Annual Report and Accounts

2025

Johnson Matthey

JM is built upon strong foundations including innovative metals chemistry, world-class technologies and operational excellence. These strengths have helped us deliver leading positions in our core markets, supporting the world's leading companies as they reduce harmful emissions and decarbonise the planet.

Cover images: Innovation and metals
Left, extraction of molten metal (tapping) from a PGM furnace. Right, JM scientist preparing a coating at our lab in Sonning, UK.

This report forms part of a wider reporting suite and the table below details where to find certain disclosures within this suite.

	Annual Report	Sustainability Performance Databook	matthey.com
Sustainability performance	✓	✓	✓
GRI		✓	
SASB		✓	
Principle adverse impact statement		✓	
TCFD	✓	✓	
Assurance report	✓		
Glossary			✓

Non-financial limited assurance: ERM Certification and Verification Services Limited (ERM CVS) were engaged to provide limited assurance of selected information as presented on page 197. Please see ERM CVS' Independent Limited Assurance Report on pages 196-198 for more details.

The sustainability targets included in this report are valid as at 31st March 2025. Following the announcement of the planned divestment of our Catalysts Technologies business, we will review and adjust these where relevant to reflect our future portfolio.

Cautionary statement

The Strategic report and certain other sections of this Annual Report contain forward-looking statements that are subject to risk factors associated with, among other things, the economic and business circumstances occurring from time to time in the countries and sectors in which the company operates. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a wide range of variables which could cause actual results, performance, operations, impacts, events or circumstances to differ materially from those currently anticipated.

JM at a glance

As announced on 22nd May 2025, Johnson Matthey Plc has reached an agreement to sell its Catalyst Technologies business to Honeywell International Inc. (Honeywell). The transaction is expected to complete by the first half of calendar year 2026. While the sale has no impact on the financial results for the year-ended 31st March 2025, it represents a significant development in the group's strategy and is discussed in the Strategic report to provide understanding of the group's long-term strategic direction.

Our purpose is to catalyse the net zero transition for our customers

Our businesses

Clean Air

Designs and manufactures emission control catalysts to reduce harmful pollutants, e.g. NOx, from vehicle exhausts and a range of stationary sources.

Platinum Group Metal (PGM) Services

Supports customers with short and long-term metal planning and supply management; refines and recycles both used and mined PGMs; and processes metal into more complex, value-added products for a vast array of uses.

Catalyst Technologies

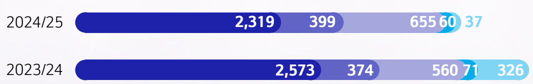
Designs and licenses process technology, and designs and manufactures catalysts for a wide range of processes used in the energy and chemicals industries to create products used in transportation fuels, fertilisers, wood products, paints, coatings and polymers.

Hydrogen Technologies

Designs and manufactures the key performance-defining components (catalyst-coated membranes) used at the heart of fuel cells and electrolysers for the creation of electrolytic (green) hydrogen.

→ Read more on pages 13-16

Sales[1] (£m)



Clean Air · Platinum Group Metal Services · Catalyst Technologies · Hydrogen Technologies · Value Businesses

1. Sales is revenue excluding the cost of precious metal to customers. See note 33 to the financial statements for further information. Figures above refers to external sales.

A global footprint

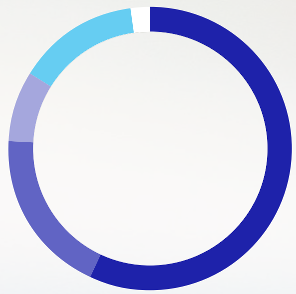
Sales[1] (£m)

3,470
total sales

Europe	1,255
North America	1,042
China	446
Rest of Asia	550
Rest of World	177

Employees

10,000+
worldwide



Europe	57%
North America	19%
China	8%
Rest of Asia	14%
Rest of World	2%

Supported by our values

We are a truly purpose-driven organisation – and our values provide the foundation for everything we do.

Protecting people and the planet

Acting with integrity

Innovating and improving

Working together

Owning what we do

Chair's statement

Leaner in structure. Sharper in execution

Patrick Thomas
Chair

No business can last for over two centuries without successfully evolving. Throughout my seven years as Chair, Johnson Matthey has played a vital role in helping society towards the net zero transition. But there have also been challenges, difficult decisions and an unpredictable external environment. The JM I am leaving is a significantly different business to the one I joined, but one with a clear strategy and an exciting road ahead.

→ Our Section 172 statement, which can be found on page 64 of the Governance report, describes how the directors have had regard to stakeholders' interests when discharging their duties under Section 172 of the Companies Act 2006

Detailed results commentary online: matthey.com/fy-24-25

Delivery of our 2022 transformation

At the end of 2024/25, we find ourselves at a pivotal moment in the company's history for several reasons. Firstly, the transformation programme initiated by Liam Condon in 2022 has now been successfully delivered. A clear turning point for JM, this ambitious change programme set out a strategy to drive value, including cost reduction, capital discipline, portfolio rationalisation and growth.

I am pleased to report that we met all of the strategic milestones we laid out in 2022[1] other than two investment milestones which were delayed[2]. As a result, we end the year with established leadership positions in mature markets. JM is a far more resilient and agile business than it was before. This is essential given the challenging macroeconomic backdrop and industry-wide headwinds we continue to face.

Adapting to a changing world

2024/25 saw a continuation of several trends that are having a significant impact on our ability to deliver on our strategic goals. We have always known that the energy transition would not be a linear journey, requiring many factors to come together and during my tenure, the energy transition market and the regulatory environment surrounding it have been incredibly dynamic. This year has been no different.

The pace of the global energy transition has slowed, with delayed electric vehicle penetration, the slowdown of the transition to hydrogen fuel cell and electrolyser technologies and evolving regulations creating uncertainties across key sectors. These changes have heightened business risks, challenged industry growth assumptions and reshaped demand patterns. In particular, the recent geopolitical uncertainty has never been greater.

Despite this, JM has demonstrated resilience and adaptability, responding decisively to the evolving landscape. By focusing on operational excellence, simplifying our portfolio and delivering efficiencies, the company has positioned itself to mitigate near-term challenges while capitalising on emerging opportunities in its core markets. The foundations laid over the last three years mean that JM is positioned to optimise value for shareholders and ready to adapt to the opportunities created by a changing world.

Providing a clearer, simpler proposition

The final reason that we find ourselves in an important moment in the centuries long history of our company is the decision to sell our Catalyst Technologies (CT) business. Aside from generating significant value for our shareholders, this landmark transaction reflects incredible work across the organisation to enhance JM's value and future potential.

For JM's shareholders, the sale unlocks immediate and tangible value. The vast majority of the proceeds will be returned, offering direct financial gains and enhancing returns. This strategic move underscores JM's commitment to disciplined capital management, and delivering shareholder value. By focusing on our remaining core businesses with clear, capital-light paths to growth, the business is positioned to deliver sustained long-term returns.

An ambitious and committed leadership

Recent changes to our board ensure that we have the right leadership in place to support our change in business model and pivot to sustainable cash generation. In January 2025 Sinead Lynch was appointed as an Independent Non-Executive Director, bringing experience in sustainability, commercial operations and organisational change. In April 2025 we welcomed Richard Pike as our new Chief Financial Officer. Richard's experience in capital allocation and enhancing cash flows will be essential as JM enters a new phase.

It has been a privilege to serve as Chair for the last seven years and I leave JM at a hugely exciting time for the business. I would like to thank the board, Liam, the Group Leadership Team (GLT), all our employees and our shareholders for their support. As my time at JM comes to an end, I am confident that the company is well placed to realise the opportunities ahead and ready to continue supporting its customers across the wide range of markets we serve.

Patrick Thomas
Chair

1. As set out in our 2021/22 full year results and strategy update, available on our website: matthey.com
2. The delayed milestones being to complete the construction of our Hydrogen Technologies catalyst coated membranes (CCMs) plant in the UK and the targeted capacity expansion (in fuel cells catalyst, formaldehyde catalyst).

Themes that are changing our world

As the world faces growing and sometimes conflicting pressures, the pace of the energy transition is adapting to economic and societal constraints. Macroeconomic trends and geopolitical volatility also impact global business performance and resilience. We closely monitor these evolutions to adapt our strategy and investments, with a reaffirmed commitment to catalyse the net zero transition for our customers while delivering value for our shareholders.

Cleaner air

While road transportation progressively shifts towards electric powertrains, internal combustion vehicles will remain a reality for years to come, including for economies that cannot yet afford high-cost low carbon solutions and infrastructure.

Significant action is still needed to reduce harmful emissions in the atmosphere, which kill millions of people every year. JM is smartly investing and innovating with a strong capital discipline to ensure our autocatalysts continue to meet evolving legislation and customer needs. Our emission control technologies are also effective in many other applications, such as generators for data centres, shipping, and power generation.

Over 70 million

vehicles using internal combustion to be produced in 2030 globally[1]

Decarbonising mobility

Transport accounts for around 18% of global CO_2 emissions from energy. Decarbonising road mobility means that car and truck technology will shift towards electric powertrains (batteries, fuel cells). For aviation and marine transportation, sustainable fuels will be a key decarbonisation lever, using bio-based or synthetic feedstocks.

JM is adapting its Clean Air footprint to best serve the needs of the autocatalyst market, which remains sizeable for the coming years, and offers high- performance fuel cell technologies to enable hydrogen-powered road mobility.

JM also offers a range of sustainable fuel technologies that are already providing value to customers around the world, including FT CANS™, HyCOgen™ and BioForming® S2A.

To meet global Sustainable Aviation Fuel (SAF) demand by 2030, volumes are expected to grow

15 to 30 times[2]

vs. today

Transitioning energy systems

In a world where electrification will be a key decarbonisation lever, hydrogen can be used as an energy carrier to transport and store the electricity from renewable sources. Clean hydrogen can also be used as a chemical feedstock or direct energy source for hard-to-abate sectors. While we see reduced near-term growth expectations, we still strongly believe there can be no net zero without hydrogen.

JM is a leading player in the hydrogen economy, with significant partnerships already announced around fuel cells, electrolytic (green) hydrogen and Carbon Capture and Storage (CCS)-enabled (blue) hydrogen. Our solutions include LCH™ technology which enables the highest process efficiency commercially available for low carbon hydrogen production.

By 2050, hydrogen could contribute

more than 20%

of annual global GHG emissions reductions[3]

Creating a circular economy

Embedding circularity in how materials are sourced, used and disposed of is crucial to manage resources responsibly and reduce both emissions and waste. As platinum group metals (PGMs) will continue to be used in a long list of growing applications, including the production of clean hydrogen, it is essential to encourage the circular use of these metals.

As the global leader in PGM secondary refining, JM has contributed to the development of a highly circular model, with over 70% of PGMs used in our products coming from recycled sources. This comes with significant carbon benefits, as we can offer low carbon intensity recycled PGMs with up to 97% lower carbon footprint compared to primary (mined) PGM.

Nearly 60%

of PGMs used every year on new products globally come from recycled sources[4]

1. S&P Global, KGP.
2. Source: IATA, ICAO.
3. Source: McKinsey & Company.
4. The PGMs: a circularity success story, Johnson Matthey (2025).

Chief Executive Officer's statement

More focused JM accelerating value creation

Liam Condon
Chief Executive Officer

The sale of Catalyst Technologies marks a pivotal step in JM's transformation. It is the right move – adapting the business to market dynamics, sharpening our focus and unlocking immediate value. Importantly, it also paves the way for a more agile and focused version of JM. One that is leaner in structure and sharper in execution.

→ Read more about our businesses and their performance during the year on pages 11-16.

As we move forward, JM will focus on Clean Air and PGM Services by leveraging our differentiated technology and strong market positions to drive sustainable value creation. These are world-leading businesses in their markets with clear pathways to sustainable value creation. In addition, we have embedded in Clean Air and PGM Services strong growth optionality with Clean Air Solutions, and PGMS-related Life Science Technologies, along with growth optionality in Hydrogen Technologies (HT)[1]. Together they represent the core of our value proposition and provide businesses all over the world with the solutions they need to reduce toxic emissions and enable the energy transition.

Our mission remains deeply committed to safeguarding the wellbeing of our people, partners and planet. The steps we are taking today focus on creating lasting shareholder value by leveraging our advanced technologies, industry partnerships and established infrastructure to support a cleaner and more resilient future.

Delivering change at scale

The attractive valuation of Catalyst Technologies (CT) would not have been possible without the implementation of our transformation programme. Since 2022, we have focused on our core competencies, with PGMs at the heart of our business. We have simplified our portfolio by undertaking significant divestments. The divestment of the Medical Device Components business generated over £480 million in additional value to shareholders, of which £250 million has now been returned. We also separated the CT business from PGMS. This ensured CT could be set up for success with a clear growth strategy that has unlocked significant value. In addition, we implemented efficiency and cost optimisation programmes that now set a stronger foundation for the remainder of JM to be successful in a volatile and highly competitive market environment which has resulted in the impairment of certain assets during the year. However, the transformation programme has enhanced our resilience and ability to adapt to changing conditions.

1. The Hydrogen Technologies business is reported separately.

We have achieved the ambitious strategic milestones we set out in 2022. However, the slowdown in the global energy transition has impacted our growth and with that we have had to adjust our investment strategy and delay two of the investment milestones. The transformation programme has delivered £80 million savings in 2024/25 alone, bringing the total savings to £200 million in line with our target. Across the group, our teams now have a much stronger foundation for streamlined business processes, which will benefit both customers and employees. With the initial transformation programme now complete, the business will begin embedding continuous improvement into every part of our culture. It's not just about more efficiency, it's about empowering everyone in the business to perform at their best and deliver for customers.

An adaptable and resilient business

The changes we have made over the last three years have improved the competitiveness of JM. However, the reason JM has existed for over 208 years is because of our inimitable ability to adapt to significant changes in the market environment.

The energy transition has progressed more slowly than anticipated, resulting in delayed demand for technologies related to decarbonisation, which impacts both CT and HT. These evolving market dynamics have led us to ensure we do not over-invest when the market is not ready and has also resulted in impairments of certain assets reflecting the delayed cash flows and slower market growth. This has however also allowed us to monetise our position in CT at a very attractive valuation and allows us to focus on Hydrogen Technologies for decarbonisation, with investments already made and further growth now dependent on market development and the pace of the energy transition.

Chief Executive Officer's statement continued

The challenging external environment further underscores the need to strengthen the foundations that underpin our business and enhance our financial resilience. The sale of CT allows us to realise immediate value and simplifies our business. The steps we take next are hugely important as we focus JM on being world-class at creating value from our core competencies of platinum group metals chemistry and catalysis.

A refocused, reinvigorated JM

New JM will be a streamlined, high-performing business. A leaner operating model will balance efficiency with execution, enabling our world-class science and manufacturing to deliver the greatest impact for our customers. Core strengths in Clean Air and PGM Services will remain central, while we drive a step change in cash generation and create materially enhanced sustainable shareholder returns. Our near-term milestones include Clean Air's operating margin improvements to mid-teens by 2025/26, further supported by operational excellence initiatives, and the commissioning of a new PGM refinery to increase efficiency, resilience and enhance working capital. Due to a significantly changed market environment in China, we are adapting our footprint, we remain committed to a leaner, sharper business in China. In addition, we will continue to ensure the success of the CT organisation until separation from JM by the first half of 2026.

Our performance over the last three years has laid strong foundations for sustainable value creation. During the year, we secured c. 90% of Clean Air's commercial pipeline for 2027/28, advanced strategic partnerships and signed new ones with leading businesses. We continued to drive material improvements across financial and operational metrics, including the successful rollout of JM Global Solutions, our professional offshore shared services operation.

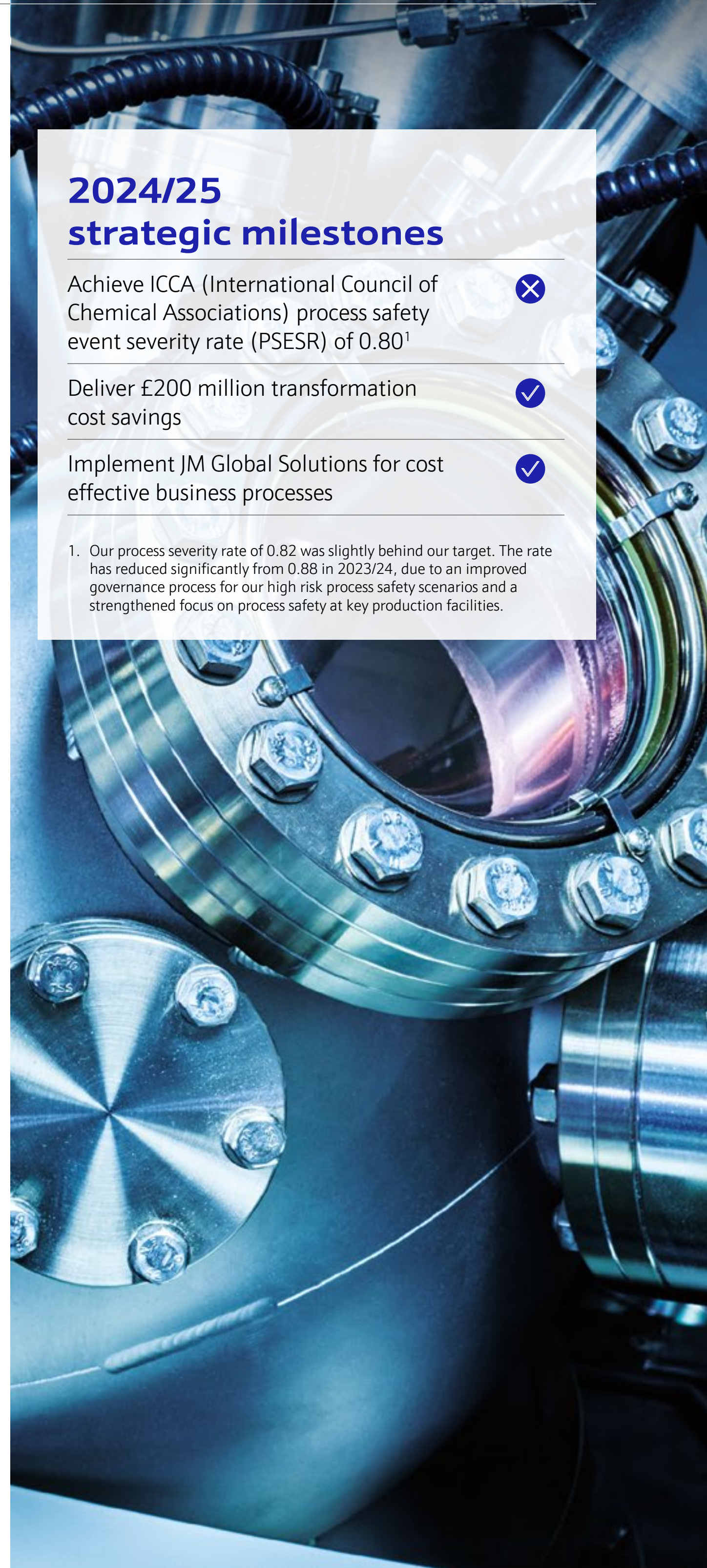
2025/26 is a critical year for our business. Focusing on our core competencies will help ensure that JM is the most innovative, operationally effective and cash-generative business in our chosen markets. This will require discipline, a strong sense of urgency and will take real collaborative effort in order to create the best outcomes for our customers, employees and our shareholders.

A new chapter

Throughout its history, JM has demonstrated an exceptional ability to adapt to technological, social and market changes. We remain a sustainable technology company, offering world-class solutions, expert teams, and leading positions across crucial markets. Going forward, we will be even more focused and are committed to creating value for all of our stakeholders. We are proud of the positive impact we have and remain committed to placing the safety and wellbeing of our people, our partners and our planet at the heart of everything we do.

I am very confident in our ability to deliver on our goal of building a more focused, sustainable JM for generations to come. I want to take this opportunity to thank our Chair for his outstanding service to JM over the past seven years and for his personal support to me. I would also like to thank our board and my GLT colleagues for their very valuable contributions. Most importantly I want to thank all our employees for their continuous support, commitment and passion for progress, which fills me with pride. Together we can all look forward to an exciting new chapter for JM, one where we accelerate true value creation for our customers, employees and shareholders.

Liam Condon
Chief Executive Officer



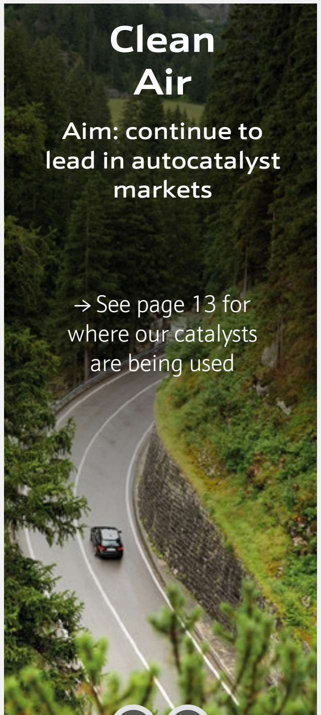
2024/25 strategic milestones

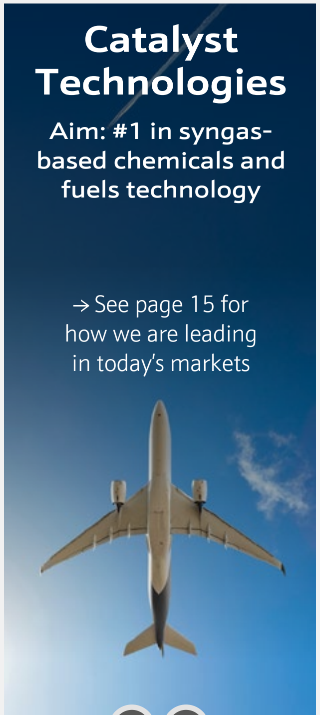
Achieve ICCA (International Council of Chemical Associations) process safety event severity rate (PSESR) of 0.80[1]	✗
Deliver £200 million transformation cost savings	✓
Implement JM Global Solutions for cost effective business processes	✓

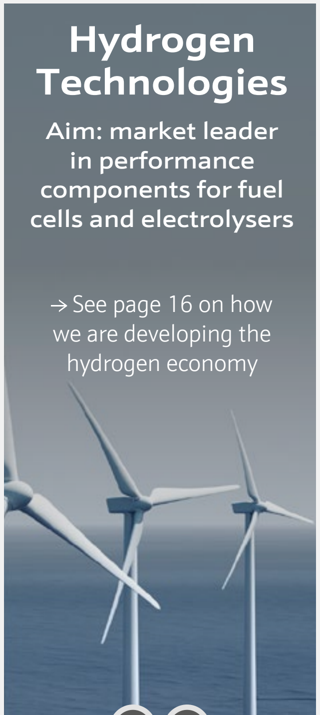
1. Our process severity rate of 0.82 was slightly behind our target. The rate has reduced significantly from 0.88 in 2023/24, due to an improved governance process for our high risk process safety scenarios and a strengthened focus on process safety at key production facilities.

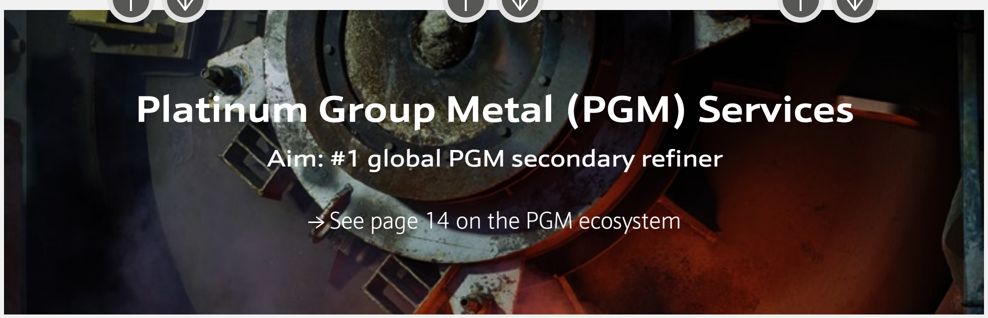
Our business model: synergies in metals chemistry

We have delivered through our four businesses...









by leveraging synergies and competitive advantages...

Expertise in metal chemistry
Everything we do across our four businesses is underpinned by our leadership in complex metal chemistry, catalysis and process engineering.

Mutual customers and partners
As our customers transition towards decarbonised energy systems, we provide a fully integrated and comprehensive offering through collaboration across our business units.

Shared technology and capabilities
We have around 2,700 colleagues in R&D and engineers across all our businesses – with over 4,000 patents granted and more applications pending.

Foundational PGM ecosystem
We have deep insights into PGM markets through our Precious Metal Management team and our refining operations. A large share of the PGMs we use are sourced internally. This shared resource creates a resilient supply, lower exposure to price risk and efficient working capital.

