.24. The second tranche of the share buyback programme of up to £125 million commenced on 24th September 2024 and completed on 12th December 2024. A total of 8,525,727 ordinary shares with a total nominal value of 110 49/53 pence (representing 4.81% of the company's total issued share capital, excluding treasury shares, as at 31st March 2025) were purchased for the total price of £124,999,993.67. All of the shares purchased under the £250 million share buyback programme have been cancelled.

There were no share allotments during the year.

Rights and obligations attaching to shares

The rights and obligations attaching to the ordinary shares in Johnson Matthey Plc are set out in the Articles.

As at 31st March 2025, and as at the date of approval of this Annual Report and Accounts, there were no restrictions on the transfer of ordinary shares in the company, no limitations on the holding of securities and no requirements to obtain the approval of the company, or of other holders of securities in Johnson Matthey Plc, for a transfer of securities – except as referred to below. The directors may, in certain circumstances, refuse to register the transfer of a share in certificated form that is not fully paid up, where the instrument of transfer does not comply with the requirements of the company's Articles, or if entitled under the Uncertificated Securities Regulations 2001. As at 31st March 2025 and as at the date of approval of this Annual Report and Accounts:

- No person held securities in Johnson Matthey Plc carrying any special rights with regard to control of the company.
- There were no restrictions on voting rights (including any limitations on voting rights of holders of a given percentage or number of votes or deadlines for exercising voting rights), except that a shareholder can only vote in respect of a share if it is fully paid.
- There were no arrangements by which, with the company's co-operation, financial rights carried by shares in the company are held by a person other than the holder of the shares.
- There were no agreements known to the company between holders of securities that may result in restrictions on the transfer of securities or on voting rights.

Nominees, financial assistance and liens

During the year:

- No shares in Johnson Matthey Plc were acquired by the company's nominee, or by a person with financial assistance from the company, in either case where the company has a beneficial interest in the shares (and no person acquired shares in the company in any previous financial year in its capacity as the company's nominee or with financial assistance from the company).
- The company did not obtain or hold a lien or other charge over its own shares.

Directors' report continued

Allotment of securities for cash and placing of equity securities

During the year neither Johnson Matthey Plc nor any major subsidiary undertaking of the company has allotted equity securities for cash. During the year, JM has not participated in any equity securities' placing.

American Depositary Receipt programme

Johnson Matthey has a sponsored Level 1 American Depositary Receipt (ADR) programme, which BNY Mellon administers and for which it acts as Depositary. Each ADR represents two ordinary Johnson Matthey shares. The ADRs trade on the US over-the-counter market under the symbol JMPLY. When dividends are paid to shareholders, the Depositary converts those dividends into US dollars, net of fees and expenses, and distributes the net amount to ADR holders.

Employee share schemes

As at 31st March 2025, 3,434 current and former employees were shareholders in Johnson Matthey Plc through the group's employee share schemes. Through these schemes, current and former employees held 6,214,780 ordinary shares or 3.16% of issued share capital, excluding treasury shares. Also as at 31st March 2025, 2,991,838 ordinary shares had been awarded but had not yet vested, under the company's long-term incentive plans, to 316 current and former employees.

Shares acquired by employees through JM's employee share schemes rank equally with the other shares in issue and have no special rights. Voting rights in respect of shares held through the company's employee share schemes are not exercisable directly by employees. However, employees can direct the trustee of the schemes to exercise voting rights on their behalf. The trustee of the company's Employee Share Ownership Trust (ESOT) has waived its right to dividends on shares held by the ESOT, which have not yet vested unconditionally to employees.

Interests in voting rights

The following information has been disclosed to the company under the FCA's Disclosure Guidance and Transparency Rules in respect of notifiable interests in the voting rights in Johnson Matthey Plc's issued share capital:

As at 31st March 2025:	Nature of holding	Total voting rights[1]	% of total voting rights[2]
Amerprise Financial, Inc. and its group	Indirect[3]	8,510,980	5.07%
Bank of America Corporation	Indirect[3]	22,477,157	13.39%
Standard Latitude Master Fund Ltd	Direct	18,630,269	11.01%

1. Total voting rights attaching to the issued ordinary share capital of the company (excluding treasury shares) at the time of disclosure to the company.
2. % of total voting rights at the date of disclosure to the company.
3. Indirect holdings include qualifying financial instruments and contract for differences.

Other than as stated above, as far as the company is aware, there is no person with a significant direct or indirect holding of securities in Johnson Matthey Plc. This information was correct at the date of notification. However, since notification of any change is not required until the next notifiable threshold is crossed, these holdings are likely to have changed. Between 31st March 2025 and the date of this Annual Report and Accounts, 3rd June 2025, the company has been notified of changes in the following interest:

	Nature of holding	Total voting rights[1]	% of total voting rights[2]
Ameriprise Financial, Inc. and its group	Indirect	8,353,358	4.98%
Bank of America Corporation	Indirect[3]	10,002,147	5.96%
Standard Latitude Master Fund Ltd	Direct	18,312,056	10.91%

1. Total voting rights attaching to the issued ordinary share capital of the company (excluding treasury shares) at the time of disclosure to the company.
2. % of total voting rights at the date of disclosure to the company.
3. Indirect holdings include qualifying financial instruments and contract for differences.

Contracts with controlling shareholders

During the year there were no contracts of significance (as defined in the FCA's Listing Rules) between any group undertaking and a controlling shareholder, and no contracts for the provision of services to any group undertaking by a controlling shareholder.

Simon Price
General Counsel and Company Secretary

Responsibilities of directors

Statement of directors' responsibilities in respect of the Annual Report and Accounts 2025

The directors are responsible for preparing the Annual Report and Accounts and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the group financial statements in accordance with UK-adopted international accounting standards and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101, 'Reduced Disclosure Framework', and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the parent company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and parent company will continue in business.

The directors are responsible for safeguarding the assets of the group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent company, and enable them to ensure that the financial statements and the Directors' remuneration report comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the parent company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The directors consider that the Annual Report and Accounts 2025, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the group's and parent company's position and performance, business model and strategy.

Each of the directors, whose names and functions are listed in the Governance section of the Annual Report and Accounts 2025, confirm that, to the best of their knowledge:

- the group and parent company financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the group;
- the parent company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the parent company; and
- the Strategic report includes a fair review of the development and performance of the business and the position of the group and parent company, together with a description of the principal risks and uncertainties that it faces.

In the case of each director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group's and parent company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's and parent company's auditors are aware of that information.

The Directors' report and responsibilities statement was approved on 3rd June 2025 and is signed on behalf of the board by:

Simon Price
General Counsel and Company Secretary