Security of supply
Our customers count on us for a reliable supply of PGMs and recycling services. This is because we are a metal hub for PGMs, underpinned by our status as the leading recycler of PGMs.

A comprehensive sustainability offering
Every part of our business is committed to helping our customers adapt processes and products to reach the sustainability goals our society and planet are depending on.

Our business model continued

addressing three markets…

Energy

Designing technologies for a range of sustainable energy sources, including hydrogen, sustainable aviation fuels, methanol and ammonia.

JM enables the production of electrolytic (green) hydrogen, as well as CCS-enabled (blue) hydrogen. Our solutions also help produce low carbon methanol and ammonia, which can transport hydrogen efficiently and will play a role in decarbonising the shipping industry. We also provide processes and catalysts to produce sustainable aviation fuels, helping the industry decarbonise.

Chemicals

Process and catalyst technologies that enable the production of chemicals, helping customers lower their carbon and environmental footprint.

We develop catalysts that increase the efficiency of chemical reactions, thus lowering energy requirements and carbon emissions. We also provide solutions to accelerate the chemical industry's transition to a more sustainable future: by lowering the emissions of existing industrial assets, and by providing solutions for the manufacture of sustainable chemicals and fuels, and the clean hydrogen feedstock for these products.

Automotive

Emission control systems that reduce NOx and other particulates that harm people and the environment.

As the transition to decarbonised transportation will be gradual, we ensure non-CO_2 emissions from internal combustion engines, including zero carbon hydrogen engines, are minimised through our leading autocatalyst solutions. We also have solutions that enable zero emission mobility through our fuel cells and H_2 ICE technologies.

and creating value for our stakeholders

Customers and strategic partners

Our customer satisfaction score has increased to 52 from 43. Our customers highlight the quality of our products, our collaborative approach and our technical expertise.

52pts
Net Promoter Score (NPS)[1]

Society

Our catalytic converters have been helping to improve air quality since 1974, with benefits on health and avoided deaths[2].

c.112k
additional tonnes of NOx were removed from tailpipes in 2024/25

Investors

Our performance-driven culture and resilient portfolio create sustainable value for our shareholders.

£388m
returned to shareholders via dividends and share buyback

Employees

Our employee engagement score remained at the same level compared to June 2024.

7.2/10
in March 2025

Communities

We work with a range of partners on charitable giving and employee volunteering schemes.

2,717
volunteering days in 2024/25

Suppliers

We partner with our suppliers to embed the highest standards to deliver for our customers.

44%
supplier spend (excl PGMs) have EcoVadis medal for good ESG performance

1. Calculated on a scale of -100 to +100.
2. ICCT paper Comments and Technical Recommendations on Future Euro 7/VII Emission Standards, 2021.

A resilient strategy

calibrated to markets, with cash generation at its core

Since 2022

Since we set our strategy in 2022, we have focused on markets where we have a competitive edge, targeting investments that drive sustainable cash generation and enhance shareholder value.

A portfolio based on strong synergies

Our portfolio is built on the synergies between our businesses, leveraging world-class technologies, cutting-edge R&D and deep industry expertise.

Shareholder returns

Shareholder returns have been further strengthened by our transformation strategy, which has prioritised cost efficiency, capital discipline and a focus on cash generation. £388 million has been returned to shareholders via dividends and share buyback during the year.

This year

Over the past year, we faced market headwinds, including the deceleration of the hydrogen economy, outward pressure on energy transition markets, OEM pressures, and broader geopolitical and macroeconomic volatility. In response, we took decisive actions to recalibrate our strategy to external market conditions, and protect and enhance shareholder value, including:

Optimised capital deployment

We significantly reduced growth capital expenditure in Hydrogen Technologies, ensuring that our current installed capacity is sufficient to meet near-term demand while preserving financial flexibility.

Stronger governance for capital efficiency

We established an Investment Committee of the board to reinforce our disciplined approach to capital allocation.

Looking forward...

we see significant cash conversion enhancement, driven by our asset renewal programme and reduced working capital

We are pivoting towards a cash-focused business model centred around Clean Air and PGM Services (see page 10 for more details on the announced sale of Catalyst Technologies). As we re-shape JM and create a leaner organisation, we are committed to driving a step change in cash generation and sustainable value creation for our shareholders.

Our strategy continued

Driving the business

with a relentless focus on cost, efficiency, and cash flow

This year

Over the past year, we delivered significant commercial wins and strategic partnerships across key markets, despite market headwinds and pressure on sales:

Clean Air

Our commercial wins helped secure approximately c. 90% of our pipeline for 2027/28. We were also awarded three hydrogen internal combustion engine autocatalyst contracts from separate heavy duty class customers.

Platinum Group Metal Services

We grew our refining business, supported by higher volumes from industrial customers and metal recoveries.

Catalyst Technologies

We won nine large-scale projects in our sustainable technologies portfolio, including selection for one of Europe's largest planned e-methanol plants.

Hydrogen Technologies

We deepened key collaborations in renewable hydrogen, including a long-term collaboration with Bosch to accelerate fuel cell technologies.

Driving results

Our transformation strategy delivered tangible results through a disciplined approach to cost reduction and efficiency gains:

£80 million

in new annual savings achieved in 2024/25, contributing to a cumulative £200 million in savings relative to the 2021/22 baseline. These savings stem from procurement, IT, optimising management structures, and the expansion of JM Global Solutions (JMGS), which enhances operational efficiency.

A leaner capital expenditure programme with a maximum of

£0.9 billion

committed for 2024/25–2026/27, down from £1.1 billion in the previous three-year period. A disciplined approach, supported by the establishment of an Investment Committee, ensures that capital is only deployed where it delivers clear, measurable returns.

Our strategy continued

A new JM fit for the future

Sale of Catalyst Technologies

As part of JM's strategy announced in May 2022, Catalyst Technologies has delivered significant commercial wins and partnerships, and developed a pipeline of more than 150 early-stage sustainable technologies projects.

The sale to Honeywell, announced on 22nd May 2025, reflects the highly attractive long-term growth prospects of Catalyst Technologies.

A highly focused, lean and agile business

Following the agreed sale of Catalyst Technologies, JM will be a highly focused, lean and agile business, centred around Clean Air and PGM Services. These businesses have leading market positions, underpinned by our strong heritage and expertise in PGMs, combined with a circular business model based on our world-class refining capabilities and our ability to manage PGMs for our customers.

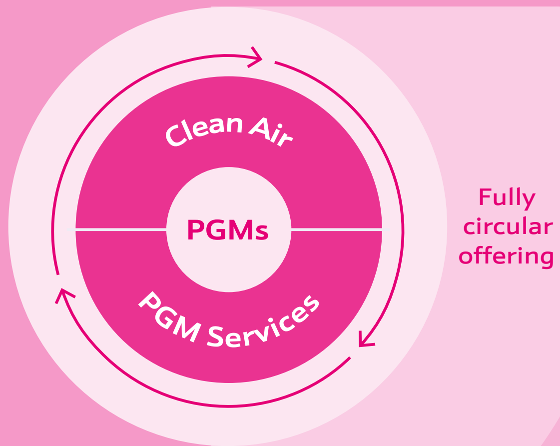
In parallel, we will continue to advance our pipeline of PGM-based high growth opportunities, with a focus on Hydrogen Technologies, Clean Air Solutions and PGM Products, opportunities that will expand our portfolio and reinforce our market leadership over the long-term.

We are pivoting towards a cash-focused business model which will deliver enhanced shareholder returns. This is underpinned by a high performance culture driving rigorous cost control, materially lower capex and significant working capital benefits.

Our world-class science tightly aligned to our commercial opportunities ensures we deliver the greatest impact for our customers, and enable their transition to a cleaner, more resilient future.

Further information can be found in our market announcement on 22nd May 2025 and results presentation available online: matthey.com/investors/results-reports-presentations

JM will be a highly focused, lean and agile business



1. PGM expertise underpins the group
2. Leading positions in Clean Air and PGM Services, with existing assets providing growth optionality[1]
3. Becoming a highly streamlined group
4. Step change in cash generation
5. Grow cash returns to shareholders from at least £130 million[2] in 2025/26 to at least £200 million in 2026/27[3]

Our refreshed strategic milestones to 2027/28

		2025/26	2026/27	2027/28
Financial	Increase **Clean Air underlying operating margin to 16-18%**			●
	Achieve **operating profit breakeven** and **positive cash flow** in Hydrogen Technologies[4]	●	●	
Operational	**Carve out Catalyst Technologies** following agreed sale	●		
	Operate **new world-class PGM refinery**		●	
	Improve **customer net promoter score** to greater than 52[5]	●		
Sustainability	Improve **ICCA process safety** event severity rate to 0.60[6]		●	
	Increase **employee engagement** score to at least 7.3[7]	●		
	Reduce **Scope 1 and 2 emissions** by 40%[8]		●	

1. Across Clean Air Solutions (emissions control technology for emerging applications), Hydrogen Technologies and PGM Products.
2. Equivalent to the total dividend for 2024/25 of 77.0 pence per share.
3. Our current intention is for these returns to be delivered through ordinary dividends for 2025/26, and be broadly equally weighted between dividends and share buybacks for 2026/27.
4. Operating profit breakeven by end of 2025/26 and cash flow positive in 2026/27. Cash flow is underlying operating profit plus depreciation and amortisation (EBITDA), less capex and net working capital movements.
5. Net promoter score is a market research survey metric to measure customer satisfaction and loyalty, calculated from our annual customer survey data. 2024/25 baseline: 52 (Without CT target:>41, baseline: 41).
6. ICCA—International Council of Chemical Associations. 2024/25 baseline: 0.82 (Without CT target: 0.6, baseline 0.78).
7. Employee Engagement - March 2025 baseline: 7.2 (Without CT target: at least 7.2, baseline: 7.1).
8. Metric tonnes of greenhouse gases. 2019/20 baseline: 404,040 tonnes CO_2 equivalents (Without CT target: 57% reductions, baseline: 249,465 tonnes CO_2 equivalents).

Key performance indicators

Financial performance

(R) KPI linked to Remuneration Policy

Revenue

£11,674m

2024/25	11,674m
2023/24	12,843m
2022/23	14,933m

Revenue down, driven by lower precious metal prices and divestment of Value Businesses.

Sales[1] (excluding precious metals)

£3,470m

2024/25	3,470m
2023/24	3,904m
2022/23	4,201m

Sales down 2% at constant currency and excluding Value Businesses. Growth at constant currency and metal prices in Catalyst Technologies and PGM Services, offset by adverse impact in Clean Air and Hydrogen Technologies driven by market softness with lower volumes.

Operating profit

£538m

2024/25	538m
2023/24	249m
2022/23	406m

Operating profit increased by 116%, impacted by a number of one-off items including the profit on disposal of Medical Device Components, partly offset by £329 million of major impairment and restructuring charges.

Underlying operating profit[1]

£389m

2024/25	389m
2023/24	410m
2022/23	465m

Resilient underlying performance despite the challenging market backdrop, with 6% growth excluding Value Businesses, excluding the adverse impact of metal price (£6 million) and foreign exchange (£11 million).

Clean Air cash flow

£367m

2024/25	367m
2023/24	625m
2022/23	638m

Strong underlying cash flow generation, with £2.4 billion operating cash flow, pre-tax and post restructuring costs, generated over the last four years. There was significant working capital benefit in the prior two years which has normalised during the current year resulting in a lower cash flow for the year.

Earnings per share (R)

211.8p

2024/25	211.8p
2023/24	58.6p
2022/23	144.2p

Reported earnings per share increased, driven by higher operating profit due to the profit on disposal of Medical Device Components and benefits from the completion of the share buyback, partly offset by £329 million of major impairment and restructuring charges.

Underlying earnings per share[1]

149.2p

2024/25	149.2p
2023/24	141.3p
2022/23	178.6p

Underlying earnings per share increased by 6% driven by benefits from the completion of the share buyback and strong underlying performance at constant metal prices and FX.

Ordinary dividend per share

77.0p

2024/25	77.0p
2023/24	77.0p
2022/23	77.0p

Dividend per share maintained at the same level as prior year.

Key performance indicators are from continuing operations.

1. Non-GAAP measures are defined and reconciled in note 33 of the financial statements, refer to pages 177-179.

Key performance indicators continued

Sustainability performance

For more information on our ESG ratings, please see matthey.com/sustainability-ratings

→ For more information on our sustainability targets, please see page 27

Ⓡ KPI linked to Remuneration Policy

Sales contributing to our four priority UN Sustainable Development Goals (SDGs)

82%

2024/25	82%
2023/24	89%
2022/23	87%

Our alignment to our four priority SDGs has decreased compared to last year, driven by lower sales related to SDG 13. Please see https://sdgs.un.org/goals for more details on the UN SDGs.

R&D spend contributing to our four priority SDGs

87%

2024/25	87%
2023/24	92%
2022/23	91%

We saw a slight decrease in R&D spend against our priority UN SDGs as we continue to focus on UN SDGs aligned innovation.

Total Scope 1 and 2 greenhouse gas (GHG) emissions (market-based)[1] Ⓡ

246,533 tCO_2e

2024/25	246,533
2023/24	281,912
2022/23	343,933

Our total Scope 1 and 2 GHG emissions have reduced this year, primarily due to reductions in Scope 2 through a significant increase in renewable energy purchases.

Total Scope 3 (Category 1) purchased goods and services GHG emissions[1]

3,085,054 tCO_2e

2024/25	3,085,054
2023/24	3,258,688
2022/23	3,042,748

Our GHG emissions from Scope 3 purchased goods and services were reduced compared to last year, a result of decreasing emission factors from global supply chain and changes in business demands.

GHG emissions avoided from using JM technologies (compared to conventional offerings)[1] Ⓡ

1,606,644 tCO_2e

2024/25	1,606,644
2023/24	1,335,881
2022/23	1,006,019

This financial year over 1.6 million tonnes of GHG emissions were avoided in customer products aided by JM technologies or services. See page 27 for more details.

Recycled PGM content in JM's manufactured products

76%

2024/25	76%
2023/24	69%
2022/23	69%

The rate of recycled PGM content in our manufactured product increased from last year; it is primarily influenced by external market factors, such as the availability of secondary metals. See page 30 for more details.

Total recordable injury and illness rate (employees and contractors)

0.36

2024/25	0.36
2023/24	0.36
2022/23	0.47

The year-end total recordable injury and illness incident rate (TRIIR) mirrors last year's rate of 0.36. Given the backdrop of a period of transformation in the business, this is a demonstration of the effectiveness of our regionalised EHS approach. See page 32 for more details.

Female representation across all management levels Ⓡ

32%

2024/25	32%
2023/24	30%
2022/23	28%

We continue to see an increase in female representation at all management levels to 32% this year, and remain committed to achieving our target of 40% by 2030. See page 34 for more details.

1. Prior year rebaselined to remove divested businesses, please see page 191 for more information.

Our businesses

Clean Air

Clean Air boasts a proud heritage, pioneering the first autocatalyst. Our innovation in emission control technology makes us a lasting partner to leading automotive manufacturers and customers in new differentiated markets.

Our performance in 2024/25

In 2024/25, we were unable to improve on last year's gains to total recordable injury and illness rate, closing at 0.27 versus an internal target of 0.23. However, this included a reduction in incidents year-on-year through an overall decrease in the aggregated hours worked.

Despite the backdrop of a challenging macro economic environment, 2024/25 has seen a year of good delivery. Underlying operating profit grew 3%[1] and margins expanded to 11.8%, showing ongoing improvement and up from 10.6% in 2023/24. This is due to a combination of important business wins in our heavy duty diesel stronghold, a durable market where we have a leading position, and the continuation of ongoing manufacturing footprint and procurement efficiencies. The benefits from our excellence and transformation programme more than offset the impact of lower sales in a challenging automotive market which were down 8%[1] to £2,319 million mainly reflecting the decline in global vehicle production across both light and heavy duty. Building on these actions, the business delivered a cash flow of £367 million.

Since 2022/23, we have closed four out of 16 production sites. This, alongside ongoing operational and commercial excellence initiatives, means we expect these actions to drive margin improvement to 14-15% by 2025/26 and into the range of 16-18% by 2027/28.

The strength of our customer relationships, and upskilling our commercial capabilities, has been reflected in our net promoter score – a measure of customer satisfaction – increasing 15 points to 39.

Growth opportunities around and beyond core markets

We were awarded three hydrogen internal combustion engine autocatalyst contracts from separate heavy duty class customers, specifically tailored for engines of commercial vehicles that aim to reduce greenhouse gas emissions.

Outside of our core autocatalyst market, we have seen growth opportunities within new sectors through our Clean Air Solutions division, targeting the energy transition on two key fronts – lower carbon intensity power generation (e.g. for data centres), and the reduction of greenhouse gases.

These pathways combine JM's expertise in technology partnerships, alongside a solutions-based approach to meet customers' sustainability goals. For example, JM's methane abatement solution for Pennsylvania mining company Core Natural Resources is recognised by the United States Department of Energy, while our partnership with California start-up Noya sees the manufacture of sorbent for its innovative CO_2 air capture technology.

Looking forward

We have already secured approximately c. 90% of planned volumes for 2027/28. We are well-positioned for longevity and in producing strong cash generation and profitability for the future, through lasting partnerships, further footprint rationalisation and operating discipline.

Anish Taneja, Chief Executive, Clean Air & Hydrogen Technologies, on JM's partnership with Noya:

"We are only at the foothills of what is possible in decarbonising through direct air capture projects. It's an industry with a big future and our partnership with Noya can begin to shift the dial on this young industry. Capturing CO_2 from the air is an immense challenge and one we are committed to making a success of with Noya."

Read more about this partnership online: matthey.com/jm-noya

1. At constant exchange rates.

Platinum Group Metal Services

As a global leader in platinum group metals, we play a critical role in enabling many sustainable technologies that underpin the net zero transition as well as a wide range of critical applications that are fundamental to the global economy and modern society.

With our deep expertise and experience in PGMs and their chemistry, we unlock their unique properties to tackle complex technical challenges for our customers across diverse markets.

As the world's largest PGM recycler by volume with a global footprint, we enable a circular economy, processing around 20% of all PGMs globally from primary and secondary materials available on the open market. Our circular model places us at the heart of more sustainable and resilient supply chains, positioning us as the partner of choice for companies seeking trusted, end-to-end PGM services.

Our performance in 2024/25

In 2024/25, we made significant strides in our safety performance. Total record-able safety incidents fell by 37% in the second half and the annual rate continues to fall. We achieved an ICCA severity score of 57, down 39% on last year's score of 94. Our ICCA rate is now 2.43, moving us significantly towards our 2030 target of 1.17.

In 2024/25 underlying operating profit fell by 8%[1]. Following a weak first half performance, we delivered a significantly stronger second half as expected: 1H: £51 million and 2H: £98 million underlying operating profit. Sales grew 1%[1] in the year to £464 million with a significant sequential improvement in the second half, mainly reflecting higher sales in our refining business and increased metal recoveries. We also made the decision to impair our refinery in China, following a strategic review of our operations.

A sharper customer focus and upskilling of commercial talent delivered tangible results, reflected by approximately 14% increase in our net promoter score to 49. Our fully circular PGM offer also generated new cross-selling opportunities, reinforcing our position as a leading end-to-end PGM partner.

Strengthening the UK's position as a hub for recycling critical minerals

Our new world-class refinery is on track to start commissioning by the end of 2025/26. Reinforcing our leadership in PGM refining, this important investment will deliver improvements in safety, efficiency and our ability to smooth working capital fluctuations. The refinery will support the growing demand in secondary refining, whilst also unlocking sustainability benefits and the release of significant working capital, strengthening the UK's position as a hub for recycling critical minerals.

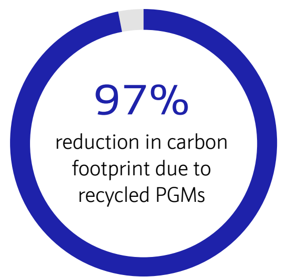
Looking forward

Our expertise in PGMs and circular solutions places us at the heart of fast-growing, high-value end markets including sustainable energy systems, life science technologies, aerospace and advanced industrial applications. As demand grows, we will continue to expand our products business, which reduces dependency on metal prices, and further maximise value from secondary refining.

Until our new PGM refinery is fully operational by 2026/27, we expect increased maintenance costs relating to our current ageing refinery as well as lower metal recoveries.

We will continue to unlock value through innovation in high-value PGM applications, delivering differentiated, full-service customer solutions and greater operational efficiency. This is underpinned by the strategic advantages of our R&D leadership in PGMs and a new world-class refinery.

PGMs: supporting the circular economy



1. At constant exchange rates.

Our businesses

Catalyst Technologies

Through our heritage and quality, we are trusted experts in process technology and catalysis, enabling the efficient and sustainable creation of fuels and chemicals.

We have talented teams developing technically advanced solutions that create chemicals and fuels from fossil feedstocks, biomass, municipal solid waste, green hydrogen and captured carbon dioxide.

We have a strong position in core licensing technologies, this year signing several large licences and celebrating the start-up of two of our very large-scale methanol plants, in China and in the USA. As the world looks for more sustainable solutions, growth opportunities increase for us in sustainable aviation fuel (SAF), low carbon hydrogen, sustainable methanol, and other sustainable fuels and chemical solutions, including ammonia cracking and Electrolytic synthetic substitute natural gas (e-SNG).

We are working to decarbonise industry and be the partner of choice for future needs, be that using fossil fuels more efficiently or transitioning to alternative feedstocks.

Our performance in 2024/25

In 2024/25, we further reduced our total recordable injury and illness incident rate to 0.42, achieving a 10.6% improvement on last year. We are continuing to focus on improvement in our process safety event severity rate.

2024/25 saw us deliver a strong performance in our existing licensing portfolio and sustainable technologies portfolio, despite challenging global headwinds.

Sales have increased by £91 million (17%)[1] up to £669 million. In Catalysts, we have increased plant output and efficiency, and in Licensing we have seen a strong performance in foundation licensing as well as continued growth in sustainable solutions, increasing our overall underlying operating profit in the business to £92 million with a 13.8% profit margin. Catalyst Technologies delivered strong operating profit growth of 24%[1].

We are a trusted partner to our customers, from initial project design to commissioning and ongoing technical support. The value we provide is reflected in our customer satisfaction net promoter score of 61.

Winning business and investing in growth

We won nine large-scale sustainable solution projects out of the 20 we have committed to achieve by end of 2025/26 and have a strong pipeline of future projects. In 2024/25, amongst others, we were selected for e-methanol plants with HIF Global, Reolum and ET Fuels; biomethanol with SunGas; and Fischer-Tropsch for SAF with Willis Sustainable Fuels and DG Fuels.

To further strengthen our competitive position, we have partnered with market leaders to offer our customers end-to-end integrated solutions. We announced a blue ammonia partnership with thyssenkrupp Uhde and a sustainable fuels partnership with Honeywell UOP, which builds on our previously announced low carbon hydrogen partnership.

We have invested in engineering resources and R&D, and grown our global footprint – opening offices in Riyadh, Manchester and Houston, and an engineering centre and catalyst hub in Mumbai. We have expanded our engineering capacity by 26% and are on track for our strategic milestone of 30% by the end of 2025/26.

Looking forward

We will continue to deliver our financial commitments and grow by winning sustainable solutions projects, core licensing projects, and catalyst and additive sales.

This growth will be supported by the sale of Catalyst Technologies to Honeywell, which was announced on 22nd May 2025. Catalyst Technologies complements Honeywell's business portfolio where we already have an existing close partnership and through this move we will gain access to greater scale, a global footprint and resourcing to help us grow. JM will also benefit from a supply agreement with Honeywell, ensuring a close working relationship for years to come.

Catalyst Technologies:
Tailored customer offerings

Catalysts	Licensing
Fundamental to chemical processes, increasing plant efficiency, product yield and sustainability	Process technology and engineering services to design efficient, sustainable chemical processes
10% sales growth	**77% sales growth**

1. At constant exchange rates.

Our businesses

Hydrogen Technologies

In a rapidly changing marketplace, Hydrogen Technologies continues to work towards breaking even and achieving positive cash flow.

Hydrogen is critical to the energy transition and will be key to reducing emissions in hard-to-abate sectors. With our decades of experience in fuel cells and our strong technical capabilities in PGM chemistry and catalysis, Hydrogen Technologies is well positioned for this long-term growth opportunity.

While the longer-term prospects for hydrogen remain strong, macro economic pressures and a shortage of investment, infrastructure, and policy and economic stimulus have resulted in reduced near-term growth expectations. Set against this backdrop, our primary focus has been to reduce cash costs and create an efficient business while developing the technology and relationships to enable future growth.

Our performance in 2024/25

2024/25 saw our total recordable injury and illness incident rate close at 0.70, versus last year's very low rate of 0.16, following three accidents in the first half of the year. We continue to focus on safety across the business and saw no further incidents in the second half of the year.

Sales in Hydrogen Technologies declined 15%[1] to £60 million due to lower demand following a slowdown in the development of the green hydrogen market and customer destocking in the first half. Despite lower sales, Hydrogen Technologies delivered a significantly lower operating loss of £39 million in the year

Improvements in operating efficiencies and capacity at our Swindon manufacturing plant supported our decision to defer the start-up of our Royston facility. With sufficient capacity in the UK to service near-term customer demand, and a slow-down in the wider market, we have committed to no further growth capex in this business. Reflecting the further slowdown in the transition to hydrogen fuel cell and electrolyser technologies, we incurred a total impairment charge of £134 million. This includes a charge of £18 million as a result of the decision to exit the fuel cell market in China.

Fixed costs were significantly reduced in the first half of the year, while continuing to successfully deliver for our strategic customers. Further cost reductions in the second half of this fiscal year will realise run-rate savings throughout 2025/26, with Swindon, UK supplying all demand and Royston, UK in reserve when required. This positions the business to achieve breakeven operating profit by the end of 2025/26 and be cash flow positive in 2026/27.

New partnerships

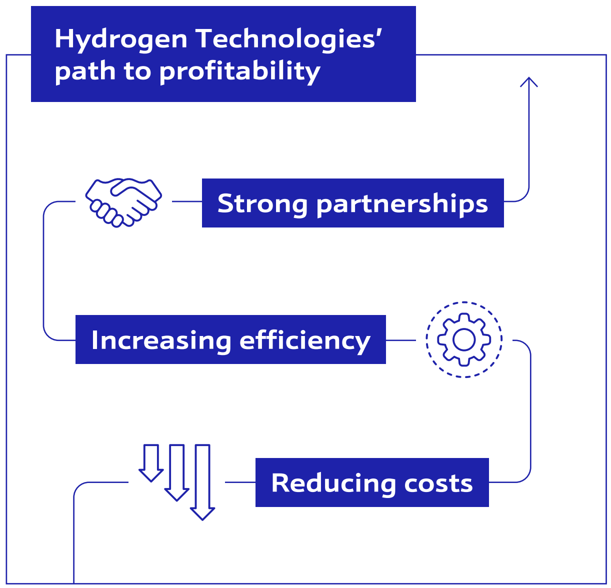
We built stronger ties with our existing customer base, reaffirming our commitment to these relationships.

We continue to lay the building blocks for the future and we continue to make good progress diversifying our customer base through strategic partnerships. In 2024/25, we signed three new partnerships with leading market players, including a long-term collaboration with Bosch to develop and produce catalyst coated membranes for fuel cell stacks, and development agreements with leading European automotive and Asian power generation manufacturers. These organisations share our outlook of long-term market upside.

Looking forward

We have a clear pathway to profitability and the basis from which to build our role as a leader in hydrogen's emergent industry.

With the sale of Catalyst Technologies to Honeywell there will be focus on our pipeline of PGM-based high growth opportunities in a capital-light way, including Hydrogen Technologies for decarbonisation which will remain critical to the energy transition.



1. At constant exchange rates.

Building a stronger, more resilient JM

Richard Pike
Chief Financial Officer

Since joining JM in February 2025, I have been struck by the passion and capability of our people together with the strong sense of purpose and the technical backbone to the business. As I joined, it was also clear that we were facing into a very pivotal point in time for the company. The organisation has clearly been working hard over the last three years, to deliver on the strategic milestones set out by Liam in 2022. But we are now entering a new phase for the company, aimed at enabling a step change in cash generation and shareholder value creation. I am excited by the opportunity to build on what has been achieved over the last 208 years (and particularly the last three) and to help the organisation step change in the next phase of its journey.

The divestment of our Catalyst Technologies (CT) business at a highly attractive valuation of £1.8 billion, is a pivotal milestone for JM. It is a testament to the transformation programme's success in increasing CT's value as an asset, providing the platform for separation as well as clearly showing our disciplined approach to portfolio management.

From a financial perspective, this transaction has an EV/EBITDA multiple of 15.5x based on 2024/25 EBITDA, with a transaction multiple of 13.3x EBITDA based on an agreed adjusted 2024/25 EBITDA of £136 million for the standalone CT business. Following completion, the transaction will enable around £1.4 billion to be returned to shareholders following regulatory clearance. This is in addition to the Medical Device Components business disposal that completed earlier in the year, which generated a profit on disposal of £491 million and underpinned the share buyback of £250 million, completed in December 2024.

Over the next couple of years, our primary focus will be to build on the transformation activity to date and materially reduce costs, capital expenditure and working capital levels. Together with increasing our targeted profitability in Clean Air and delivering a world-class refinery in Royston, UK during 2026/27, this will underpin our ability to deliver a share buyback programme that we will commence during 2026/27, in addition to maintaining our annual dividend.

Executing in a challenging environment

Looking back on the year, our performance was in line with guidance, despite a challenging market backdrop. Revenue was £11,674 million, a decrease from prior year driven by lower precious metal prices and the divestment of Value Businesses. Underlying operating profit, excluding divestments, was up 6% at constant PGM prices and constant currency. Our results were primarily driven by self-help actions, including approximately £80 million of cost savings from our group transformation programme. These actions were critical in offsetting macroeconomic headwinds and delivering sustainable improvements.

Clean Air underlying operating profit grew 3%, with margins expanding 120 basis points to 11.8%, and importantly in the context of our ongoing margin targets, rose to 13.2% in the second half of the financial year. Clean Air has generated £367 million of cash during the year, with a cumulative £2.4 billion in the four years since 2022, and remains on track to deliver at least £2.1 billion of further cash by 2031. This was supported by the ongoing excellence and transformation programme activity which more than offset the impact of lower volumes in the global automotive market.

PGM Services delivered a significantly stronger second half with underlying operating profit improving from £51 million in the first half to £98 million in the second half. This half-on-half improvement was driven by higher sales, increased metal recoveries and further operational efficiencies.

Catalyst Technologies achieved strong performance, with underlying operating profit growth of 24% and a margin of 13.8%. This strong result was underpinned by growth in licensing and higher first-fill catalyst volumes.

Hydrogen Technologies delivered a significantly lower underlying operating loss of £39 million in the year, despite lower sales. This improvement reflects our commitment to rigorous cost control and enhanced commercial performance.

On a reported basis, operating profit increased from £249 million in the prior year to £538 million reflecting a £482 million profit on disposal, principally Medical Device Components which completed in the first half. This was partly offset by £329 million of major impairment and restructuring charges, comprising an impairment charge of £217 million following a review of assets in the year, and restructuring charges of £112 million. The impairment charge of £217 million included a £134 million impairment to Hydrogen Technologies reflecting the further slowdown in the transition to hydrogen fuel cell and electrolyser technologies. There was also a £27 million impairment in PGM Services following a strategic review of the China refining plant. We also recognised a £27 million impairment primarily of Clean Air assets as the business continues to consolidate its existing capacity, and £29 million impairment to IT assets following a review of our IT strategy. The restructuring charges of £112 million mainly related to group wide transformation programme and divisional restructuring.

We remain financially robust as we shift to the next stage of our journey. Net debt stood at £799 million as of 31st March 2025, compared to £951 million a year earlier. It is important to note that in February 2025, we experienced unscheduled downtime in PGM Royston, our ageing UK PGM refinery. This resulted in a temporary increase in precious metal working capital. So it's testament to the actions within the PGM Services and wider businesses that we were able to offset this in large part. This has enabled us to deliver year-end Net debt/underlying EBITDA of 1.4[1],which is slightly below the lower end of our targeted leverage range of 1.5-2.0x. On completion of the divestment of our CT business announced on 22nd May 2025, we will target a leverage ratio of 1.0-1.5x Net debt / underlying EBITDA.

Free cash flow was £521 million, compared to £189 million in the prior year, largely reflecting net proceeds from the disposal of Medical Device Components. Excluding divestments, free cash flow was £36 million[2], with a cash conversion rate of 9%. This remains a key area of focus as we move forward.

A clear path forward

This year's results underline the importance of aligning financial discipline with our broader strategic goals. Through the hard work of our teams, we have laid the groundwork for a JM that not only meets the challenges of today but is poised to deliver long-term value for all stakeholders. I look forward to helping the business build on this momentum and move confidently into the future.

Richard Pike
Chief Financial Officer

Notes:
1. Including post tax pension benefits
2. Free cash flow for the year less proceeds from disposal of businesses and then add back disposal costs paid tax paid on those disposals and pension contributions in respect of the disposal.

Financial performance review

		Reported results			Underlying results[1,2]			
		Year ended 31st March			Year ended 31st March			
		2025	2024	% change	**2025**	2024	% change	% change, ex-divestments[3], constant FX rates
Revenue	£m	**11,674**	12,843	-9				
Sales excl. precious metals[4]	£m				**3,470**	3,904	-11	-2
Operating profit	£m	**538**	249	+116	**389**	410	-5	+5
Profit before tax	£m	**486**	164	+196	**334**	328	+2	
Profit after tax	£m	**373**	108	+245	**263**	260	+1	
Basic earnings per share	pence	**211.8**	58.6	+261	**149.2**	141.3	+6	
Ordinary dividend per share	pence	**77.0**	77.0	–				
Free cash flow	£m	**521**	189					
Cash from operating activities	£m	**381**	592					
Net debt	£m	**799**	951					

Notes:
1. Unless otherwise stated, sales and operating profit commentary refers to performance at constant exchange rates. Growth at constant rates excludes the translation impact of foreign exchange movements, with 2024/25 results converted at 2023/24 average rates. In 2024/25, the translational impact of exchange rates on group sales and underlying operating profit was an adverse impact of £58 million and £11 million respectively.
2. Underlying is before profit or loss on disposal of businesses, amortisation of acquired intangibles, share of profits or losses, major impairment and restructuring charges from non-strategic equity investments, and where relevant, related tax effects. For definitions and reconciliations of other non-GAAP measures, see pages 177 to 179.
3. Divestment of Value Businesses which is now complete.
4. Revenue excluding costs of precious metals to customers and the precious metal content of products sold to customers.

Financial performance review continued

Summary of underlying operating results

Unless otherwise stated, commentary refers to performance at constant FX rates[1]. Percentage changes in the tables are calculated on rounded numbers.

Sales (£ million)	Year ended 31st March 2025	2024	% change	% change, constant FX rates
Clean Air	2,319	2,581	-10	-8
PGM Services	464	462	–	+1
Catalyst Technologies	669	578	+16	+17
Hydrogen Technologies	60	71	-15	-15
Eliminations	(79)	(114)	n/a	n/a
Sales excluding Value Businesses	**3,433**	**3,578**	**-4**	**-2**
Value Businesses[2]	37	326	n/a	n/a
Total sales	3,470	3,904	-11	-10

Underlying operating profit (£ million)	Year ended 31st March 2025	2024	% change	% change, constant FX rates
Clean Air	273	274	–	+3
PGM Services	149	164	-9	-8
Catalyst Technologies	92	75	+23	+24
Hydrogen Technologies	(39)	(50)	n/a	n/a
Corporate	(87)	(82)	n/a	n/a
Underlying operating profit excluding Value Businesses	**388**	**381**	**+2**	**+5**
Value Businesses[2]	1	29	n/a	n/a
Total underlying operating profit	389	410	-5	-2

Reconciliation of underlying operating profit to operating profit (£ million)	Year ended 31st March 2025	2024
Underlying operating profit	389	410
Profit / (loss) on disposal of businesses[3]	482	(9)
Major impairment and restructuring charges[3]	(329)	(148)
Amortisation of acquired intangibles	(4)	(4)
Operating profit	**538**	**249**

Notes:
1. Growth at constant rates excludes the translation impact of foreign exchange movements, with 2024/25 results converted at 2023/24 average rates. In 2024/25, the translational impact of exchange rates on group sales and underlying operating profit was an adverse impact of £58 million and £11 million respectively.
2. Includes Battery Materials, Battery Systems and Medical Device Components which are all now disposed.
3. For further detail on these items please see page 23.

Business reviews

Clean Air

Resilient performance and materially improved margin despite a challenging market

- Sales down 8% mainly reflecting the decline in global vehicle production across both light and heavy duty
- Underlying operating profit increased 3% and margin expanded 120 basis points to 11.8% with a significant improvement half on half (1H: 10.4% and 2H: 13.2%). This mainly reflected ongoing operational excellence and transformation benefits
- Delivered £367 million of cash from Clean Air in 2024/25, with a cumulative £2.4 billion[1] in the four years since 2021/22. On track to deliver at least £2.1 billion of further cash by 2030/31[2]

	Year ended 31st March 2025 £ million	2024 £ million	% change	% change, constant FX rates
Sales				
Light duty diesel	1,049	1,094	-4	-2
Light duty gasoline	480	533	-10	-8
Heavy duty diesel	790	954	-17	-16
Total sales	**2,319**	**2,581**	**-10**	**-8**
Underlying operating profit	**273**	**274**	**–**	**+3**
Underlying operating profit margin	**11.8%**	**10.6%**		
EBITDA margin	**14.8%**	**13.5%**		
Reported operating profit	**234**	**237**		

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

Performance commentary

Sales were down 8%. This mainly reflected the challenging market backdrop which saw global vehicle production decline across both light and heavy duty, particularly in Europe.

Sales

Light duty diesel

In light duty diesel, sales declined 2%, significantly outperforming the global market which saw a material decline due to continued shifts in consumer behaviour towards gasoline, including hybrids. By region, we saw good sales growth in Asia, but this was more than offset by a decline in Europe whilst the Americas was broadly flat.

We saw good growth in Asia as our largest customers in Japan and India outperformed their respective markets. In Europe, we outperformed the strongly declining market due to the ramp-up of a customer platform, as well as better platform mix. In the Americas, our performance was slightly ahead of the market, largely driven by outperformance of one of our customers.

Financial performance review continued

Light duty gasoline

In light duty gasoline, sales declined 8%, underperforming the global market which saw a modest decline. This largely reflects our performance in Europe, where sales were impacted by underperformance of a customer platform, and a weaker platform mix in China. In North America, historical platform losses were partly offset by the ramp up of other customer platforms.

Heavy duty diesel

Heavy duty diesel sales were down 16%, with declines across all key regions against a backdrop of a challenging market. In Europe, we underperformed the market which declined materially, largely reflecting customer underperformance. In Asia, our performance was mainly driven by China where the market is increasingly competitive. We experienced market share losses and the underperformance of some of our customers, as well as lower pricing. In the Americas, we underperformed the market, largely reflecting our regional mix. Our sales are heavily weighted towards the North American Class 8 truck market which declined, versus the South American market which grew strongly. We underperformed the Class 8 market, driven by underperformance of one of our customers.

In stationary emissions control (our Clean Air Solutions business), we saw sales growth driven by growing demand in marine and backup diesel and natural gas engine applications.

Underlying operating profit

Clean Air delivered a resilient performance. Despite challenging market conditions and lower sales, underlying operating profit grew 3% and operating margin expanded 120 basis points to 11.8%. This reflected benefits from our continued focus on footprint rationalisation, reduction of overheads and operational excellence.

Cash generation

In the year, we delivered £367 million of cash[1]. In the four years since 2021/22, we have delivered a cumulative £2.4 billion[1] of cash, of which around one fifth relates to precious metal prices.

Notes:
1. At actual metal prices.
2. Cash target of at least £4.5 billion from 1st April 2021 to 31st March 2031, pre-tax and post restructuring costs. PGM Services

PGM Services

A significantly stronger second half as expected

- Sales grew 1% in the year, with a significant sequential improvement in the second half mainly reflecting higher sales in our refining business and increased metal recoveries
- Underlying operating profit down 8%, with a significant sequential improvement in the second half as expected, driven by higher sales and cost efficiencies (1H: £51 million and 2H: £98 million)

	Year ended 31st March			
	2025 £ million	2024 £ million	% change	% change, constant FX rates
Sales				
PGM Services	464	462	–	+1
Underlying operating profit	**149**	**164**	**-9**	**-8**
Underlying operating profit margin	**32.1%**	**35.5%**		
EBITDA margin	**38.1%**	**42.0%**		
Reported operating profit	**67**	**149**		

PGM Services is the world's largest recycler of platinum group metals (PGMs). This business is enabling the energy transition through developing new PGM applications and providing circular solutions. PGM Services provides a strategic service to the group, supporting our other businesses with security of metal supply and the manufacture of value-add PGM products.

Performance commentary

Sales

Sales grew 1% in the year, with a significantly improved second half performance mainly reflecting higher sales in our refining businesses. In refining, we benefited from higher volumes from industrial customers as well as metal recoveries linked to our asset renewal programme. This was partly offset by softness in the auto scrap recycling market.

In our products business, sales were slightly down overall year-on-year. Whilst we saw higher volumes from some of our industrial, pharmaceutical and agrochemical customers, this was offset by lower demand from the auto sector.

In our trading business we had lower sales year-on-year, as PGM markets experienced lower volumes and reduced price volatility. Average PGM prices have normalised over the past 18-24 months and remained broadly stable in the period.

Underlying operating profit

Underlying operating profit was down 8%. Following a weak first half performance, we delivered a significant sequential improvement in underlying operating profit in the second half as expected (1H: £51 million and 2H: £98 million.) This reflected higher sales (increased refining volumes and higher metal recoveries) as well as efficiencies as we optimised our cost base.

Catalyst Technologies

Strong sales and profit growth, and further progress in sustainable technologies

- Sales up 17% with good growth in Catalysts driven by higher first fill volumes, and strong growth in Licensing
- Won nine large-scale projects in our sustainable technologies portfolio since 1st April 2024, on track against our strategic milestone to win 20 additional projects by 2025/26
- Underlying operating profit grew 24% and margin expanded 80 basis points to 13.8% driven by a strong contribution from Licensing and higher Catalyst volumes

	Year ended 31st March			
	2025 £ million	2024 £ million	% change	% change, constant FX rates
Sales				
Catalysts	563	518	+9	+10
Licensing	106	60	+77	+77
Total sales	**669**	**578**	**+16**	**+17**
Underlying operating profit	**92**	**75**	**+23**	**+24**
Underlying operating profit margin	**13.8%**	**13.0%**		
EBITDA margin	**17.8%**	**17.3%**		
Reported operating profit	**86**	**70**		

Catalyst Technologies targets high growth, high return opportunities in fuels and chemical value chains. We have leading positions in syngas – methanol, ammonia, hydrogen and formaldehyde – and a strong sustainable technologies portfolio. Our revenue streams are licensing process technology and supplying catalysts.

Performance commentary

Sales

Sales were up 17% with good growth in Catalysts – which represents the majority of sales – and strong growth in Licensing. In particular, we delivered a good performance in China, with significant new plant builds in recent years driving higher first fill volumes in Catalysts and strong growth in our existing Licensing portfolio. In our sustainable technologies portfolio, sales almost trebled.

Catalysts: good growth driven by first fills

In Catalysts, sales grew 10% driven by higher first fill volumes as new plants came onstream, primarily in China. We also saw increased refill volumes driven by the restart of production at one of our plants following an extended shutdown, as well as new business wins in methanol. These drivers more than offset normalised demand in formaldehyde following a strong prior year, and a weaker mix in additives.

Licensing: strong growth in our existing and sustainable technologies portfolios

Licensing sales – which can be lumpy in nature – were up 77% on the prior year. We delivered strong growth in our existing core technology portfolio in China. In sustainable technologies, sales almost trebled as we recognised initial income from previously announced project wins in low carbon hydrogen and sustainable fuels.

In the year, we won nine new large-scale projects in our sustainable technologies portfolio, tracking well against our strategic milestone of 20 wins in the two years to the end of 2025/26:

- A large-scale low carbon hydrogen project in Europe
- A waste-to-methanol project in Europe
- HIF Global's Paysandú e-methanol plant in Uruguay
- ETFuels' e-methanol plant in Texas, US
- Reolum's La Robla Nueva Energia e-methanol project in Spain
- Willis Sustainable Fuels' sustainable aviation fuel project in Teesside, UK
- SunGas Renewables' Beaker Lake bio-methanol plant in Louisiana, US
- DG Fuels' second sustainable aviation fuel facility – located in Nebraska, US
- A sustainable methanol project in China

Taking into account previously announced wins, we have secured 19 sustainable technologies projects globally since 1st April 2022, highlighting the strength of our technology offering and market positioning. Of these, we are actively working on 17 projects which together are worth more than £500 million in sales over five years, subject to project completion.

We have a healthy pipeline of more than 150 sustainable technologies projects. To support our project wins and pipeline of opportunities, we increased our engineering capacity by 26% in the year, well on track against our target of 30% by the end of 2025/26 (31st March 2024 baseline).

Underlying operating profit

Underlying operating profit grew 24% to £92 million and margin expanded 80 basis points to 13.8%. This was largely driven by a strong contribution from higher margin Licensing and higher Catalyst volumes.

Sale of Catalyst Technologies

As announced on 22nd May 2025, we expect the agreed sale of Catalyst Technologies to Honeywell to complete by the first half of calendar year 2026.

Hydrogen Technologies

Significantly lower operating loss benefiting from rigorous cost control

- Sales declined 15% due to lower demand following a slowdown in the development of the green hydrogen market and customer de-stocking in the first half
- Significantly lower operating loss of £39 million reflected continued action to reduce costs and strengthened commercial excellence. Operating loss in the second half halved compared to the first half; on track to achieve breakeven by the end of 2025/26
- Reduced investment in line with the pace of market development; with sufficient manufacturing capacity in the UK, no further growth investment planned and only low maintenance capex from 2025/26

Financial performance review continued

	Year ended 31st March			
	2025 £ million	2024 £ million	% change	% change, constant FX rates
Sales				
Hydrogen Technologies	60	71	-15	-15
Underlying operating loss	**(39)**	**(50)**	**n/a**	**n/a**
Underlying operating loss margin	**n/a**	**n/a**		
Reported operating loss	**(184)**	**(60)**		

In Hydrogen Technologies, we provide performance-defining components across the value chain for fuel cells and electrolysers, including catalyst coated membranes (CCMs). Our ambition is to be the market leader in CCMs, focusing on PEM (proton exchange membrane) technology.

Performance commentary

Sales

Sales were down 15% to £60 million, primarily driven by lower electrolyser sales. This reflected customer de-stocking in the first half and a slowdown in the pace of development of the green hydrogen market driven by decelerating momentum around regulatory incentives, lack of hydrogen infrastructure and high cost compared to incumbent technologies.

In fuel cells, the volume decline was mostly offset by strengthened commercial excellence as we recognised revenue from fulfilled contractual obligations.

We continue to make good progress diversifying our customer base through strategic partnerships. In the year, we signed three new partnerships with leading market players, including a long-term collaboration with Bosch to develop and produce catalyst coated membranes for fuel cell stacks.

Underlying operating loss

Underlying operating loss of £39 million was significantly lower than the prior year, driven by rigorous cost control and strengthened commercial excellence as we recognised revenue from fulfilled contractual obligations.

As we adapted our strategy to reflect the pace of market development, we took action to reduce costs, including reducing headcount by over 30%. We also continued to improve our manufacturing efficiency, increasing production yields from our plant in Swindon, UK. We continue to expect Hydrogen Technologies to reach operating profit breakeven by the end of 2025/26 and be cash flow positive in 2026/27[1].

Corporate

Corporate costs were £87 million, an increase of £5 million from the prior year, largely reflecting higher inflation and professional fees.

Notes:
1. Cash flow defined as underlying operating profit plus depreciation and amortisation (EBITDA), less capital expenditure and net working capital movements.

Financial review

Research and development (R&D)

R&D spend was £193 million in the year, representing c.5% of sales excluding precious metals. This was down from £204 million in the prior year, largely driven by reduced R&D spend in Clean Air, and in Hydrogen Technologies reflecting the slowdown in the pace of development of the green hydrogen market.

Foreign exchange

The calculation of growth at constant rates excludes the impact of foreign exchange movements arising from the translation of overseas subsidiaries' profit into sterling. The group does not hedge the impact of translation effects on the income statement. The principal overseas currencies, which represented 84% of the non-sterling denominated underlying operating profit in the year ended 31st March 2025, were:

	Share of 2024/25 non-sterling denominated underlying operating profit	Average exchange rate Year ended 31st March		
		2025	2024	% change
US dollar	22%	1.28	1.26	+2
Euro	44%	1.19	1.16	+3
Indian rupee	10%	108	104	+4
Chinese renminbi	8%	9.21	9.01	+2

For the year, the impact of exchange rates decreased sales by £58 million and underlying operating profit by £11 million.

If average exchange rates for May 2025 month to date (£:US$ 1.33, £:€ 1.19, £:INR 114, £:RMB 9.59) are maintained throughout the remainder of the year ending 31st March 2026, foreign currency translation will have an adverse impact of c.£5 million on underlying operating profit.

A one cent change in the average US dollar rate, a one cent change in the average Euro rate, a one rupee change in the average Indian rupee rate, and a ten fen change in the average Chinese renminbi rate would each impact operating profit by approximately £0.9 million, £1.9 million, £0.2 million and £0.3 million, respectively.

Efficiency savings

In the year, we delivered c.£80 million of savings through our group transformation programme announced in May 2022 and incurred cash costs of c.£55 million. This marks the completion of the programme, with cumulative benefits in line with our £200 million target. Total associated cash costs to deliver the programme were c.£130 million (including £30 million of capex), in line with our guidance.

£ million	Savings delivered to 31st March 2025	Associated cash costs incurred to 31st March 2025
Transformation programme (announced in May 2022)	**200**	**130**

Financial performance review continued

Items outside underlying operating profit

Non-underlying income / (charge)	Year ended 31st March 2025 £ million	2024 £ million
Profit / (loss) on disposal of businesses	**482**	(9)
Major impairment and restructuring charges	**(329)**	(148)
Amortisation of acquired intangibles	**(4)**	(4)
Total	**149**	**(161)**

The £482 million profit on disposal of businesses largely relates to the disposal of our Medical Device Components business which completed on 1st July 2024.

There was a charge of £329 million relating to major impairment and restructuring costs, comprising impairment charges of £217 million and £112 million of restructuring costs. The impairment charge of £217 million includes:

- £134 million impairment to Hydrogen Technologies reflecting the further slowdown in the transition to hydrogen fuel cell and electrolyser technologies, cessation of construction of a plant in the US due to lower demand forecasts, and exit from the fuel cell market in China
- £27 million in PGM Services following a strategic review of the China refining plant and also our exit from the fuel cell market in China
- £27 million impairment primarily of Clean Air assets as the business continues to consolidate its existing capacity
- £29 million impairment to IT assets following a strategic review of and subsequent changes to the IT operating model and the discontinuation of certain divisional IT projects. The restructuring costs of £112 million related to our group wide transformation programme and divisional restructuring.

The triggering events for these impairments all occurred during the year ended 31st March 2025.

Finance charges

Net finance charges in the year amounted to £55 million, down from £82 million in the prior year. The decline of £27 million largely reflects a £10 million benefit from hedging instruments, an £8 million movement relating to interest on tax provisions and an £8 million metal interest benefit.

Taxation

The tax charge on underlying profit before tax for the year ended 31st March 2025 was £71 million, an effective underlying tax rate of 21.3%, broadly in line with the prior year (2023/24: 20.8%).

The effective tax rate on reported profit for the year ended 31st March 2025 was 23.3%. This represents a tax charge of £113 million, compared with £56 million in the prior year.

We expect the effective tax rate on underlying profit for the year ending 31st March 2026 to be around 22%.

Post-employment benefits

IFRS – accounting basis

At 31st March 2025, the group's net post-employment benefit position, was a surplus of £203 million. The cost of providing post-employment benefits in the year was £39 million, down from £53 million in the prior year driven by a £14 million past service credit.

Capital expenditure

Capital expenditure was £376 million[1] in the year, 2.1 times depreciation and amortisation. A key project in the year was investment in our new world-class PGM refinery.

Strong balance sheet

Net debt as at 31st March 2025 was £799 million, a decrease from £951 million at 31st March 2024 and £783 million at 30th September 2024. Net debt is £17 million higher when post tax pension deficits are included. The group's net debt (including post tax pension deficits) to EBITDA was 1.4 times (31st March 2024: 1.6 times, 30th September 2024: 1.4 times), which was slightly below our target range.

We use short-term metal leases as part of our mix of funding for working capital, which are outside the scope of IFRS 16. Precious metal leases amounted to £202 million as at 31st March 2025 (31st March 2024: £197 million, 30th September 2024: £197 million).

Free cash flow and working capital

Free cash flow was £521 million in the year, compared to £189 million in 2023/24, primarily driven by net proceeds from the disposal of Medical Device Components. Excluding the impact of divestments, free cash flow[2] was £36 million, representing underlying cash conversion[3] of 9%.

Excluding precious metal, average working capital days to 31st March 2025 increased to 62 days compared to 60 days to 31st March 2024.

Notes:
1. Capital expenditure of £373 million as reported in the Consolidated Statement of Cash Flows. Difference reflects movements for capital accruals.
2. Net cash flow from operating activities after net interest paid, net purchases of non-current assets and investments, dividends received from joint ventures and associates and the principal elements of lease payments, adjusted for the impact of the disposal of Value Businesses.
3. Cash conversion defined as free cash flow[2] as a percentage of underlying operating profit.

Going concern

The directors have reviewed a range of scenario forecasts for the group and consider it appropriate to adopt the going concern basis of accounting in preparing these accounts.

As at 31st March 2025, the group maintains a strong balance sheet with around £1.9 billion of available cash and undrawn committed facilities. Free cash flow was strong in the year at £521 million and net debt reduced by £152 million. Net debt at 31st March 2025 was £799 million at 1.4 times net debt (including post tax pension deficits) to underlying EBITDA which was just below our target range.

While inflation has been decreasing and interest rates have started to fall, significant headwinds remain due to ongoing global auto sector weakness, persistent geopolitical tensions and political uncertainty in the US, particularly about tariffs. Despite these challenges, the group demonstrated resilience during the period, with underlying operating profit (at constant exchange rate and excluding the impact of divestments) growing mid-single digit. For the purposes of assessing going concern, we have revisited our financial projections using the latest budget for our base case scenario. The base case scenario was stress tested to a severe-but-plausible downside case which reflects lower demand across our markets to account for significant disruption from external factors and a deep recession.

The severe-but-plausible case for Clean Air modelled scenarios assuming a smaller light and heavy duty vehicle market from reduced vehicle production and/or market consumer demand disruption, which could be caused by tariffs or other general changes to the market environment, or greater share of zero emission vehicles in market. This was assumed to result in a 10% drop in sales. For PGMS and Catalyst Technologies, it also assumed a reduction in sales and associated operating profit based on adverse scenarios using external and internal market insights.

The group has a robust funding position comprising a range of long-term debt and a £1 billion five year committed revolving credit facility newly secured in April 2025 and maturing in April 2030. There was £874 million of cash held in money market funds or placed on deposit with highly rated banks. Of the existing loans, £260 million of term debt and £40 million of other bank loans maturing between August 2024 and June 2025 were re-financed in December 2024 when the group issued c.£300 million of loan notes in the USPP market. A further £109 million of USPP debt will mature in the next 15 months. We assume no refinancing of this debt in our going concern modelling. As a long time, highly rated issuer in the US private placement market, the group expects to be able to access additional funding in its existing markets if required but the going concern conclusion is not dependent on such access as the company has sufficient financing and liquidity to fund its obligations in the base and severe-but-plausible scenarios. The group also has a number of additional sources of funding available including uncommitted metal lease facilities that support precious metal funding. Whilst we would fully expect to be able to utilise the metal lease facilities, they are excluded from our going concern modelling.

In the base case and severe but plausible scenarios, the group has sufficient headroom against committed facilities and key financial covenants are not in breach during the going concern period. Only in the unlikely event of all the additional risks identified above being overlaid on top of the severe but plausible trading scenario is there a very small breach of the financial covenants. This could be easily mitigated by reducing capital expenditure, renegotiating payment terms or reducing future dividend distributions. To give further assurance on liquidity, we have also undertaken a reverse stress test on our base case for full year to March 2026 and March 2027 to identify what additional or alternative scenarios and circumstances would threaten our current financing arrangements. This shows that we have headroom against either a further decline in profitability well beyond the severe-but-plausible scenario, or a significant increase in borrowings, or a significant increase in interest charges. Furthermore, as mentioned above, the group has other mitigating actions available which it could utilise to protect headroom. The directors have also considered forecasts which reflect the impact of the sale of the Catalyst Technologies business in the first half of calendar year 2026.

Having considered the scenarios outlined above, the directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

→ Refer to page 54 for more information on Going concern and Viability.

Group outlook for the year ending 31st March 2026

For 2025/26 we expect mid single digit percentage growth in group underlying operating profit at constant precious metal prices and constant currency, supported by self-help measures.[1] This assumes a full year of contribution from Catalyst Technologies. Whilst we expect good growth in the first half, overall performance will continue to be weighted towards the second half.

In Clean Air we expect modest growth in operating profit, with a margin of 14-15%. This is based on external data which suggest a 4% decline in global light duty vehicle production for 2025/26, before any potential impact on customer demand due to tariffs. Despite a challenging market, operating profit growth and margin expansion will be driven by our ongoing operational excellence and transformation benefits. In PGM Services, we expect lower operating profit largely reflecting reduced metal recoveries. In Hydrogen Technologies, we continue to expect to achieve operating profit breakeven by the end of 2025/26. Assuming a full year of contribution from Catalyst Technologies, we expect this business to deliver good operating profit growth in 2025/26.[2]

If PGM (platinum group metal) prices remain at their current level[3] for the remainder of 2025/26, we expect a limited effect on full year operating profit compared with the prior year.[4]

At current foreign exchange rates[5], translational foreign exchange movements for the year ending 31st March 2026 are expected to adversely impact underlying operating profit by c.£5 million.

We are mindful of the current uncertain macroeconomic environment including the potential impact of the evolving tariff situation and its impact on our customers. We remain well positioned given our global manufacturing footprint enabling local supply and, strong long-standing and flexible customer and supplier relationships. We are undertaking a range of mitigating actions, including rebalancing production to leverage our global footprint, adjusting supply chains, customer negotiations and engagement with the relevant governments. On the basis of the current tariff proposals[6], post our mitigating actions, we do not expect the direct impact of tariffs to be material. The indirect impact of the changing trade landscape on customer demand in our key markets remains uncertain at this time.

Dividend

The board will propose a final ordinary dividend for the year of 55.0 pence per share at the Annual General Meeting (AGM) on 17th July 2025. Together with the interim dividend of 22.0 pence per share, this gives a total ordinary dividend of 77.0 pence per share, maintained at the same level as the prior year. Subject to approval by shareholders, the final dividend will be paid on 5th August 2025, with an ex-dividend date of 5th June 2025.

Notes:
1. Baseline is underlying operating profit excluding Value Businesses (£388 million in 2024/25).
2. Outlook commentary for Clean Air, PGM Services, Catalyst Technologies and Hydrogen Technologies refers to underlying operating performance and assumes constant precious metal prices and constant currency.
3. Based on average precious metal prices in May 2025 (month to date).
4. A US$100 per troy ounce change in the average annual platinum, palladium and rhodium metal prices each have an impact of approximately £1 million, £1 million and £0.5 million respectively on full year 2025/26 underlying operating profit in PGM Services. This assumes no foreign exchange movement.
5. Based on average foreign exchange rates for May 2025 month to date (£:US$ 1.33, £:€ 1.19, £:RMB 9.59, £:INR 114).
6. As at 16th May 2025.

Sustainability

Sustainability is fundamental to our strategy. For over 200 years our expertise in metal chemistry has helped to solve some of the world's most complex challenges and now our technologies are accelerating the transition to net zero. As our stakeholders' views of sustainability evolve, so do ours, and we have a pragmatic, agile and business-orientated approach to ESG.

We have firmly embedded our sustainability priorities of climate, nature and circularity, safety and diversity into how we operate as a company. The following pages focus on our progress towards our 2030 sustainability targets.

The sustainability targets included in this report are valid as at 31st March 2025. Following the announcement of the planned sale of our Catalyst Technologies business, we will review and adjust these where relevant to reflect our future portfolio. Similarly, the content related to the Task Force on Climate-related Financial Disclosures are valid as at 31st March 2025, and will be updated in 2025/26.

Our approach

For more information on JM's sustainability efforts, including those listed below, please see our website and QR Code for the Sustainability Performance Databook

- Alignment to the UN SDGs – we align our products and services with four UN SDGs where we believe we can make the biggest positive contributions
- Life Cycle Assessment (LCA) remains a key part of our offerings and the number of LCAs for JM's products and services is increasing year on year
- Net zero by 2040 roadmap
- Product stewardship
- Health and wellbeing
- Human rights
- Upholding high ethical standards
- Responsible sourcing
- Community investment
- Stakeholder engagement

Our material topics

In 2024 we partnered with a third party to perform our first double materiality assessment.[1] Our material topics were identified as:

- Climate change
- Pollution
- Water
- Biodiversity
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Consumers and end-users
- Business conduct

1. Double materiality in ESG means companies must consider both how ESG issues impact their business (financial materiality) and how their business impacts the environment and society (impact materiality).

Sustainability continued

Our sustainability targets for 2030

Our sustainability targets for 2030 are ambitious, but they build off the positive impact our products and services already have. Our technologies are now helping the global chemical and energy industries reduce their greenhouse gas emissions (GHG) and move to sustainable feedstocks, and our business model is underpinned by our circular PGM economy which helps reduce waste and make the most of scarce resources.

This year we are making a change to three of our public 2030 targets:

- Our GHG emissions avoided forecast has been impacted by the slowdown in the energy transition, particularly in the electrolytic hydrogen market. To reflect this we will continue to track our GHG avoided contributions, but we will no longer maintain a target for 2030. See page 16.
- Our net water consumption target for 2030 changes from an absolute target to a water intensity target. This reflects and supports our growth plans, and ensures we continue to drive increased water efficiency as we grow. We will complement this with the development of local nature action plans at site level.
- As we evolve our approach to human rights and continue to monitor upcoming regulations, we will no longer maintain our target to assess all of our value chain partners for human rights risks by 2030 but instead focus on our own operations and direct suppliers. We will closely monitor the outcomes of our assessments and leverage the findings to continuously enhance our approach.

Our GHG reduction targets for 2030 and our long-term target of net zero by 2040 are approved by the Science Based Targets initiative (SBTi), thereby putting us on the SBTi's 1.5°C trajectory and placing us among the leading group of global businesses aiming for a rise of no more than 1.5°C.

Goals	Key performance indicators (KPIs)	Baseline value	2030 target, 2030 value	2024/25 performance, 2024/25 value	2023/24 performance, 2023/24 value[1]
Planet: Protecting the climate					
Our goal: Achieve net zero by 2040	Reduction in Scope 1 and Scope 2 GHG emissions → See page 28	404,040 tCO_2e	44% on baseline, 226,262 tCO_2e	**39% on baseline, 246,533 tCO_2e**	30% on baseline, 281,912 tCO_2e
	Reduction in Scope 3 GHG emissions from purchased goods and services[2] → See page 28	3,345,528 tCO_2e	42% on baseline, 1,940,406 tCO_2e	**8% on baseline, 3,085,054 tCO_2e**	3% on baseline, 3,258,688 tCO_2e
Planet: Protecting nature and advancing the circular economy					
Our goal: Conserve scarce resources	Recycled PGM content in JM's manufactured products → See page 30	70%	75%	**76%**	69%
Our goal: Minimise our environmental footprint	Reduction in total hazardous waste → See page 31	42,453 tonnes	50% on baseline, 21,227 tonnes	**12% on baseline, 37,435 tonnes**	0.4% on baseline, 42,296 tonnes
	Water intensity reduction → See page 31	100%	30% on baseline	**17% on baseline**	-
People: Promoting a safe, diverse and equitable society					
Our goal: Keep people safe	Total recordable injury and illness rate (TRIIR) for employees and contractors → See page 32	0.79	0.25	**0.36**	0.36
	ICCA process safety event severity rate (PSESR) → See page 32	1.18	0.40	**0.82**	0.88
Our goal: Create a diverse, inclusive and engaged company	Employee engagement score → See page 34	6.9	8.0	**7.2**	7.2
	Female representation across all management levels[3] → See page 34	30%	40%	**32%**	30%

1. Rebaselined to remove divested businesses, please see page 191 for more information.
2. Restated due to calculation refinement, please see page 191 for more information.
3. All employees whether they are a people manager or not, at a minimum compensation grade.

For more data see our Sustainability Performance Databook online: matthey.com/sustainability-databook

Planet: Protecting the climate

In line with our company's purpose to catalyse the net zero transition, we have committed to net zero by 2040 for our own operations.

For further information:

→ You can read more about how climate change is bringing opportunity and risks to our business in our Task Force on Climate-related Financial Disclosures (TCFD) report on pages 36-43

See our EHS policy, which applies to everyone who works for us, at: matthey.com/ehs-policy

For our UK SECR see pages 44-45 and our Sustainability Performance Databook: matthey.com/sustainability-databook

For our SASB Index response see: matthey.com/sasb-index

See our net zero by 2040 roadmap at: matthey.com/sustainability/climate

→ For more information on our calculation methodology see our Basis of reporting on pages 191-195

For data see our Sustainability Performance Databook: matthey.com/sustainability-databook

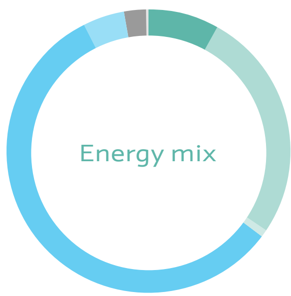
Our goal: Achieve net zero by 2040

We have confirmed our roadmaps to 2030 and we are working to identify and develop the full range of solutions that we will implement to achieve net zero by 2040. For more information, see our roadmap on our website.

Our progress in 2024/25

We continue to move towards our net zero by 2040 commitment. This year saw a 13% reduction in our Scope 1 and 2 greenhouse gas (GHG) emissions from last year, which represents a 39% reduction since our baseline year of 2019/20. This significant reduction was achieved mainly through increasing our purchase of renewable energy, in line with our energy strategy, and improving the underlying energy efficiency of a number of processes.

Our GHG emissions from Scope 3 purchased goods and services in 2024/25 were 3,085,054 tCO_2e, which is an 8% reduction from baseline year. This is a decrease from 3,258,688 tCO_2e[1] in 2023/24, driven by lower emission factors across the global supply chain and changes in business demands, see pages 13-16 for more information. We continue to work with partners to prioritise GHG reduction opportunities to deliver our net zero 2040 target.



Non-renewable, grid-supplied electricity	8.3%
Certified renewable electricity from the grid	26.4%
Renewable electricity generated locally	0.6%
Natural gas used on site	57.4%
Other fossil fuels used on site	4.6%
Non-renewable steam procured	2.6%
Fuel used on public roads by JM vehicles on company business	0.1%
Total: 1,126,108 MWh	

Energy efficiency and security

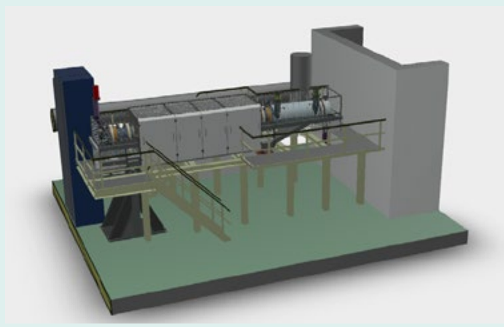
A focus on energy conservation and energy efficiency continues to underpin our net zero strategy. We continue to implement ISO 50001 across our most energy-intensive manufacturing sites. Examples of energy efficiency projects completed this year include:

- Our site in Malaysia recently achieved ISO 50001 certification
- Further adoption of waste heat recirculation, with savings achieved at Clean Air sites in Poland, India and China
- Energy consumption has been reduced through optimising cycle times and recipe control at several Clean Air sites including India, Poland and China
- A smart meter project has reduced energy by >30% year-on-year at one of our PGMS labs in China.

Energy saving at Emmerich, Germany

Replacement of one of the natural gas heated calciners with a new, more appropriately sized electric calciner. The new equipment takes advantage of the 100% low carbon electricity[2] already supplied to the site. Benefits were:

- Smaller more efficient design that achieves 70% energy saving versus the previous operation
- Removed the use of natural gas for this piece of equipment
- Cuts over 10% of the Scope 1 and 2 greenhouse gas emissions for the entire Emmerich site.



Computer aided design of the calciner.

1. Restated due to calculation refinement and rebaselined to remove divested businesses, please see page 191 for more information.
2. Market-based.

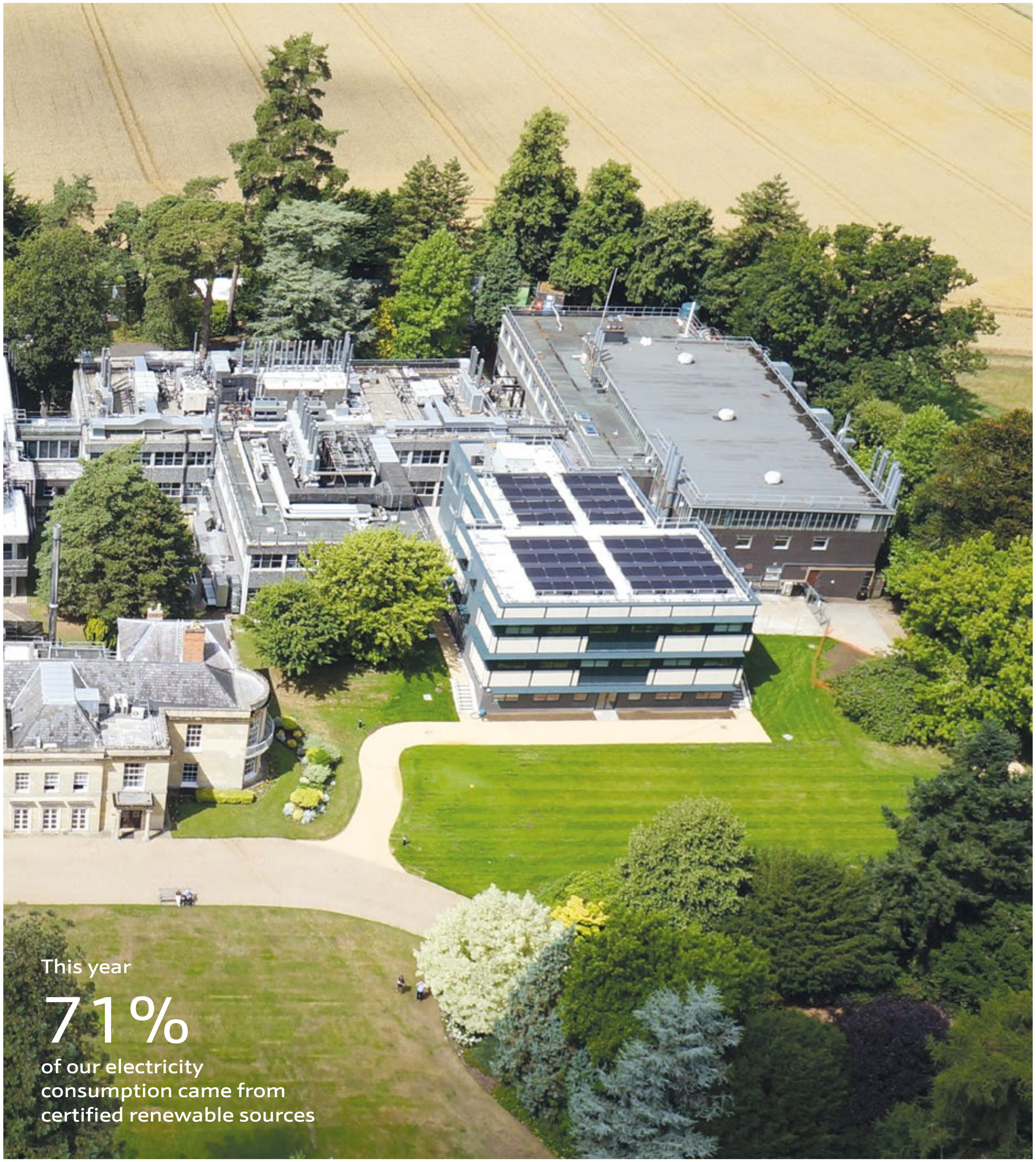
We have a set of sustainable engineering principles, which we apply to our engineering and capital projects using a rigorous assessment process to ensure sustainability metrics are considered alongside financial metrics for all of our capital investments. For example, we have replaced a gas fired calciner with an electric equivalent which will reduce the carbon footprint at our Emmerich, Germany site, see case study on page 28.

Three of our largest manufacturing sites also make electricity using combined heat and power plants (CHPs) to optimise our energy efficiency. Although these run off natural gas, our CHPs generated 29,570 MWh of our total electricity this year, reducing our energy demand on grid electricity.

Renewable energy

This year 71% of our electricity consumption came from certified renewable sources, compared to 57% in 2023/24. This increase was due to additional full year renewable energy purchases in Mexico and a full year of purchase in China, India and North Macedonia. We have therefore achieved our ambition of purchasing 60% of our electricity from certified renewable sources by March 2025 and are on track to achieve 90% of our electricity from certified net zero carbon sources by 2030.

We continue to use green tariffs to ensure renewable electricity consumption in Europe and the US, and recognised Energy Attribute Certificates in regions such as India and China. We explore Power Purchase Agreement opportunities in regions where this procurement option is available. We benefit from some on-site generation as part of the current energy portfolio in a number of sites, and this year we have had a total of 531,225 kWh capacity of self-generated solar energy compared with 363,055 kWh in the prior year.



JM's site in Sonning, UK.

Planet: Protecting nature and advancing the circular economy

We have committed to promoting nature protection, restoration and sustainable use of natural resources. Our corporate commitments are described in our Nature statement, found at matthey.com.

Circularity is an essential part of the net zero transition, and as the world's largest secondary PGM refiner we will play a crucial role in securing the metal needed to supply existing and future demand.

For further information:

For data see our Sustainability Performance Databook; matthey.com/sustainability-databook

Our goal: Conserve scarce resources

We helped create one of the world's first circular economies in PGMs and our use of secondary, or recycled, PGMs is helping to significantly reduce the emissions and environmental impact associated with mining these vital materials; see page 14 for more details on secondary PGMs.

We are also applying our longstanding recycling expertise to sustainable technologies that utilise PGMs, such as fuel cells and electrolyser stacks. This will allow us to create a continuous loop of PGM availability for the hydrogen product economy.

Our performance in 2024/25

We set a 2030 target of 75% recycled PGM content in our products, and in 2024/25 this number was 76%. The sharp increase overall from the prior year reflected both a decline of primary metal intakes into our circuits, offset by a greater volume and mix of secondary scrap. Internal metal flows directly from our refinery to internal sites also increased, reducing the need for external stocks (i.e. primary) to satisfy demand. As stated previously, we expect this performance metric to remain fluid as market flows of metal rise and recede.

Closing the PGMs loop to meet our customers' evolving sustainability demands remains our driver, and will play an important role in the transition to net zero. We offer specific customers across JM the option to purchase 100% recycled PGM content through our mass balance approach. Our HyRefineTM technology integrates both the PGM catalyst and catalyst coated membrane (CCM) manufacturing processes, recycling both the PGM and the ionomer together. This enables us to provide our customers with a full service offering.

Sustainability Champions

Our voluntary employee network of Sustainability Champions, now in place for almost two years, is growing from strength to strength. This group comprises employees who are deeply engaged and passionate about sustainability. Supported by the central sustainability team, our champions are already driving local initiatives and looking ahead, we aim to maintain a balance between corporate involvement and a bottom-up approach to sustainability. Impact on nature is by definition a local issue, and this network offers valuable grassroots insights into where the risks and opportunities are.

Earth Week

We celebrated Earth Week by challenging our colleagues to commit to a simple week-long sustainability pledge, such as turning off home appliances overnight. Pledges were received globally from across over 30 of our sites.

Nature Action Plan

We have continued to make progress against our Nature Strategy, and this year we completed a Nature-related Risks and Opportunities Assessment for all our operations globally. This global study provides us with an overview, and relative ranking, of our operations' risks to nature, allowing us to prioritise sites with the highest relative risk.

The study informed the first of our site-specific interventions, piloted at Clitheroe, UK, with a local site action plan agreed to improve our impact on nature.

We have developed internal guidance on the use of plastic to support local activities at our sites to reduce our plastic footprint, and to guide local action. The document outlines our approach to plastics use, our ambition to reduce its impact across our value chain and practical steps to take at a local level.

Our goal:
Minimise our environmental footprint

We are committed to protecting the ecosystems around our sites and minimising all our potentially harmful interactions.

Our global environmental, health and safety (EHS) policies, processes and management system help us to maintain a high level of environmental performance. All our sites are assessed against these standards by our centralised EHS audit team at least once every three years. 92% of our manufacturing sites use environmental management systems that are certified as meeting ISO 14001 standard, as at 31st March 2025.

Minimising waste: reduce, reuse, recycle

We are committed to minimising waste generation and recycling as much as possible. Waste from our operations is always treated in line with local regulations. But beyond that we are committed to disposing of it responsibly and in a safe manner, working with specialist treatment companies.

Total waste sent off site has decreased this year by 15% compared with 2023/24 mainly due to improvements made to the UK refinery wastewater treatment plant, resulting in less waste being generated at the site.

We continue to work with third-party waste providers, looking for opportunities to divert our waste away from disposal.

The ongoing investment planned in our new PGM refinery in the UK will be a significant project towards meeting our 2030 target on hazardous waste reduction.

We have established processes to recover PGMs from our production waste and subsequently recycle in our own refineries.

Using water responsibly

This year our net water consumption decreased by 9% compared with last year.

To understand where we should act first for the most benefit, we use the World Resource Institute's (WRI) Water Risk Atlas tool to analyse usage at our sites. This year the tool identified 12 manufacturing facilities which are located in regions with a high or extremely high baseline water stress level. This means that they are at higher risk of declining water availability or increased cost in the future due to drought or groundwater table decline. The 12 manufacturing facilities accounted for 344,121 m^3 (23%) of our net freshwater consumption in 2024/25.

We discharged 1 million m^3 wastewater during the year, compared to 1.2 million m^3 in the prior year, 95% to municipal treatment plants and the remainder back to its original freshwater source after treatment. We treated 0.9 million m^3 of wastewater on site, of which we recycled 39% back into our manufacturing processes instead of discharging.

We seek to minimise the chemical burden in our wastewater discharged.

Incidents of note

During a routine transfer of diesel from a bulk storage tank to a smaller operational day tank at our Taloja site in India, there was a failure in the overfill control system. This resulted in the release of approximately 4,000 litres of diesel. The site enacted its emergency plan to assess the extent of the release and to recover the majority of the spilled fuel. The site continues to work with third-party specialists to monitor the area local to the spill.

Two of our sites have received reportable fines for breaches against environmental legislation. The sites are currently appealing these decisions.

JM's site in Perstorp, Sweden.

People: Promoting a safe, diverse and equitable society

We rely on our 10,000+ talented employees to drive our purpose. Ensuring that they are fulfilled in their careers, work safely and return home well to their families each day is our number one priority.

For further information:

- See our EHS policy, which applies to everyone who works for us, at: matthey.com/ehs-policy
- See our Diversity, Equity, Inclusion and Belonging Policy: matthey.com/DIEB
- For product stewardship, health and wellbeing, human rights and ethical standards, responsible sourcing, community investment and stakeholder engagement see our website and Sustainability Performance Databook: matthey.com/sustainability-databook
- For more information regarding gender, age and ethnicity of our people see our Sustainability Performance Databook: matthey.com/sustainability-databook

Our goal: Keep people safe

The nature of our business means we have complex chemical processes that often involve heavy machinery and hazardous chemicals. Our ability to catalyse the net zero transition depends on the mitigation of potential risks and the safe operation of our manufacturing sites, laboratories and office environments.

'Take 5', our key behavioural based safety programme, continues to drive positive improvements in EHS culture by equipping colleagues with a user-friendly tool for considering risk in all aspects of work. During 2024, we ran a targeted global action plan that focused on a key risk area: hand injuries. The hand safety global action plan comprised enhanced reporting measures, personal protective equipment initiatives, site-specific tooling drives and hand-specific safety stand downs. We saw a 21% reduction in the number of hand injuries across JM during the campaign.

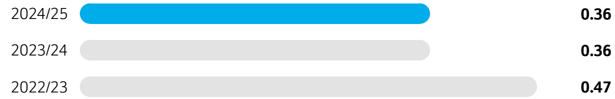
In 2024, the group strengthened its second line of defence by bolstering regional support for our facilities. This included reinforcing regional teams who co-ordinate and co-develop improvement initiatives that address common EHS challenges such as ergonomics and job risk analysis. This expanded regional support has increased our capacity to not only identify and mitigate EHS risks, but proactively document and remediate operating procedures, ensuring lessons learned are embedded, even where local resource can be constrained.

Our occupational health and safety performance

Lost time injury and illness rate (LTIIR) remained consistent at 0.17. In our total recordable injury and illness rate (TRIIR), covering both employees and contractors, we maintained a rate of 0.36. We achieved consistent TRIIR year to year amid ongoing business transformation; this reflects the effectiveness of our regionalised EHS approach, the 'Take 5' programme and the impact of our annual Global Safety Day – supported by local campaigns targeting site-specific issues.

We have had no fatalities since 2015.

TRIIR (employees and contractors)



Our process safety performance

Our International Council of Chemicals Association (ICCA) process safety event severity rate (PSESR) has decreased from 0.88 last year to 0.82 PSESR per 200,000 hours worked, which is a reduction of 7%. There were two Tier 1[1] process safety events this year, compared to three the previous year. This reduction is due to an improved governance process for our high risk process safety scenarios and a clear focus on PSESR reduction at key production facilities. The group Process Safety team has been integrated into the group Engineering team, allowing greater synergies to address implementation of process safety requirements at site level more effectively, such as asset integrity and installation of modern automated control systems.

We continue to reinforce process safety across JM, with training having been completed by key operations-based staff and additional in-depth training for managers and senior executives. As part of the Engineering Duty Holder programme, all sites have appointed a Process Safety Duty Holder who will embed process safety further into site daily operations.

All of our high hazard facilities have now been subject to a formal group process safety audit within the last five years.

Global Safety Day 2024

JM teams allocate an entire day to focus on safety. Our third annual Global Safety Day event was dedicated to the theme of 'Every Choice Counts', emphasising the significant impact that every decision made by colleagues can have on safety outcomes, whether positive or negative. The day included interactive workshops and discussions where team members shared personal experiences and best practices. For the third year in a row, there is a positive impact on our leading EHS indicators following the Global Safety Day.

1. A Tier 1 process safety event (T-1 PSE) is a loss of primary containment (LOPC) with the greatest consequence as defined by American Petroleum Institute recommended practice (RP) 754.

Our goal:
Create a diverse, inclusive and engaged company

We are continuing to make progress in creating a more customer focused, agile and less bureaucratic company, where our people can feel safe doing their job and empowered to add value.

Building an engaged, high-performance culture

At the launch of our 'Play to Win' strategy in 2022, we identified three aspects of our culture that we needed to enhance:

Take accountability

Keep it simple

Drive results

It is critical that our leaders in JM, at all levels, are at the forefront of accelerating these behaviours throughout the organisation.

A key initiative for building high performance continued to be our 'Play To Win Through People' workshops for our people managers and influencers. Following the launch in 2023, we continued the campaign this year with a third series of workshops. The workshops focused on creating followership to our strategy, commitment to our mission and vision and the role that each of us plays to build a strong customer experience. Approximately 700 people managers have completed the workshop this year and a further 1,000 managers and supervisors in our plants will participate next year.

Volunteering in support of Leaves Breathe.

Celebrating Global Safety Day at JM's site in Queretaro, Mexico.

Taking part in the Thames Path Ultra Challenge in London, UK.

Supporting our people's professional and personal growth remains at the core of our commitment as an employer. During the year we undertook a series of activities to support this, including continued work to strengthen succession into critical leadership roles, ongoing investment in the pipeline of future leaders through our graduate programmes, various talent accelerator programmes, and broad development initiatives including commercial training and business skills programmes.

To support and reinforce all these initiatives we continued our focus on building an engaged organisation, utilising yourSay, our global all-employee surveys, to monitor progress. During the year we ran a yourSay pulse survey in October 2024 and a full survey in March 2025. While yourSay serves multiple purposes, an important one is to provide our managers with input on how to lead their teams through change whilst providing ongoing feedback, recognition and development. The recent engagement survey met the target of 7.2 for 2024/25.

Since the relaunch of our engagement survey in 2023, we have seen increased participation to a record high of 86% in the full annual survey. Furthermore, teams are sharing that more discussion is happening on how to improve engagement and the number of concrete actions taken has increased for the second year in a row.

In the context of significant organisation changes and challenging market conditions, the continued evolution of an engaged and high-performance culture will support JM through strategy execution and further transformation.

Advancing diversity, inclusion and belonging

A high-performance culture requires diversity of thought, background and representation in teams, as well as a culture of inclusion and belonging. This year we have continued to take steps to ensure our diversity, inclusion and belonging (DI&B) journey is meaningful, highlighting its proven link with high-performing teams and business success. We have continued to drive activities in line with our DI&B roadmap to progress towards achieving our sustainability goal, targets and commitments.

See our Diversity, Equity, Inclusion and Belonging Policy: matthey.com/DIEB

Volunteering in support of a local community farm initiative in Shanghai, China.

Developing and attracting talent

Our female representation at all management[1] levels is 32%, an improvement on last year's 30% and a step forward towards our target of 40% by 2030. Ethnic minority representation at senior management[2] level is 13%, an improvement on last year's 9%.

Our Talent Acquisition and DI&B teams have continued to leverage external partnerships to source and attract the best talent from a diverse range of backgrounds. To support recruitment in our new engineering centre in Mumbai, we partnered with a local company, Qween, to help to raise our visibility in the area as an inclusive employer and source talented female engineers to join our business. We signed new partnerships with Evenbreak and myGwork to engage with and attract professionals with disabilities or long-term health conditions, and LGBTQIA+ professionals respectively.

In September 2024, we launched a project to explore inclusivity in our executive search process for hiring senior leaders. Utilising an external self-diagnostic survey (Search 2.0 Index), we invited 43 senior business and HR leaders to evaluate where JM is in relation to world-class practices in leadership appointments, with a focus on our practices across four key areas of the senior hiring process. We scored an 'Advanced' rating, with valuable insights provided into areas of good practice and recommendations for further improvements. In 2025, we will continue to work through the recommendations to further drive diversity and inclusion in our executive search process.

During the year, we continued to focus on how we remove barriers to progression, providing access to several development programmes for employees. We expanded our 'Elevating women in leadership' programme to include 40 colleagues from around the globe, and supported 27 Black, Asian and ethnic minority employees who completed either the Network of Networks UK talent acceleration programme or the McKinsey connected leadership development programme in the US.

1. All employees whether they are a people manager or not, at a minimum compensation grade.
2. For the purposes of the ethnic minority representation target our senior managers are defined as Group Leadership Team (GLT) and direct reports of the GLT.

Finalists at the British Diversity Awards.

Engagement score of 7.2 in June 2024 remained at

7.2/10

in March 2025

'Taking action from last survey' score improved from June 2024 to March 2025 by

+0.4

to a score of 7.5/10

Say Thanks:

91%

of all employees in JM have accessed the portal and employees have received four recognition moments on average through the year

Engagement and involvement

Our DI&B events structure continued to drive awareness and engagement amongst employees around the globe. In partnership with our nine Employee Resource Groups and global DI&B ambassadors, we organised successful virtual and in-person events and campaigns around International Women's Day, LGBTQIA+ Pride Month, Hispanic Heritage Month, Black History Month and International Day of Persons with Disabilities. The theme for our second Global Inclusion Day was 'Inclusion starts with me', with a strong focus on the importance of allyship and personal accountability, and we saw increased participation with the organised activities.

Disability inclusion

This year we continued with the roll out of our disability inclusion training, running sessions for several security teams across the UK. In partnership with our global facilities team, several UK offices completed self-assessment accessibility audits and using this data, we plan to run further independent audits in 2025 to aid in the gathering of recommendations that we can implement.

In the year we engaged Business Disability Forum to perform a review of our capability in making IT workplace adjustments for colleagues with disabilities. The report provided recommendations to help us on our journey to best practice, which we are working on implementing in the financial year.

Task Force on Climate-related Financial Disclosures

Introduction

In an increasingly volatile environment, where the global cost of climate change is increasing, it is more important than ever to understand the associated risks and opportunities, and what they mean for JM.

As our company purpose is to catalyse the net zero transition for our customers, any significant change in the pace of the transition, or the way we adapt and decarbonise our own activities, can have an impact on our financial performance. We therefore outline in this report how we model climate scenarios and assess the related risks and opportunities; we also describe our approach to risk mitigation and tracking, and how the underlying processes are embedded within our organisation.

The disclosures in this report are consistent with the TCFD recommendations.

Governance

Given the nature of our business, and how closely aligned our strategy is to a warming world, climate-related risks and opportunities have been on the board's agenda for many years.

Role of the board and its committees

The board is responsible for setting and overseeing the implementation of the group's strategy, including the annual budget and detailed business plans. In doing so, it considers climate-related issues, including when approving requests for capital expenditure or new initiatives.

The responsibilities of the board and its committees in relation to climate-related issues and the broader sustainability agenda are set out in our Matters Reserved for the Board and in our Audit Committee and Societal Value Committee (SVC) Terms of Reference.

Governance structure for sustainability issues

Level	Committee/forum	Attendees and frequency	Objectives	
Board	Societal Value Committee	• Committee members • Chief Sustainability Officer (CSO) • External experts as required Frequency: four meetings a year	• Formal board governance committee on sustainability • Gives direction and oversight of ESG strategy, goals, performance	Representation for sustainability topics in parallel board committees
GLT	Group Leadership Team (GLT)	• GLT members • CSO Frequency: at least four updates on sustainability-related topics a year	• Determines global sustainability strategy and goals • Monitor roadmaps and ensure resources in place to deliver strategy and targets	
Business	Sustainability Council	• CSO • Sustainability managers • Operations and commercial sustainability leads • Sustainability initiative owners from global functions Frequency: monthly	• Build and agree roadmaps to targets • Ensure delivery of roadmaps • Discuss new and emerging topics • Ensure customer needs on sustainability are proactively met	Sustainability leads by business and function
Other internal stakeholders		• Sustainability champions • OneJM scenarios team Frequency: As required	• Encourage grassroots initiatives • Ensure our strategy is based on the latest understanding of climate scenarios	Other internal stakeholders

In addition to the internal stakeholders listed above, we regularly engage with external stakeholders, such as think tanks and non-profits, to ensure our sustainability strategy is built on a concerted approach.

During the year the board established an Investment Committee to reinforce the Company's investment strategies and capital allocation. This includes reviewing and recommending approval of significant investment programs and giving consideration to strategic alignment with the group's priorities.

The Societal Value Committee (SVC) focuses more closely on the governance of sustainability matters, including our response to climate change. The SVC meets four times a year; see pages 80 to 82 for composition and more information about its work in 2024/25.

Together with the Nomination Committee, the board ensures that, among the directors, it has the necessary sustainability and climate-related expertise.

See the Matters Reserved for the Board and Terms of Reference for our committees within the Corporate Governance Framework document on our website: matthey.com/governance

→ For more details of our non-executive directors' skills and experience, see pages 57-59

The Audit Committee monitors and assesses the level of assurance over TCFD and climate-related issues and performance metrics. The committee is also responsible for reviewing the effectiveness of internal control and risk management, which includes climate-related risk.

The Remuneration Committee set three ESG targets within the group's long-term Performance Share Plan (PSP) for 2021/22 vesting in 2024/25: two climate-related targets and a DI&B target. Our senior leaders and directors participate in this PSP. This clearly reflects our intent to contribute to an acceleration of the transition to a net zero world and create a diverse, inclusive and engaged company. Details of the PSP targets set for 2025 can be found on page 101.

Role of management

The board delegates responsibility for running the business to the Chief Executive Officer; this includes overall responsibility for climate-related issues. The CEO is supported by the CSO and the Sustainability Managers who together develop our sustainability vision, goals and targets.

The CSO is responsible for prioritising our sustainability agenda and threading all elements into our business, providing updates to the GLT on the steps taken to develop and implement our sustainability strategy, including key metrics, risks, opportunities and our roadmaps to net zero by 2040.

At a business level, there are work streams for advancing specific aspects of sustainability.

→ For more information on our governance structure see page 61

Strategy

Our business strategy is based on our purpose of catalysing the net zero transition for our customers through enabling the necessary transitions in the energy, chemicals and transport sectors, underpinned by circularity. Climate change offers us many business growth opportunities through our products and services, as well as some risks. However, the pace at which the world will adapt to the impacts of climate change is uncertain. So that we properly understand and are resilient to these uncertainties, we maintain climate-change scenarios to frame the ambiguities in our long-term business strategy of an increasingly volatile and complex environment.

Climate scenarios for evaluating transition risks and opportunities

Our climate scenarios are used by all our businesses as a common basis for planning, forecasting and stress testing their strategy and assumptions on growth. These scenarios, which project the impact of climate change on our operational and commercial performance, are essential in informing our strategic decisions, such as how we invest in R&D and assets, or which new products to develop. We also use climate scenarios to consider the resilience to changing weather patterns of our own operations, those of our strategic suppliers and our core supply routes.

Our three transition scenarios represent three global temperature rise pathways.

- **Rapid transition scenario** (aligned to 1.5°C) – net zero achieved globally by 2050, in line with the goal of the Paris Agreement to limit the world's temperature rise to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C. This reflects swift and decisive action regarding policy interventions and decarbonisation commitments.
- **Pragmatic evolution scenario** (aligned to 2°C) – net zero achieved globally by 2080, which reflects a step-up in policy interventions and decarbonisation commitments compared with today, but not as decisive as under the rapid transition scenario.
- **Slow transition scenario** (aligned to 3°C) – net zero not achieved by 2100, reflecting a global lack of urgency on climate change with limited policy or legislative interventions.

We developed our climate scenarios internally, with support from external experts, and also using the latest available research from the International Energy Agency (IEA). The IEA inputs included three scenarios: the Net Zero Emissions Scenario (supporting our rapid transition scenario), the Announced Pledges Scenario (supporting our pragmatic evolution scenario), and the Stated Policies Scenario (supporting our slow transition scenario). Our methodology breaks down the different energy sources (electricity, hydrogen, gas, coal, oil, renewables, biomass and others) and considers forecasts for each source by demand type: transport, buildings, industry, power and heat. We developed in-house forecasts for specific source/demand combinations close to our areas of expertise in automotive, chemicals, hydrogen and other industries, while ensuring that, at a macro level, we remained within the IEA's forecasts. During the last few years we have also started to link availability of critical raw materials to our scenarios, since this will likely have a significant impact on the rate at which the clean energy transition progresses, and allows us to consider risks associated with both direct access to such materials and potential geopolitical impacts to such access.

We update our scenarios at least annually to reflect changes in external drivers, incorporating the latest from internationally recognised sources alongside our own forecasts. Our updates in the last year point towards a reduction in demand for hydrogen overall and for clean hydrogen in the medium to long-term across scenarios due to regulatory/policy uncertainty in the US and various headwinds in Europe that are resulting in slower roll out of (particularly) electrolytic hydrogen projects than previously anticipated. We are also seeing reduced demand for fuel cell-based cars.

In other areas, we are seeing the introduction of key legislation driving the uptake of sustainable fuels in the aviation and maritime sectors. For example, at the beginning of 2025 both the EU and UK introduced legislation mandating the use of sustainable aviation fuel (SAF) as a proportion of aviation fuel dispensed at EU and UK airports – with the proportion of SAF increasing progressively from 2025 through to 2050 (EU) and 2040 (UK). Many other countries are also looking at similar approaches; in fact, discussed and adopted SAF policies cover around 75% of aviation fuel demand globally, so there is clearly much more to come in this area. SAF regulations also drive the uptake of electrolytic hydrogen since this is used in the production of most forms of SAF. We also see a continued focus on the potential for hydrogen-powered aviation in the longer term (post 2035), both using hydrogen in gas turbines and in fuel cells.

In addition, at the beginning of 2024, CO_2 emissions from large ships calling at or departing from ports in the European Economic Area (EEA) have been included in the EU's Emissions Trading System (ETS), which will act as a future driver for maritime decarbonisation. Furthermore, the International Maritime Organisation recently increased its emissions reduction ambitions, from a 50% reduction by 2050 (compared to the 2008 baseline year) to an intention "to reach net-zero by or around, i.e. close to, 2050". Two of the main fuels under discussion to drive the decarbonisation of the maritime sector are e-methanol and e-ammonia, both of which will also require significant quantities of electrolytic hydrogen.

We model scenarios up to 2100, but look at shorter-term horizons, specifically 2030 and 2040, to inform our strategic and operational decisions. In the shorter term we also consider the impact of factors such as higher interest rates and current lack of policy clarity on the ability of projects to move towards a Final Investment Decision, which can impact near-term energy transition developments. The table below details the main qualitative and quantitative assumptions we used for our 2040 scenarios. We use the pragmatic evolution scenario as our base case for our strategic planning.

Climate scenarios for evaluating physical risks

Changing weather patterns as the climate warms may result in physical risks to our assets and supply chains. We have evaluated the exposure of all our assets, with specific deep dives where needed, and those of our strategic suppliers to these risks.

We used the Shared Socio-economic Pathways (SSPs), the latest climate change modelling scenarios from the Intergovernmental Panel on Climate Change (IPCC). The SSPs produce forward-looking climate data by running climate models driven by assumptions about future global GHG emissions, together with plausible future socio-economic development metrics (economic growth/GDP, demographics, land use and urbanisation), and incorporating the likely implementation of adaptation and mitigation measures. The three SSPs we considered, for the locations of all our own operations and those of our strategic suppliers, are shown in the table below. Four time horizons were considered – 2020 (our baseline), 2030, 2040 and 2050 to identify the top hazards and how they are likely to change.

Scenario	Assumed temperature increase (relative to 1850 – 1900)
SSP 1-2.6	Best estimate of 1.7°C warming by 2041—2060, and 1.8°C by 2081—2100
SSP 2-4.5	Best estimate of 2.0°C warming by 2041—2060, and 2.7°C by 2081—2100
SSP 5-8.5	Best estimate of 2.4°C warming by 2041—2060, and 4.4°C by 2081—2100

SSP 5-8.5 is an extreme scenario that is unlikely to arise, but is useful for stress testing. We use it to test the resilience of our key sites.

Market sector	Metric (2040)	Unit	Rapid transition	Pragmatic evolution	Slow transition
Global	Total energy supply[1]	Exajoules (EJ)	c. 540	c. 620	c. 690
	Renewables supply[1] (excluding use of biomass)	% of total energy supply	c. 58%	c. 40%	c. 27%
Automotive	Global sales of zero-emissions vehicles	% of total automotive sales	c. 90%	c. 75%	c. 45%
	Global sales of fuel cell electric vehicles	% of total automotive sales	c. 1.5%	c. 1.0%	c. 0.5%
Hydrogen	Global hydrogen production	Mt p.a.	275 – 325	225 – 275	175 – 225

1. IEA World Energy Outlook 2024.

Our climate-related transition risks and opportunities

We have updated the potential climate-related impacts representing both risks and opportunities for our business. These impacts are related to JM's ability to develop and bring solutions to market meeting the needs of our customers, to lower the carbon footprint of these solutions and to protect our reputation.

We used our pragmatic evolution climate scenario as the base case to evaluate these impacts in the short (0 – 3 years), medium (3 – 10 years) and long-term (10+ years). These timeframes were defined taking into account our financial planning horizons (see page 54) and climate change impacts.

Primary driver of impact	Opportunities (with time horizons)	Risks (with time horizons)	Management of impacts[1]	Impacts
1. Market factors, customer demand and margin sustainability				
Regulation Emissions standards for vehicles and phase out of internal combustion engines Government support to sustainable solutions (e.g. sustainable aviation fuels, clean hydrogen, bio-based feedstocks), including targets or mandates, production incentives, or support to infrastructure development National strategies related to sustainable solutions **Markets** Shifts in customer preferences	Product-related opportunities: **Energy** • Performance-dictating components for electrolytic hydrogen generation (short-term and beyond) • Processes, equipment and catalysts for the production of sustainable aviation fuels (short-term and beyond) and other sustainable fuels • PGM-based technologies enabling the energy transition, along with recycling solutions enabling circularity (short-term and beyond) **Chemicals** • Low carbon solutions for the chemicals industry (e.g. CCUS-based hydrogen, processes and catalysts reducing carbon intensity) (short-term and beyond) **Automotive** • Performance-dictating components for fuel cells vehicles (medium-term and beyond) • Emission control catalysts for hydrogen combustion engines (medium/long-term)	Without adaptation of our portfolio and operations, there is a risk that we may not have a financially viable future business model as society transitions to net zero. Main risks include: • Inability to invest and scale up rapidly to meet demand from new sustainable markets (short/medium-term) • Uncertainty in the rate of market evolution and technology adoption, including the penetration of sustainable fuels and hydrogen technologies, which could affect profitability (short/medium-term) • Reduced demand for existing autocatalyst products for internal combustion vehicles (medium/long-term) • Inability to optimise costs to ensure a sustainable business model (to reduce the price premium of some sustainable solutions)	We focus on managing our portfolio dynamically, while increasing our focus on cost: • Closely monitoring the changing market environment drivers including evolving government policy on hydrogen, emissions standards, carbon taxation and incentives • Updating our climate scenarios at least once a year to inform our strategic decisions • Keep investing in innovation to make sure we have products that differentiate us in all our markets • Our transformation has delivered £200 million of cumulative cost savings by end of 2024/25 • We established an Investment Committee at board level to reinforce JM's investment strategies and capital allocation	**Financial impacts (after management)** Impact on underlying operating profit could be high, as most of our portfolio is dependent on the pace of the energy transition **KPIs to monitor impacts** • Tonnes of GHGs avoided by customers using our products • % sales aligned with SDG 7 and SDG 13 • % R&D spend aligned with SDG 7 and SDG 13 • Cumulative cost savings from our transformation programme

1. Impact management activities described in this column are all ongoing or have been implemented.

Note: Risk 1 has been updated this year to include margin sustainability. It is aligned with our principal risk 9 on page 51.

Task Force on Climate-related Financial Disclosures continued

Primary driver of impact	Opportunities (with time horizons)	Risks (with time horizons)	Management of impacts[1]	Impacts
2. Increasing demand for low carbon manufacturing				
Markets Shift in customer preferences towards products with a low carbon footprint **Regulation** EU REDIII (mandates 42% of all industrial hydrogen used in EU must be green by 2030) Carbon taxation mechanisms in countries of operation, e.g. ETS and Carbon Border Adjustment Mechanism Rules on recycled content of consumer goods and the need for companies to declare the carbon footprint of their products	• Commercial advantage if we adapt our manufacturing plants to low carbon operation faster than our competitors (short/medium-term) • Save future carbon taxation costs, which will reduce operating costs and give us price advantage as schemes become more widespread and expensive (medium-term) • As the world's largest recycler of secondary PGMs, we could benefit from the increased demand for goods with low carbon and/or recycled critical raw material content (short/medium-term)	Medium-term risk that we cannot transition our operations and supply chain for net zero at the correct pace to meet customer demand for low carbon products. • Loss of customers and failure to attract new customers due to reputational damage if we do not transition fast enough to cleaner energy solutions in our operations (medium/long-term) • Greater capital required to upgrade our assets and site infrastructure to transition to low carbon manufacturing (medium-term) • Inability to engage suppliers to reduce Scope 3 emissions; PGMs market conditions leading to an increased share of primary PGMs used in our products • Inability to access the alternative renewable energy sources needed to reduce natural gas use in our operations (medium/long-term) • Loss of competitive advantage due to increased costs to us and our suppliers of goods and logistics due to carbon taxation on raw materials and fossil-fuel derived energy (medium-term)	• We have set challenging 2030 GHG reduction targets, in line with a 1.5°C trajectory, and published roadmaps to decarbonise our manufacturing operations • We are actively engaging with our suppliers to reduce our Scope 3 emissions, and have defined our Responsible Sourcing Principles • We consider an internal carbon price for our capital investment decisions and the GLT considers sustainability reviews of all investment decisions of £5 million and above to help us make the right choices for decarbonising our operations for net zero in the long term • We regularly review global carbon pricing trends and ensure our long-term scenarios are consistent with different levels of carbon prices • We monitor trends in customer requests for product carbon footprint, Life Cycle Assessment (LCA) and recycling information	**Financial impacts (after management)** Exposure to direct carbon taxation on our manufacturing operation is not forecast to be material in our three-year viability period **KPIs to monitor impacts** • Scope 1, 2 and 3 GHG emissions (target set for 2030) • Current and forecast direct exposure to carbon taxation in 2030 for our operations
3. Increasing stakeholder expectations of corporate climate policy and performance				
Reputation Increased concerns or negative feedback from stakeholders **Legal** Exposure to litigation	• Developing and delivering robust climate policy will increase our long-term business resilience, attracting shareholders and employees aligned with our values (short-term and beyond) • Delivering our net zero commitment and science-based targets will help us demonstrate sustainability leadership, and increase our profile with new customers and shareholders (medium-term and beyond)	• Corporate sustainability commitments are increasingly monitored by external and internal stakeholders. Failing to meet stakeholder expectations could damage our reputation, losing us customers, making it difficult to attract and retain staff, and ultimately increasing the risk of shareholder action (medium/long-term) • Risk that our plans for meeting our sustainability commitments are not deemed sufficiently detailed or credible (short/medium-term) • Risk that we fail to meet these commitments (medium-term)	We continue to monitor and manage the expectations of our stakeholders as follows: • SVC monitors our governance of climate-related issues • Developing and monitoring a net zero roadmap to 2040, with targets set for 2030, supported by detailed roadmaps updated in 2024/25 • Maintaining a regular dialogue with investors, non-profit organisations and legal advisers • Market scanning and benchmarking of targets to ensure the robustness of our climate-related policies and commitments	**Financial impacts (after management)** Impact on underlying operating profit could be high, reflecting the growing regulatory focus on sustainability reporting (e.g. greenwashing claims) **KPIs to monitor impacts** How we score on leading ESG platforms: • CDP Climate score • DJSI, EcoVadis, Sustainalytics and MSCI ratings • Progress towards our 2030 sustainability targets for GHG emissions

1. Impact management activities described in this column are all ongoing or have been implemented.

Task Force on Climate-related Financial Disclosures continued

Our climate-related physical risks and opportunities

Changing weather patterns as the climate warms may result in physical risks to our assets and supply chains. They could damage our sites and disrupt production, leading to loss of sales and increased costs, as well as posing risks to our employees. They could also hamper our access to strategic raw materials through supply chain disruption, either at our suppliers' sites or in transit. These physical risks can be grouped into two categories:

Acute, which are extreme events such as tropical cyclones, thunderstorms, severe flooding events, droughts, heatwaves and wildfires.

Chronic, which are gradual changes like rising sea levels that damage coastal property, or sustained changes to temperature and rainfall.

Primary driver of impact	Opportunities (with time horizons)	Risks (with time horizons)	Management of impacts[1]	Impacts
4. Disruption to our operations resulting in damage to or loss of assets, increased costs and harm to our employees				
Physical risks (acute and chronic) Increased frequency, severity and variability of extreme weather events and natural disasters	• Competitive advantage by improving our business resilience and controls through diligent climate-related screening of assets, and integration with business continuity plans (medium-term)	• Damage to our key sites, equipment or stock from severe weather (wind, rain and drought) if any increased risk is not effectively mitigated, leading to disruption of supply to our customers (medium-term) • Insurance of our sites could become inadequate or more expensive if a site is at very high risk of weather-related disruption (medium-term) • Increased employee EHS incidents if sites are not adapted to increased risk of heat wave (medium-term)	• Having completed five deep-dive physical climate risk assessments at some of our most important manufacturing sites identified as being located in areas with increasing risk from climate change, this year we have embedded this risk into our principal risks and asset integrity programmes for all sites • The physical risk assessments and associated action plans are part of our global enterprise risk management process, ensuring progress is tracked and reported and the climate risk is integrated into individual site risk management and risk ownership • Integration of weather-related risks in business continuity plans and follow-up action plans • Climate change assessment considered as part of due diligence for new investments for growth • We use the WRI tool to monitor where clean water availability could be at risk in the long-term, see page 31 • We regularly review the type and limit of insurance available for climate risks to our portfolio	**Financial impacts (after management)** • High-level analysis of our ten most critical locations shows that there is no material financial impact from climate change risks on the quantifiable hazards (flood and windstorm in the medium-term) **KPIs to monitor impacts** Proportion of physical asset value exposed to a climate change-related high or very high hazard level by 2030: • Number of sites in water-stressed areas • Amount of water consumed in areas of high or extremely high baseline water stress

1. Impact management activities described in this column are all ongoing or have been implemented.

Task Force on Climate-related Financial Disclosures continued

Primary driver of impact	Opportunities (with time horizons)	Risks (with time horizons)	Management of impacts[1]	Impacts
5. Disruption to our supply chain (upstream and downstream) hampering our access to strategic raw materials (including metals) and products, and increasing costs				
Physical risks (acute and chronic) Increased frequency, severity and variability of extreme weather events and natural disasters	• Engaging with our suppliers to help them manage climate risks to their sites could enhance our relationships with them and save us money (medium-term) • Increase in business resilience through more diligent and frequent screening of our suppliers' assets (e.g. through integration with business continuity plans) (medium-term)	• Disruption of supply of key raw materials risks our ability to deliver goods on time to customers, resulting in loss of sales and future business and damage to our reputation (medium-term) • Insurance cover of suppliers is inadequate, and uncertainty over the future level of increased risk responsibility that will be assumed by suppliers and/or JM relating to climate risks, or if physical risks should be transferred (medium-term)	• Climate risk is integrated into our principal risk management structure and supplier partnering framework. We aim to annually review the risks identified, supplier remediation plans and alignment with company and category strategies • Our approach in case of high risks related to climate emergencies is to work with strategic suppliers to integrate specific climate mitigating actions to improve their resilience or switch to alternative suppliers • We ensure that the type and limit of our suppliers' insurance is in line with our own risks and external obligations (medium term) • Our emphasis on dual sourcing at supplier and site levels enables us to have a more resilient portfolio	**Financial impacts (after management)** Impact on underlying operating profit could be high, in the case of unscheduled downtime at multiple sites, or prolonged downtime at a single site **KPIs to monitor impacts** Number of weather-related supply chain disruptions

1. Impact management activities described in this column are all ongoing or have been implemented.

Risk management

1

Identifying climate-related risks

We have established a cross-functional group to annually review our TCFD risks and identify any new risks or dimensions to be included in existing risks, based on industry benchmarking, input from business leads and subject matter experts, and our company's principal risks framework (see page 47 for more details).

We believe our climate risks are in line with industry and legislative expectations.

2

Assessing those risks

We assess risk along several dimensions, including time horizon and financial impact, where relevant. Where possible, financial impact is measured in terms of underlying operating profit in the short to medium-term. We also use where needed external third parties to evaluate physical climate risks at our locations and those of our suppliers.

3

Managing those risks

The Societal Value Committee (SVC) oversees our sustainability strategy, including managing our climate-related risks. These risks may have a direct or indirect impact on our principal and business risks, and are therefore managed alongside and integrated within the enterprise risk management process.

All of our principal risks are reviewed formally, twice a year, by the GLT and the board.

For more information on our risk management approach, please see pages 46 to 51.

4

Integrating those risks

Our TCFD-related climate risks are embedded in our risk management processes, and tracked through our enterprise risk management system to ensure a systematic approach, with an owner assigned to each risk.

Our principal risk 9 (see page 51 for more details) is directly related to the first transition risk identified as part of TCFD guidance, ensuring further integration in our bottom-up risk management process.

Metrics and targets

The metrics and targets we use to help us manage our climate risks and opportunities effectively are shown below. They were identified in the climate impact tables on pages 39-42 and their values are summarised here. Our Scope 1, 2 and 3 greenhouse gas (GHG) emissions targets have been verified by the Science Based Targets initiative as consistent with the UN Paris Agreement on climate change's 1.5°C pathway, and a full breakdown of performance in all categories over the last five years can be found in our Sustainability Performance Databook (SPD).

Metric description	Climate-related risk	Target type	Baseline year	Baseline value	2030 target	2024/25 performance	More information
GHG emissions avoided per year using technologies enabled by JM products and solutions, compared to conventional offerings (tonnes CO_2e)[1]	1	N/A	2020/21	253,163[2]	No target	1,606,644	page 27 and SPD
% sales aligned with SDG 7 and SDG 13	1	N/A	2020/21	6%	No target	3%	SPD
% R&D spend aligned with SDG 7 and SDG 13	1	N/A	2020/21	22%	No target	19%	SPD
Total Scope 1 and Scope 2 GHG emissions (market-based) (tonnes CO_2e)[1]	2,3	Absolute	2019/20	404,040[2]	226,262	246,533	page 28, 44
Scope 3 GHG purchased goods and services (tonnes CO_2e)	2,3	Absolute	2019/20	3,345,528[2]	1,940,406	3,085,054	page 28, 44
% recycled PGM content in our products	2	Intensity	2021/22	70%	75%	76%	page 30
Potential exposure to carbon taxation in 2030	2	N/A	2021/22	Not disclosed	No target	Not disclosed	page 43
CDP Climate score	3	N/A	2019/20	B	No target	A-	matthey.com/sustainability-ratings
% physical asset value exposed to high weather-related hazard by 2030	4	N/A	2020/21	35%	No target	38%	page 41
Water consumed in regions of high baseline water stress (m^3)	4	N/A	2020/21	414,098[2]	No target	344,121	page 31
Number of supply chain disruptions due to severe weather	5	N/A	2020/21	Not disclosed	No target	0	page 42

1. Metrics are linked to the long-term Performance Share Plan (PSP) for senior directors for 2024/25.
2. Rebaselined to remove divested businesses; please see page 191 for more information.

Internal carbon pricing (ICP)

We use a shadow carbon price in our capital investment business case assessment process. Although the ICP is not a real cost of the investment, it demonstrates what the impact would be of the carbon taxation forecast for 2030 and beyond, and we use it to evaluate and compare potential investments. We expect the ICP to play an increasingly important role in influencing our investment decisions, as carbon impacts come under increasing scrutiny from key internal and external stakeholders.

We are using the ICP for Scope 1 and 2 emissions for the asset when operational, with the option to extend this to Scope 3 in the future. We chose not to apply ICP to emissions related to the development phase of the project itself, such as construction-related emissions, since such emissions are both short-term and generally minor in relation to the overall life of the asset. The price applied in 2024/25 was £100/tonnes CO_2e, with sensitivity analysis conducted at £50/tonnes CO_2e and £150/tonnes CO_2e.

GHG emissions inventory (SECR reporting)

In line with the requirements set out in the UK Government's guidance on SECR, the table below represents Johnson Matthey's energy use and associated GHG emissions from electricity and fuel in the UK (1st April 2024 through to 31st March 2025), calculated with reference to the Greenhouse Gas Protocol. For more data and basis of reporting please see our Sustainability Performance Databook.

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

	Units of Measure	2024/25 Global	2024/25 UK	2024/25 Global (excl UK)	2023/24[1] Global	2023/24[1] UK	2023/24[1] Global (excl UK)	% change (global)
Total Scope 1 GHG emissions	tonnes CO_2e	**225,330**	**115,185**	**110,145**	215,647	103,157	112,490	-4%
Total Scope 2 GHG emissions (market-based)	tonnes CO_2e	**21,204**	**1,076**	**20,127**	66,265	635	65,630	68%
Total Scope 2 GHG emissions (location-based)	tonnes CO_2e	**178,481**	**18,083**	**160,398**	195,176	21,689	173,487	9%
Total Scope 1 and 2 GHG emissions (market-based)	**tonnes CO_2e**	**246,533**	**116,261**	**130,272**	281,912	103,792	178,120	13%
Total Scope 1 and 2 GHG emissions (location-based)	tonnes CO_2e	**403,811**	**133,268**	**270,543**	410,823	124,846	285,977	2%
Total Scope 1 and 2 carbon intensity (market-based)	**tonnes CO_2e/tonne sales**	**2.5**	**9.8**	**1.5**	2.7	7.2	2.0	6%

	Units of Measure	2024/25 Global	2024/25 UK	2024/25 Global (excl UK)	2023/24[1] Global	2023/24[1] UK	2023/24[1] Global (excl UK)	% change (global)
Total energy consumption	MWh[2]	**1,126,108**	**329,651**	**796,457**	1,206,508	348,744	857,764	7%
Total energy efficiency	MWh/tonne[3]	**11.5**	**27.8**	**9.3**	11.5	24.1	9.9	0%

Scope 3 GHG emissions by category

	Units of Measure	2024/25	2023/24[1]	2022/23[1]	2021/22[1]	2020/21[1]
Total Scope 3 (Category 1) Purchased goods and services GHG emissions	tonnes CO_2e	**3,085,054**	3,258,688	3,042,748	2,950,358	2,994,379
Total Scope 3 (Category 2) Capital goods GHG emissions	tonnes CO_2e	**110,988**	174,532	172,064	152,744	218,941
Total Scope 3 (Category 3) Fuel and energy-related activities GHG emissions	tonnes CO_2e	**35,476**	38,617	42,099	45,803	38,114
Total Scope 3 (Category 4) Upstream transportation and distribution GHG emissions	tonnes CO_2e	**43,583**	81,707	96,589	120,343	94,348
Total Scope 3 (Category 5) Waste generated in operations GHG emissions	tonnes CO_2e	**2,870**	3,780	3,922	5,236	4,647
Total Scope 3 (Category 6) Business travel GHG emissions	tonnes CO_2e	**12,780**	9,236	7,671	1,925	439
Total Scope 3 (Category 7) Employee commuting GHG emissions	tonnes CO_2e	**13,381**	14,936	13,627	13,517	15,718
Total Scope 3 (Category 8) Upstream leased assets GHG emissions	tonnes CO_2e	**13,115**	12,890	12,265	11,596	11,177
Total Scope 3 (Category 9) Downstream transportation and distribution GHG emissions	tonnes CO_2e	**15,175**	0	0	0	0
Total Scope 3 (Category 10) Processing of sold products GHG emissions	tonnes CO_2e	**9,856**	10,572	10,699	10,756	11,280
Total Scope 3 (Category 11) Use of sold products GHG emissions	tonnes CO_2e	**0**	0	0	0	0
Total Scope 3 (Category 12) End of life treatment of sold products GHG emissions	tonnes CO_2e	**15,666**	16,466	14,397	20,291	22,537
Total Scope 3 (Category 13) Downstream leased assets GHG emissions	tonnes CO_2e	**2,086**	2,224	2,075	1,362	1,201
Total Scope 3 (Category 14) Franchises GHG emissions	tonnes CO_2e	**0**	0	0	0	0
Total Scope 3 (Category 15) Investments GHG emissions	tonnes CO_2e	**85,456**	103,153	111,993	118,356	119,005
Total Scope 3 (all categories) GHG emissions	**tonnes CO_2e**	**3,445,486**	3,726,801	3,530,149	3,452,288	3,531,785

1. Rebaselined to remove divested businesses, please see page 191 for more information.
2. Energy consumption is reported here in MWh, which is equal to 1,000kWh. Total global energy consumption for 2024/25 is 1,126,107,622 kWh.
3. This is the total energy used by the business divided by amount of materials sold to customers.

GHG emissions inventory (SECR reporting) continued

Five-year performance table

	Units of Measure	2024/25	2023/24[1]	2022/23[1]	2021/22[1]	2020/21[1]
Total energy consumption	MWh[2]	1,126,108	1,206,508	1,203,247	1,270,929	1,199,807
Total energy efficiency	MWh/tonne[3]	11.5	11.5	11.6	12.0	11.7
Total Scope 1 and 2 GHG emission (market-based)	tonnes CO_2e	246,533	281,912	343,933	394,113	394,980
Total Scope 1 and 2 carbon intensity (market-based)	tonnes CO_2e/tonne sales	2.5	2.7	3.3	3.7	3.9
Total Scope 3 (all categories) GHG emissions	tonnes CO_2e	3,445,486	3,726,801	3,530,149	3,452,288	3,531,785

For more information on JM's sustainability efforts, please see our website and QR Code for the Sustainability Performance Databook

1. Rebaselined to remove divested businesses, please see page 191 for more information.
2. Energy consumption is reported here in MWh, which is equal to 1,000kWh. Total global energy consumption for 2024/25 is 1,126,107,622 kWh.
3. This is the total energy used by the business divided by amount of materials sold to customers.

Risk report

We operate in a complex and global environment and face multiple risks and uncertainties that could affect strategic objectives and the success of our business. We mitigate these risks through a robust risk management framework designed to enhance our ability to adapt, remain competitive and lead with confidence in the global net zero transition.

Year in review

- Simplification of our risk management process including scoring methodology.
- Greater risk identification and assessment, leveraging a broader network across the business through regular engagement and providing guidance, training and tools.
- Increased risk reporting and discussions through quarterly business reviews to ensure ongoing alignment with the delivery of strategic milestones.
- Continued operational enhancements to our risk and compliance platform, JMProtect, which offers a centralised view of our risk and internal controls framework.
- Creation of the Investment Committee to strengthen risk oversight in investment strategies, capital allocation and M&A, ensuring disciplined capital deployment, mitigating financial risks and enhancing cash generation for long-term resilience.
- Further alignment of our assurance model that conforms second and third-line assurance activities for easier collaboration and more proportionate risk-based assurance.
- Further maturing of our crisis readiness through a tabletop exercise conducted with the Group Leadership Team (GLT) and in collaboration with an expert external crisis management firm.
- Following the publication of the revised UK Corporate Governance Code, enhancing our focus on further formalisation and review of our internal control environment. Focus on this will continue into next year.

Sale of CT

The sale of Catalyst Technologies sharpens our focus on core strengths in precious metals chemistry and catalysis, supporting our shift to a cash-focused model and stronger shareholder returns.

While the transaction creates long-term value, it also presents transitional risks, including operational disruption, loss of internal synergies and execution risk in delivering the expected benefits. We are mitigating these through a structured transition plan and tight operational oversight.

Risk management and internal controls framework

Our risk management process is embedded across the business and identifies and evaluates key risks, including severe but plausible scenarios, to provide reasonable assurance that risks are understood and managed in alignment with JM's risk appetite.

The board is ultimately accountable for our approach to risk management and internal controls and evaluates how effective these systems are at mitigating principal and emerging risks at least once a year. The GLT supports the board in ensuring the risks identified are relevant to our current aims and strategic objectives. The Audit Committee supports the board in assessing the effectiveness of our risk management and internal control systems, processes and policies.

Our risk management framework uses a top-down approach to identify our principal risks (i.e. from board level down) and a bottom-up approach to identify operational risks (i.e. from day-to-day level up). We're constantly improving how connected and aligned these approaches are as they operate in parallel. GLT members sponsor our principal risks. They regularly review their risks by considering emerging risks, current activities and actions needed to operate within our defined risk appetite. The GLT undertakes ad hoc deep-dive reviews to support relevant strategic topics.

Functions, businesses and site teams have responsibility for identifying, assessing and prioritising risks. Consideration is also given as to whether the risk has changed with the strength of controls and mitigating actions. At least once a year, control effectiveness is reported through the management attestation and self-assessment process. This process continues to mature with several ongoing initiatives aimed at improving our controls environment.

JM prioritises insurance coverage for the most significant areas of risk, and where insurance is a legal or contractual requirement.

Climate-related risks and opportunities

Aligned with the Task Force on Climate-related Financial Disclosures (TCFD), we work with the Sustainability team to support climate-related risks and opportunities. Further details are on pages 36-45.

Emerging risks and opportunities

Emerging risks are events that pose significant threat to our business but are not currently managed as principal risks. Our top-down and bottom-up risk discussions seek to identify any changes across the risk environment. We also utilise our key risk indicators, third-party reports and findings from internal and external assurance providers. For any identified emerging risks, considered to be a threat to JM or its value chain, we tailor our response to the size of the risk to ensure our mitigation strategy is proportionate. Below are two examples of emerging risks that have been identified through our review process.

Misuse of third-party AI tools and platforms –
Due to the usage of AI in supporting our business operations there is a risk that misuse or malfunction of related third party AI tools and platforms could lead to reputational damage, regulatory non-compliance and/or unauthorised disclosure of sensitive information.

Sustainability reporting –
JM faces evolving compliance and regulatory challenges in sustainability reporting and ESG expectations. Constantly changing requirements increase compliance risks, complicate long-term planning and demand continual adaptation to new standards. This can be resource-intensive and create operational uncertainty. Falling behind could result in reputational damage, financial penalties, restricted market access, and loss of investor confidence and stakeholder trust, including among employees.

Risk report continued

Oversight of our principal risks

Our principal risks

1. Business failure through cyber-attack or other IT incidents
2. Failure to deliver business value from capital expenditure
3. Failure in one or more of JM's critical operational assets
4. Breach to security or control of platinum group metals in our processes
5. Disruption to our supplier ecosystem and the supply of purchased goods and services
6. A significant geopolitical or macroeconomic event impacting JM's operations
7. Development of offerings that do not meet the future needs of customers
8. A low-performing culture undermines our strategy
9. Market factors, customer demand and margin sustainability
10. A significant work-related EHS incident
11. Unsuccessful delivery of key business transformation programmes

Board
Sponsors risk management and internal controls approach, and sets the tone for risk management culture.

Audit Committee
Reviews the effectiveness of our risk management framework and internal controls.

GLT
Establishes, maintains and reviews risk management and internal controls, and monitors whether risks are within our risk appetite.

Group Assurance function
Challenges and helps the business to consider the range, calibration and adequacy of applied controls and materiality of risks identified.

Risk function
Monitors how well mitigating actions or projects are implemented, and how effectively they reduce risk to ensure alignment with our risk appetite.

Businesses
Bottom-up reviews of operational activities regularly carried out, and report to the GLT about business risk and issues.

Sites/functional areas/ programmes/projects
Report key risks to businesses, and regularly review controls implementation and effectiveness.

Managing risk

1st line of defence

Businesses/Functions/Sites
Management controls and Internal control measures

Manage risk through controls, implement mitigations, and control self-assessments

2nd line of defence

Group Risk and Group Internal Control
Specialist risk and control functions

Define frameworks, monitor compliance and provide support where required

3rd line of defence

Group Assurance
Independent assurance

Provide independent assurance, evaluate controls, and advise on control strategies

V Link to viability **Risk movement:** Increase Stable Decrease

Principal risks and uncertainties

Our principal risks are those that could materially harm our company's operations either alone or in combination. The following table outlines our principal risks, defined and prioritised, alongside the measures we have taken to reduce them including scoring movement from the previous years' Annual Reports. Due to the nature of these risks, they have largely remained stable in their definitions, which is to be expected.

Our approach

GLT sponsors work closely with principal risk owners to monitor and assess changes to risks, develop mitigation strategies and align actions with our strategic objectives. Over the last year, we have continued to review and update our principal risks, clarifying opportunities and priority actions.

In addition, our revised Group Assurance Charter follows a three-year cycle, ensuring all principal risks are covered through a structured assurance plan. Recently launched in collaboration across all levels of assurance, this approach aims to provide a more cohesive view of JM's risk management effectiveness.

1 Business failure through cyber-attack or other IT incidents

2025	2024	2023
Increase	Stable	Stable

GLT sponsor

Alastair Judge, Chief Strategy and Operations Officer

Description

JM faces risks related to its Information and Operational Technology (IT/OT), including failure to adapt to evolving business needs, system disruptions or major cyber-security incidents. These issues could impact business continuity, data integrity and compliance. As with all organisations, JM faces an evolving and volatile threat environment that comprises both geopolitical and criminal threat actors.

Impact

A significant IT/OT failure or cyber-attack could lead to financial losses, operational downtime, reputational damage and potential legal or regulatory penalties.

Opportunity

By strengthening cyber-security measures, modernising IT/OT systems and ensuring compliance, JM can enhance resilience, protect its operations and maintain trust with customers and stakeholders.

Mitigation

- Core systems continue to be updated to reduce reliance on legacy systems.
- Horizon scanning across the network in place to identify emerging cyber risks.
- IT operating model changes have been implemented to better support JM's future needs.
- Ongoing cybersecurity awareness training helps employees recognise and prevent vulnerabilities.
- Cyber risk champions have been recruited across the organisation to strengthen risk management efforts.
- A programme of continuous improvement is in place to ensure JM maintains resilience against an evolving threat environment.
- System monitoring and other controls are in place to ensure anomalies are promptly identified and remediated across our systems.

Changes since Annual Report and Accounts 2024

Risk scoring has increased reflecting the continuously heightened external threat landscape. We continue to actively manage this risk by strengthening our cyber security capabilities, focusing on processes, technology and threat monitoring.

2 Failure to deliver business value from capital expenditure

V

2025	2024	2023
Stable	Increase	NEW

GLT sponsor

Alastair Judge, Chief Strategy and Operations Officer

Description

JM's growth depends on the effective allocation and execution of capital expenditure. Delays, cost overruns, poor investment decisions or ineffective management could undermine expected value, leading to inefficient resource use, reduced competitiveness and failure to meet market and customer needs.

Impact

Failure to deliver key projects on time and within budget could slow growth, reduce competitiveness and lead to financial losses. This may also limit the company's ability to scale new technologies, expand into emerging markets and achieve its 2030 sustainability targets.

Opportunity

Ensuring efficient project execution, strong R&D translation and disciplined capital investment, JM can accelerate growth, enhance innovation and strengthen its market position in high-potential industries and maximise cash delivery.

Mitigation

- Creation of board-level Investment Committee to enhance oversight, prioritise capital allocation and ensure effective execution of all capital projects.
- We have embedded project frameworks, with business-wide compliance as a key value driver and a foundation of governance.
- Delivering the 3rd Century Refining (3CR) project under robust governance.
- Learnings from previous capital projects continue to be incorporated, ensuring historical weak points are addressed in the front end planning of new investments.

Changes since Annual Report and Accounts 2024

Following a strategic review of JM's operations and assets this year, some impairments have been taken in respect of prior capital expenditure which have contributed to re-basing this risk. We have strengthened the Central Engineering and Capital Procurement teams to increase capital investment capabilities. And there is enhanced governance and oversight in this area with the establishment of a board-level Investment Committee.

Risk report continued

V Link to viability **Risk movement:** Increase Stable Decrease

3 Failure in one or more of JM's critical operational assets

2025	2024	2023
Stable	Stable	Stable

V

GLT sponsor

Louise Melikian, Chief Executive, PGM Services

Description

Failure of one or more critical operational assets could disrupt JM's supply chains, performance and reputation. This risk includes ageing infrastructure as well as the growing impact of climate change, such as extreme weather events and natural disasters.

Impact

An asset failure could lead to production delays, increased operational costs, reduced investor confidence and potential reputational damage.

Opportunity

By investing in asset resilience, maintenance and climate adaptation strategies, JM can improve operational reliability, reduce long-term costs and enhance its reputation as a sustainable and resilient business.

Mitigation

- Critical asset investment continues to be prioritised across the business based on risk exposure.
- Continuously improving competency at JM sites to effectively manage engineering risks associated with aged assets consistently.
- Strengthening the risk management process to ensure risks are identified, controlled and mitigated in a consistent manner across JM. Managing any outages as efficiently as possible to minimise downtime.
- Maintenance standards continue to be improved to ensure consistency across sites.
- Climate-related physical risk assessments have been conducted at key sites in line with TCFD recommendations to strengthen resilience against environmental risks.

Changes since Annual Report and Accounts 2024

Long-term mitigations continue to manage this risk in a stable way. Age of critical equipment in Catalyst Technologies and Platinum Group Metals is driving this risk with any downtime in any such assets being managed accordingly. Risk scoring is expected to remain static until the associated capex projects are delivered, most notably including 3CR where operations are planned to commence in November 2026.

4 Breach to security or control of platinum group metals in our processes

2025	2024	2023
Stable	Stable	Increase

V

GLT sponsor

Alastair Judge, Chief Strategy and Operations Officer

Description

JM faces security risks due to the high value of its products, site locations and supply chain dependencies. These risks include internal theft, organised crime and challenges in metal reconciliation, which vary across different parts of the business.

Impact

A significant failure in metal control or security could lead to financial losses, operational disruptions and reputational damage, undermining stakeholder trust and business stability.

Opportunity

By strengthening security measures, enhancing metal control and improving risk management, JM can protect its assets, maintain financial integrity and reinforce its reputation as a trusted industry leader.

Mitigation

- We maintain a robust security management system and security standards to protect our metal holdings.
- On-site security capabilities have been improved through partnerships with leading technology and security providers.
- Increased focus on security risks at a leadership level driving greater awareness and accountability.
- Metal control improvement plans are in place across business units.
- Long-term strategic planning around the metal requirements of the group is undertaken to ensure appropriate positioning for the future.

Changes since Annual Report and Accounts 2024

Despite an increasing external threat environment, this risk has remained stable due to security improvements implemented and increased focus on the security risk at all levels across the business.

5 Disruption to our supplier ecosystem and the supply of purchased goods and services

2025	2024	2023
Increase	Decrease	Increase

GLT sponsor

Alastair Judge, Chief Strategy and Operations Officer

Description

JM relies on a global network of suppliers for key materials and services, some of which are highly specialised with limited alternative sources. Emerging industries like hydrogen and sustainable aviation fuel (SAF) have immature supply chains for raw materials, making them particularly vulnerable to disruptions.

Impact

Supply chain disruptions could lead to production delays, inability to meet customer demand, increased costs and setbacks in JM's growth areas, potentially affecting revenue and market position.

Opportunity

Expanding supplier relationships, diversifying sourcing strategies and investing in resilient supply chain infrastructure, JM can enhance operational stability and gain a competitive edge in emerging markets.

Mitigation

- Global category management approach implemented aligning business requirements with supplier strategies.
- Developing standardised supplier performance management processes, including due diligence, sustainability assessments, audits and ongoing performance and risk monitoring.
- Strengthening and consolidating strategic relationships with selected suppliers.
- Improving supplier contracting and JM Customer & Industry End-to-End (E2E) Audits to ensure compliance and stability.

Changes since Annual Report and Accounts 2024

Global markets have deteriorated due to the imposition of tariffs by the US Government (and subsequent counter-tariffs). While the full impact of this is not yet known, we continue to work on diversifying our supply chain, but remain exposed to single sourced suppliers, meaning our overall risk has increased.

Risk report continued

V Link to viability **Risk movement:** Increase | Stable | Decreasе

6 A significant geopolitical or macroeconomic event impacting JM's operations

V

2025	2024	2023
Stable	Stable	NEW

GLT sponsor

Alastair Judge, Chief Strategy and Operations Officer

Description

JM's global footprint exposes the business to potential disruptions from geopolitical and macroeconomic events, including conflicts, trade disputes, sanctions, pandemics, financial crises and economic instability in key markets.

Impact

Such events may disrupt JM's operations, increase costs, strain supply chains and reduce customer demand, creating significant challenges to maintain business continuity and sustain growth.

Opportunity

Proactively mitigating these risks, such as by securing supply chains, can strengthen JM's global presence, enhance reliability for customers, and create a competitive advantage.

Mitigation

- Executing JM's tariff strategy globally, encompassing all countries that JM operates within.
- Active advocacy within US, Europe and other jurisdictions through government dialogues to promote strategic partnership on PGMs and enhance supply chain resilience.
- Ongoing direct engagement with policymakers to secure support for technologies and processes that our customers are advancing, including: FT-SAF, LCH and green hydrogen.
- Continuing to use a 'China-for-China' approach in decision-making and de-risking supply chains through localisation and supplier diversification.

Changes since Annual Report and Accounts 2024

There has been no change in the overall risk status, which remains high due to ongoing geopolitical and macroeconomic instability. However, early implementation of mitigations, such as proactive supply chain migration, sourcing of alternative suppliers and securing customer supply agreements, has helped limit JM's exposure. A dedicated global team continues to monitor policy developments to ensure a proactive response to future geopolitical changes.

7 Development of offerings that do not meet the future needs of customers

2025	2024	2023
Stable	Increase	Stable

GLT sponsor

Liz Rowsell, Chief Technology Officer, and Anish Taneja, Chief Executive, Clean Air and Hydrogen Technologies

Description

A failure to develop competitive solutions — such as products, licensing and technical services — that align with evolving customer needs and market trends. This includes challenges in identifying customer expectations, translating them into effective R&D and scaling new technologies for industrial use.

Impact

If JM's offerings do not meet future demands, it could lose market share, weaken its brand and struggle to achieve growth ambitions in key sectors. As well as incur wasted investment.

Opportunity

Successfully anticipating customer needs and driving innovation, JM can strengthen its market position, enhance brand value and expand into new high-growth industries.

Mitigation

- Leveraging our strong relationships with customers and suppliers to identify current and future needs that can be addressed through JM's innovation portfolio.
- A common set of scenarios used to understand, identify and prioritise opportunities in emerging markets. Enhanced by technology scanning and engagement in collaborative R&D projects with external partners.
- Applying differentiated portfolio management and investment approaches to support both mature and growth businesses appropriately. This includes the use of New Product Introduction processes to ensure effective execution to value from R&D investments.
- Promoting cross functional secondments to drive talent development and promote knowledge sharing between technical and commercial teams.

Changes since Annual Report and Accounts 2024

There has been no significant change in the overall level of risk. Investment in different parts of the JM innovation portfolio has been re-balanced to align with market trends.

8 A low-performing culture undermines our strategy

2025	2024	2023
Stable	Stable	Increase

GLT sponsor

Annette Kelleher, Chief HR Officer

Description

A low-performing organisation characterised by an insufficiently engaged and inclusive workforce, or a misalignment of skills and talent, would impact our ability to execute our strategy successfully.

Impact

Weak execution of JM's strategy, not achieving committed targets, unable to retain our best people and key skills.

Opportunity

Fostering a high-performance culture with strong leadership and an engaged, inclusive workforce, JM can enhance its ability to execute strategic goals effectively and drive better business results.

Mitigation

- Education of all people managers so they clearly understand what is expected of them, monitoring their effectiveness through employee survey feedback, People Manager Expectations and Engagement Survey twice a year.
- Heightened focus on performance management by giving clear feedback, differentiating performance and taking actions to address performance gaps.
- Focused investment in commercial skills and engineering training – focusing available investment in our two strategic areas.
- Implementation of our Ignite leadership programme, supporting leaders to focus on the key leadership expectations to drive strategy execution at pace.

Changes since Annual Report and Accounts 2024

The overall risk rating is unchanged. Several important initiatives such as the reshaping of JM's senior leadership, the new performance management approach and the Play To Win Through People campaign are helping to contribute towards a cultural shift and behavioural change. There continues to be a high level of transformation across JM which will drive constant focus of this risk.

→ For more information on our engagement, talent and diversity-related targets see pages 33-35

Risk report continued

V Link to viability **Risk movement:** Increase Stable Decrease

9 Market factors, customer demand and margin sustainability

2025	2024	2023
Stable	Increase	Decrease

GLT sponsor
Liam Condon, Chief Executive Officer

Description
JM may not accurately predict changes in customer demand, regulation, or market trends, particularly as industries move away from fossil fuels. There is also a risk of missing new opportunities or responding to change too slowly or quickly.

Impact
Failure to anticipate market changes could lead to declining sales, reduced profitability and weaker competitive position. As well as wasted investment and write-downs.

Opportunity
By effectively identifying and responding to evolving market needs, JM can strengthen its leadership in sustainable solutions, unlock new revenue streams and enhance long-term resilience, cash conversion and profitability.

Mitigation
- Strengthened investment governance through a board-level Investment Committee, phased investment approach and targeted de-risking of growth businesses via partnerships and joint ventures, with a strong focus on cash management and disciplined capital allocation.
- Ongoing monitoring of leading market indicators to ensure investment is directed towards the most promising and highest return opportunities.
- Reinforcing sustainable growth in Catalyst Technologies through enhanced market visibility, strategic partnerships and focused business development.
- Implementation of JM Global Services (JMGS) across many operating countries, alongside continuous improvement initiatives, is enhancing operational efficiency and supporting margin sustainability.

Changes since Annual Report and Accounts 2024
The overall risk rating is unchanged. Although external risks have increased, driven by factors such as the uneven energy transition and shifting market dynamics, JM has enhanced mitigations by aligning business and investment decisions with market demand, improving organisation-wide market insight gathering and advancing strategic partnerships to de-risk growth businesses. Following a strategic review of JM's operations and assets this year, some impairments have been taken to right-size the business going forward to mitigate this related risk.

10 A significant work-related EHS incident

2025	2024	2023
Stable	Stable	Decrease

GLT sponsor
Alastair Judge, Chief Strategy and Operations Officer

Description
A major work-related EHS (Environmental, Health and Safety) incident — such as a fire, explosion or toxic gas release — could result from process safety failures or regulatory non-compliance, threatening JM's operations, product portfolios and reputation.

Impact
Such an incident could lead to serious injuries, legal penalties, operational shutdowns, financial losses, damage to the environment and damage to JM's corporate reputation and licence to operate.

Opportunity
By maintaining strict safety standards and proactive risk management, JM can enhance workplace safety, ensure regulatory compliance and strengthen its reputation as a responsible and trusted industry leader.

Mitigation
- A strong health and safety culture is maintained through clear policies, training and regular audits.
- We have adopted a regional delivery model with 2nd line of defence assurance capabilities to strengthen oversight.
- Process safety hazards continue to be managed through deep-dive reviews.
- Environmental, regulatory and reputational risks are continuously monitored, with mitigation plans in place.
- Implementation of product stewardship inventory management software to allow us to assess substances of concern and meet our regulatory needs.

Changes since Annual Report and Accounts 2024
Risk scoring has remained static with no significant change overall as the recent completion of the divestment programme was of business units with relatively low EHS impacts. Safety is one of our core behaviours and the first priority for all of our employees. Action plans to improve people safety continue to be prioritised across the business.

→ For more information on our safety-related targets see page 32

11 Unsuccessful delivery of key business transformation programmes

V

2025	2024	2023
Decrease	Stable	Stable

GLT sponsor
Alastair Judge, Chief Strategy and Operations Officer

Description
JM's transformation involves multiple programmes aimed at driving growth, efficiency and competitiveness across its businesses. There is a risk that failure to successfully execute these programmes could delay expected benefits, disrupt customer services or lead to a loss of key talent.

Impact
If transformation efforts are ineffective, JM may struggle with capability gaps, reduced competitiveness, operational inefficiencies, and an inability to adapt to market changes, impacting long-term growth.

Opportunity
JM can enhance operational agility, improve project execution, strengthen its market position and build a culture of continuous improvement to stay ahead of industry trends.

Mitigation
- Major transformation programmes are staffed with experienced leaders and subject matter experts.
- Ongoing coaching and support ensure alignment with the JM Transformation Standard.
- Robust change management and communication plans support key cross-JM initiatives like JM Global Solutions.
- Resource conflicts in overlapping programmes are proactively identified and addressed with programme leads.

Changes since Annual Report and Accounts 2024
Benefits have been delivered across the portfolio at or above target. Risk scoring has reduced due to increased oversight and controls in place, and execution of key programmes has been more consistent, with major governance practices in place, so that major misses or overruns have been managed. Programme and change management capabilities in respect of ongoing business excellence continue to be strengthened.

Non-financial and sustainability information statement

Compliance statement

The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 amend sections 414C, 414CA and 414CB of the Companies Act 2006 (2006 Act), placing requirements on the company to incorporate climate disclosures in our Annual Report and Accounts. We believe these have been addressed within this year's climate-related disclosures and as such we have referenced the location of these disclosures in the table below, and within our Task Force on Climate-related Financial Disclosures (TCFD) compliance table in the Sustainability Performance Databook available at matthey.com. Our business model is set out on pages 6-7. Our purpose, described on page 1, and our approach to sustainability strategy on pages 26-27, set out how we act as a responsible business. Our non-financial KPIs which support the delivery of our strategic priorities are shown on pages 8-10 and 12. We have policies and standards in place to manage our principal risks, which form part of our internal control framework. A description of all matters relating to climate-related risks and opportunities, including the governance arrangements, scenario testing and metrics and targets, are included within the TCFD report on pages 36-43.

Reporting requirement	Policies and standards that govern our approach and due diligence[1,2]	Outcomes and additional information
Business model	–	• Business model – see pages 6-7
Our purpose	–	• Our purpose – see page 1
Principal risks	–	• Principal risks – see pages 48-51
Our group policies governing **Environmental matters** define our key requirements and guiding principles to reduce the risk of harm to the environment, support our commitment to sustainability and help keep our people and the communities we serve safe	• Environment, Health and Safety (EHS) Policy • Procurement Policy • Supplier Code of Conduct	• Sustainability • TCFD report – see pages 36-43 • Societal Value Committee report – see pages 80-82 • Section 414CB (2A)(a)-(h) 2006 Act – see TCFD compliance table in the Sustainability Performance Databook • Principal risk 10 – A significant work-related EHS incident – see page 49 • Principal risk 3 – Failure in one or more of JM's critical operational assets – see page 51
At Johnson Matthey, our people are the backbone of our success. We want our **Employees** to feel safe, promote a culture of inclusion and diversity, feel empowered to make the right decisions, behave in the right way and build long-term fulfilling careers. Our HR, Ethics and Compliance and EHS policies help support this	• Board Diversity Policy • Code of Ethics • Diversity, Equity, Inclusion and Belonging Policy • EHS Policy • Employee Handbook • Employee Leave Policy • Smart Working Policy • Speak Up Policy • Substance Misuse Policy • Working Together Policy	• For People, Health and Safety, Employee engagement, Gender pay gap reporting, promoting a diverse and equitable society and Speak Up • Principal risk 8 – A low-performing culture undermines our strategy – see page 50

1. Following amendment of sections 414C, 414CA and 414CB of the 2006 Act by The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, our alignment with these disclosure requirements has been referenced in the table above, and within our Task Force on Climate-related Financial Disclosures (TCFD) compliance table in the Sustainability Performance Databook available at matthey.com.
2. Some of which are only published internally.

Sustainability website: matthey.com/en/sustainability

Sustainability databook: matthey.com/sustainability-databook

Non-financial and sustainability information statement continued

Reporting requirement	Policies and standards that govern our approach and due diligence[1,2]	Outcomes and additional information
We consider our entire value chain when looking at **Human Rights**, including our own operations, suppliers and customers	• Code of Ethics • Conflict Minerals and Cobalt Policy • Data Protection Policy and Employee Privacy Notice • Human Rights Policy • Modern Slavery Statement • Procurement Policy • Speak Up Policy • Supplier Code of Conduct	• Suppliers • Modern Slavery Statement • Responsible sourcing • Ethical standards • Speak Up • Principal risk 5 – Disruption to our supplier ecosystem and the supply of purchased goods or services – see page 50
Non-financial KPIs	–	• Non-financial KPIs – see page 12 • Sustainability Performance Databook
Sustainability strategy	–	• Sustainability strategy – see pages 26-35
Climate-related risks and opportunities, including governance arrangements, scenario testing, metrics and targets	–	• TCFD report – see pages 36-43
Doing the Right Thing. Together. We are all responsible for **Social** matters and our Code of Ethics is a guide for how to do business ethically, fairly and responsibly. It ensures we embed sustainability in everything we do. The Code of Ethics is relevant to all our stakeholders. We ensure that our suppliers are also held to high standards and adhere to our Supplier Code of Conduct	• Code of Ethics • EHS Policy • Supplier Code of Conduct	• Ethical standards • Investing in our communities • Sustainability • Sustainability Performance Databook
Johnson Matthey has a zero-tolerance approach to bribery and corruption. Our global policies support the group with compliance with various laws relating to **Anti-Bribery and Anti-Corruption**. We strive to act with openness, fairness and honesty, and expect our stakeholders to do the same	• Anti-Bribery and Corruption Policy • Code of Ethics • Conflicts of Interest Policy • Conflict Minerals and Cobalt Policy • Data Protection Policy • Gifts, Hospitality and Charitable Donations Policy • Global Tax Policy • Human Rights Policy • Speak Up Policy • Supplier Code of Conduct	• Suppliers • People • Ethical standards • Speak Up

1. Following amendment of sections 414C, 414CA and 414CB of the 2006 Act by The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, our alignment with these disclosure requirements has been referenced in the table above, and within our Task Force on Climate-related Financial Disclosures (TCFD) compliance table in the Sustainability Performance Databook available at matthey.com.
2. Some of which are only published internally.

Sustainability website: matthey.com/en/sustainability

Sustainability databook: matthey.com/sustainability-databook

Governance: matthey.com/investors/governance

Modern Slavery Statement: matthey.com/modern-slavery

Going concern and viability

Going concern

In adopting the going concern basis for preparing the accounts, the directors have considered the business activities as set out in the Strategic report and Financial review, pages 1-54, as well as the group's principal risks and uncertainties, pages 48-51. As part of this assessment, we have considered a base case and severe but plausible trading scenario. Both scenarios showed sufficient headroom under our committed facilities and financial covenants.

As a final review, given the climate of greater political and economic uncertainty, we have also undertaken a reverse stress test to identify what additional or alternative scenarios and circumstances would threaten our financial covenants or headroom. This shows that we have headroom against either a further decline in profitability of approximately 50% in the financial year to March 2026, well beyond the severe but plausible scenario, or a significant increase in borrowings (net debt would need to more than triple in the financial year to March 2026), or a significant increase in interest charges (nearly double).

In this unlikely scenario, we still have other mitigating actions available including additional cost-saving activities, reducing capital expenditure, renegotiating payment terms or reducing our dividend. The directors therefore believe that the group has adequate resources to fund its operations for the period of 12 months following the date of this report, making it appropriate to prepare the accounts on a going concern basis. Further details on going concern, viability and facilities can be found in note 1 on page 128 in the financial statements.

Viability

We have assessed how viable we are as a business over a three-year period, in line with our planning horizon, as this represents a timeframe over which the directors believe they can reasonably forecast the group's performance. During the year, the board carried out a robust assessment of the principal and emerging risks affecting our business, particularly those that could threaten our business model. The risks, and the actions taken to mitigate them, are described in the Risk report on pages 46-51. We assess our prospects through our annual strategic and business planning process. This process includes a review of assumptions made including market, vehicle and production outlooks, customer demand, underlying growth, cost assumptions, metal prices, key risks and opportunities as well as an appraisal of our strategy and significant capital investment decisions. The Chief Executive Officer and Chief Financial Officer lead these reviews, along with the Chief Executives of each business. The board also reviews the strategy for each business throughout the year, looking at our current position and prospects for the coming years. This allows us to reaffirm our overall strategy and reassess the risks that could impact its success. We do not expect climate change risks to have a material near-term effect on our forward-looking forecasts for going concern or viability. See scenarios below for more details of our analysis.

Analysis through five stress scenarios

In making the viability assessment, we have analysed each of the principal risks facing the group – as described in the Risk report on pages 46-51 – and identified the items within each principal risk category that might significantly affect cash flow and viability. We have then modelled these in five stress scenarios.

Scenario 1 – Geopolitical and macroeconomic risks impacting JM's operations

This scenario considers the increased risk presented by geopolitical and macroeconomic risks, such as a six-month slowdown in our operations in China and the impact of US tariffs. This builds on the severe but plausible trading scenario which considers faster electrification and a reduction in end industry growth across the group.

Scenario 2 – Delivering on key initiatives (transformation programmes and capital projects)

This scenario considers the failure to execute key initiatives and projects effectively. It includes the impact of a six-month delay to key capital projects, and delays to delivery of transformation and other cost savings.

Scenario 3 – Failure in one or more of our critical operational assets

This scenario covers a temporary one-month shutdown of a refinery, which leads to higher working capital and lower profits, as well as a temporary shutdown to key sites due to potential external events, such as supply chain or cyber issues.

Scenario 4 – Disruption to the platinum group metals value chain

This scenario considers the failure to secure metal deposits and failure to source sufficient metal to manage and satisfy our internal and external obligations. We modelled an increase in metal prices to highs over the last 12 months, and reflect on average a c.15% price increase across the metals compared to current prices, and reduction of non-contractual customer metal funding.

Scenario 5 – Other risks

This scenario includes the effect of all our other principal risks — outlined in the Risk report on pages 46-51 — where not already considered in the scenarios above. For each risk, we have estimated a financial effect, which considers the impact and likelihood of the risk. Given the wide range of risks we face, we have then applied an overall probability weighting of 20% which allows us to work out the potential financial impact.

In evaluating our viability under each of these scenarios, we considered our current financing arrangements, see page 128. During the viability period (March 2027) we had £1 billion of debt facilities maturing. This has been refinanced with a new facility with a five-year initial maturity that was completed on 9th April 2025. We assumed we would not refinance any maturing debt, of which there is £109 million that will mature in the next 15 months. In reality, we would expect to refinance our debts, if needed, well ahead of maturity thereby increasing headroom.

Sale of CT

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.

Conclusion

In all of the scenarios assessed, our stress testing shows that, only when all the risks identified above are overlaid on the severe but plausible trading scenario, there is a very small breach of headroom under our committed facilities in March 2026. Given refinancing and other mitigation's as noted above, the directors 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 covered in the viability review.

The Strategic report from pages 1-54 was approved by the board on 3rd June 2025 and is signed on its behalf by:

Liam Condon
Chief Executive Officer

Governance

In this section

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

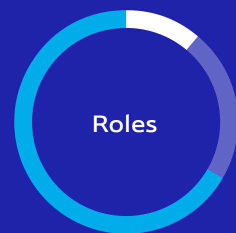
Industry experience	Patrick Thomas	Rita Forst	Barbara Jeremiah	John O'Higgins	Xiaozhi Liu	Sinead Lynch	Doug Webb
Automotive	●	●		●	●		
Chemicals	●		●	●			
Energy				●	●	●	
Oil and gas	●			●		●	
Precious metals	●	●	●				
Manufacturing	●	●	●	●	●		●
Professional services		●					●
Technology	●	●	●	●	●	●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

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.

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

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* 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

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.

Audit Committee report continued

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

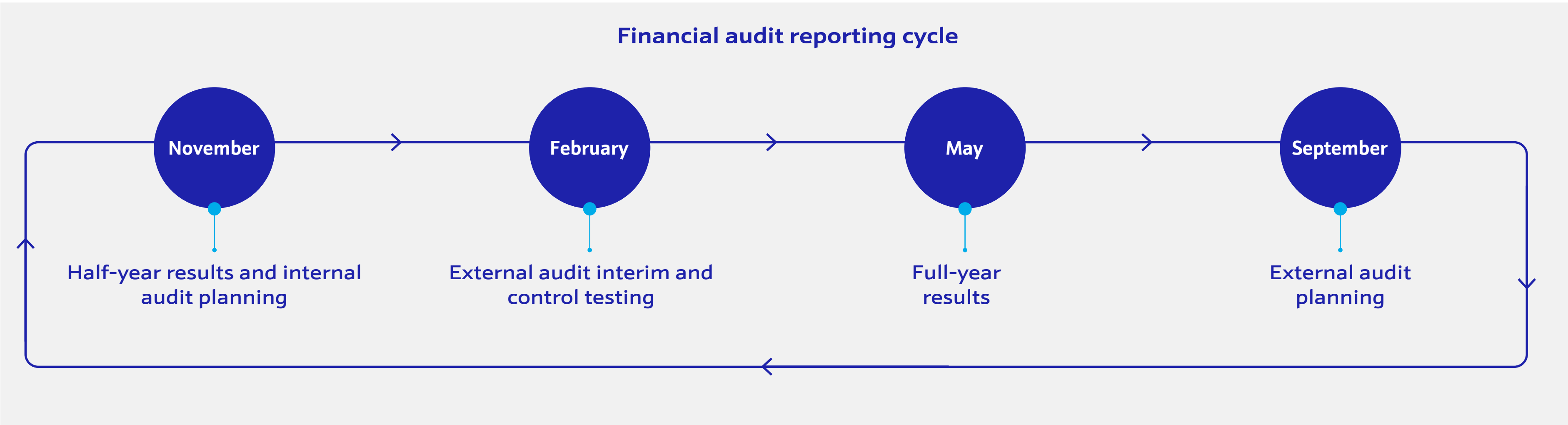
Other matters considered in relation to the accounts	Work undertaken/outcome
Major restructuring activities and transformation costs Key judgements in relation to restructuring provisions related to estimates of future cost and the disclosures relating to transformation costs.	We received a report from 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

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

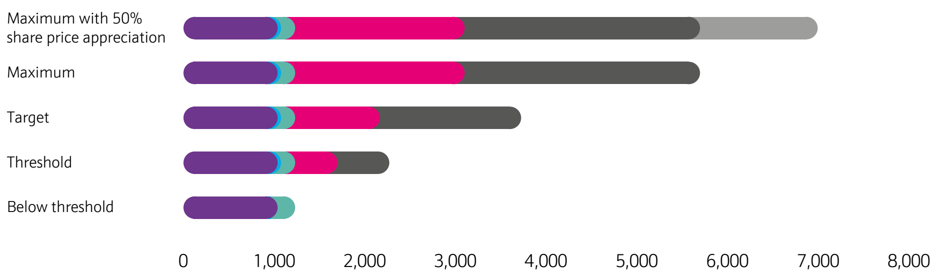
Below is an illustration of the potential future remuneration that could be received by each executive director for the year starting 1st April 2025, both in absolute terms and as a proportion of the total package under different performance scenarios. The value of the PSP is based on the award that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

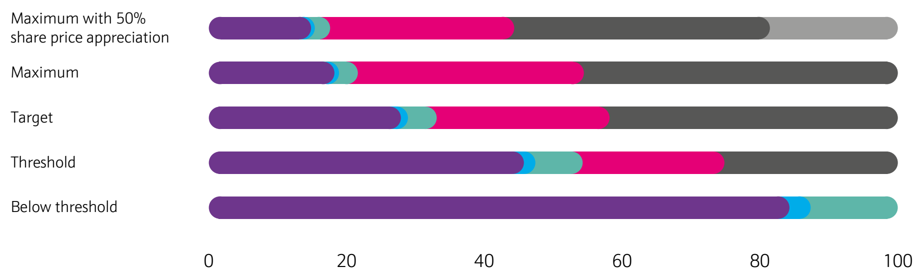
Value of package

Liam Condon

('000)

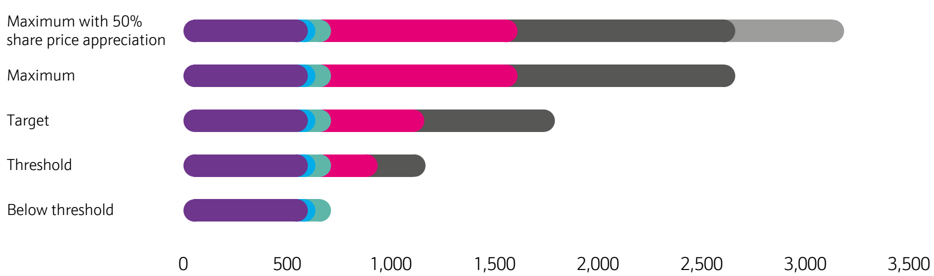


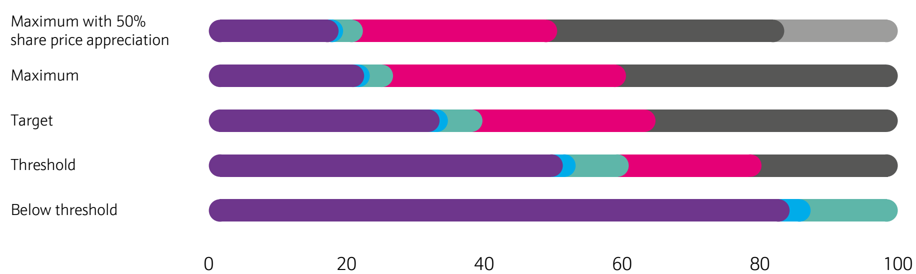
Composition of package



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.

Annual report on remuneration continued

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 report on remuneration continued

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

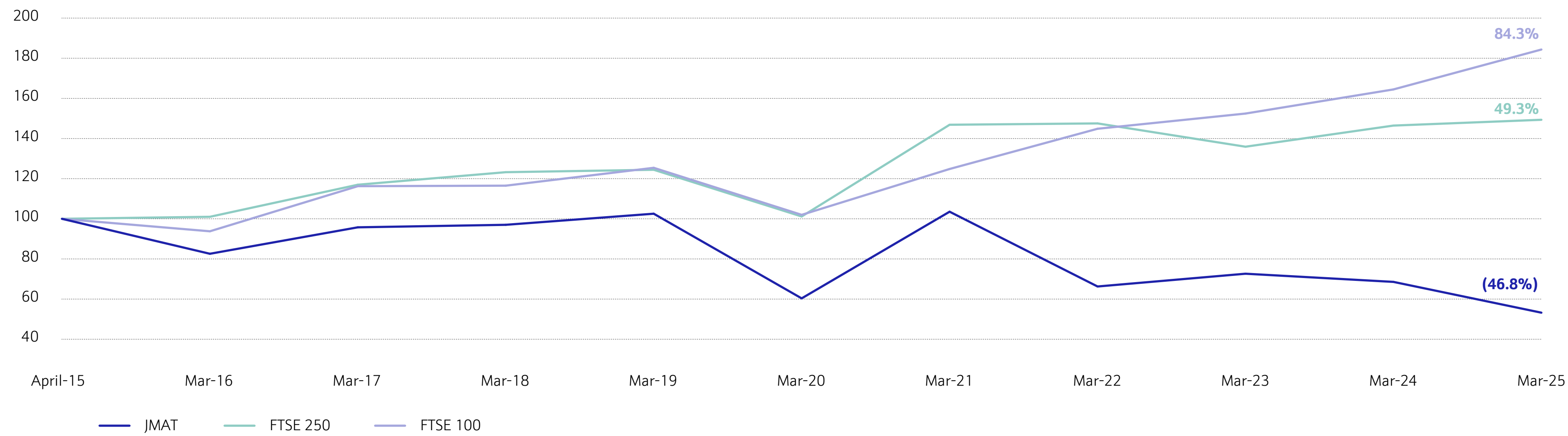
Richard Pike joined Johnson Matthey as Chief Financial Officer Designate on 10th February 2025 and joined the Company's Board on 1st April 2025. His remuneration arrangements are set out below:

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:

There are no other applicable disclosures.

Index of disclosures referred to elsewhere in the report

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

Independent auditors' report to the members of Johnson Matthey plc

Report on the audit of the financial statements

Opinion

In our opinion:

- Johnson Matthey plc's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2025 and of the group's profit and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: Consolidated Statement of Financial Position and Parent Company Statement of Financial Position as at 31 March 2025; the Consolidated Income Statement and Consolidated Statement of Total Comprehensive Income, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity and Parent Company Statement of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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

Basis for opinion

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

Independence

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

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

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

Our audit approach

Overview

Audit scope

- Following our assessment of the risks of material misstatement of the financial statements, we conducted full scope audits at 12 profit centres for group reporting purposes. In addition, we performed specified procedures over targeted balances and transactions at a further 15 profit centres.
- The profit centres on which audit procedures were performed together account for 82% of group revenue and 68% of group underlying profit before tax from continuing operations.
- As part of the group audit supervision process, the group engagement team met with and discussed the approach and results of audit procedures with component teams and reviewed a selection of audit files and final deliverables. In-person site visits to components in the UK, Poland, China and the US were also performed. Remote oversight was also conducted for other in-scope locations through video calls and reviews.
- The group engagement team audited the company and other centralised functions including those covering the group treasury operations, corporate taxation, post-retirement benefits, and certain goodwill and asset impairment assessments. The group engagement team also performed audit procedures over the group consolidation and financial statements disclosures.
- For non-full scope components, which were not considered inconsequential components, we either performed audit procedures over specific account balances or targeted risk assessment procedures.
- The group engagement team performed centralised audit testing for certain reporting components who are supported by Johnson Matthey Global Solutions.
- The group engagement team performed substantive procedures over all of the significant balances and transactions of the parent company.

Key audit matters

- Refinery metal accounting (group and parent)
- Carrying value of goodwill (group and parent)
- Claims and uncertainties (group and parent)
- Property, plant and equipment impairment - Hydrogen Technologies (group)

Materiality

- Overall group materiality: £17.7 million (2024: £20.1 million) based on 5% of the three-year average profit before tax from continuing operations, adjusted for profit/(loss) on disposal of businesses, gains and losses on significant legal proceedings, amortisation of acquired intangibles and major impairment and restructuring charges ("underlying profit before tax").

- Overall company materiality: £77.4 million (2024: £70.6 million) based on 1% of total assets. However, materiality is capped at £15.7 million (2024: £19.5 million) for the purpose of the audit of the consolidated financial statements, being the maximum allocation of group materiality to a component.
- Performance materiality: £13.3 million (2024: £15.1 million) (group) and £11.8 million (2024: £14.6 million) (company).

The scope of our audit

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

Key audit matters

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

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

Property, plant and equipment impairment - Hydrogen Technologies is a new key audit matter this year. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Refinery metal accounting (group and parent)	
Refer to the Significant issues considered by the Audit Committee within the Audit Committee Report and note 1 and 35 to the financial statements. As part of its refining activities, the group processes a significant amount of metal on behalf of third parties, whereby the group must return pre-agreed recoverable quantities of refined metal to those parties at an agreed date. Any metal in excess of this pre-agreed quantity is retained by the group. As such, the group makes an estimate of how much metal it will recover as part of its refining operations. The majority of metal processed at refineries is owned by customers and is not held on the financial balance sheet of the group. As such, the group performs a metal balance sheet reconciliation to ensure quantities of precious metals held at year-end are appropriately understood, classified as either owned by Johnson Matthey or by the customer and reconciled to its financial position. This ensures that only the group-owned inventory is recorded on the balance sheet and that the price allocated to this owned inventory is at the lower of cost and net realisable value. During the refining process, there are a series of complex estimates including: i. Estimation of the level of metal contained in the carrier material entering the refining process, the refined metal that leaves the refining process and the residual metal in the refining process at year-end; ii. Estimates of the process losses of precious metals that may be lost during the refining and fabrication process and the adequacy of these provisions; iii. Estimates of the metal in the refinery process as informed by refinery stocktakes and the subsequent sampling and assaying to assess the precious metal content in stocktake samples; and iv. Estimates of the net realisable value of unhedged metal held at year-end. Each of these estimates impacts different areas of the audit. The refining process and its associated estimates are an area of focus for our audit due to the inherent complexity of the accounting and the amount of metal processed.	We evaluated the design and operation of key controls at the main refining locations over refinery stocktakes and metal assaying procedures. We tested that the metal balance sheet was prepared and reviewed on a monthly basis. We tested the classification of precious metals at year-end on the metal balance sheet to determine if metal was owned by the group or the customer. Our procedures included sending confirmations to customers and testing the balance of customer metal that was in the refining process, but not contractually due. We assessed management's policy for recognising stocktake gains and losses arising from stocktakes. We attended physical stock counts at sites where these stocktakes were performed. The purpose was to verify the existence of inventory and adherence to the group's stocktake processes and to assess the reasonableness of stocktake gains and losses at these sites. We assessed the underlying controls that have been implemented by management to monitor potential inventory gains or losses through the refining process and stocktake results and to assess the likelihood and quantum of process losses (if any) of metal between the date of the stocktake and the year-end date. We assessed process loss provisions compared to historical metal gain revenue and refinery stocktake results. We tested that all unhedged metal was being held at the lower of cost and net realisable value, on an individual metal by metal methodology, with reference to external metal price data. We considered the adequacy of the group's disclosures about the degree of estimation involved in arriving at the value of metal inventory. Based on the procedures performed, we noted no material issues arising from our work.

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

Key audit matter	How our audit addressed the key audit matter
Carrying value of goodwill (group and parent)	
Refer to the Significant issues considered by the Audit Committee within the Audit Committee Report and notes 1, 5, 13 and 37 to the financial statements. The group holds goodwill of £347 million (2024: £353 million) as at 31 March 2025. Of this amount, £113 million (2024: £113 million) is held within the parent company. The group has significant goodwill arising from the acquisition of businesses and the carrying value is dependent on the financial performance of the cash generating unit (CGU) to which it relates. The two largest CGUs are Catalyst Technologies and Clean Air Heavy Duty Catalysts which account for £263m (2024: £264m) and £82m (2024: £84m) respectively of goodwill as at 31 March 2025. The goodwill held in the parent company relates to the Catalyst Technologies CGU. The impairment assessments prepared by management reflect its best estimates of future cashflows. These estimates contain significant uncertainty and are inherently judgemental in nature, where changes in the key assumptions can result in materially different impairment charges or available headroom. As set out in note 1, management has considered the impacts of climate change in their models. This is therefore an area of focus in our audit procedures. Management's assessment of the goodwill in the other CGUs concluded that no impairment was required. Management included disclosures to explain its key judgements and estimates as part of notes 1 and 5.	We obtained management's value in use goodwill impairment models and agreed the forecast cash flows to board-approved budgets, assessed how these budgets are compiled, confirmed data accuracy and understood and evaluated key related judgements and estimates. We assessed management's historical forecasting accuracy by comparing the prior year forecasts with actual results. This informed our independent sensitivity analysis. We performed work over each material CGU being the Catalyst Technologies and Clean Air Heavy Duty Catalysts CGUs. The nature and extent of work was commensurate with the level of headroom and sensitivity of the CGU to impairment. Our testing was focused on the key assumptions in the board-approved three year forecasts and we corroborated the assumptions to supporting evidence which included both internal and external sources of evidence. In addition, we assessed the appropriateness and impact of the specific growth assumptions applied by management for the period after the year three forecast but before a long term growth rate is applied (typically year ten). Management has included certain key assumptions relating to climate change. These include restricting the useful economic life applied in modelling Heavy Duty Catalysts to 2040 (2024: 2040) and the application of a negative growth rate from 2033 (2024: 2033). Working with our valuation experts, we have considered external market outlooks and information on emission legislation to corroborate these assumptions. We engaged our valuations experts to assess the long term growth rate and discount rate for each CGU by comparison with third party information and past performance. Our procedures also included considering the overall level of risk in the future cashflow projections. We tested the mathematical integrity of the forecasts and of the value in use model, audited the allocation of central costs to the CGUs and agreed the carrying values in management's impairment models to underlying accounting records. We assessed management's sensitivity analysis and performed our own independent sensitivity analysis which was more severe than management's to assess whether a reasonable downside change in the key assumptions could give rise to a material impairment. We consider the disclosures with respect of goodwill, including the associated sensitivities, to be appropriate. Based on the procedures performed, we noted no material issues arising from our work.

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

Key audit matter	How our audit addressed the key audit matter
Claims and uncertainties (group and parent)	
Refer to the Significant issues considered by the Audit Committee and notes 1, 22, 31, 35 and 46 to the financial statements. This risk covers litigation matters across the group. There is inherent judgement and estimation involved in determining when and how much to provide for claims and uncertainties. The assumptions underpinning these claims and the identification of when such claims arise are inherently judgemental. Careful consideration needs to be given as to how the claim and any potential exposure are estimated and subsequently accounted for. The group is involved in various legal proceedings, including actual or threatened litigation and regulatory investigations. The number and nature of claims vary from year to year; note 31 discloses the major matters in the year. The most significant is the contingent liability arising following the sale of the Health Business in May 2022. The group discloses such risks as contingent liabilities where it is unable to make a reliable estimate of potential exposures or where it believes a material outflow is possible but not probable. If the group is unable to successfully defend against such claims, these risks could give rise to a future liability.	For litigation matters, we read the summary of major litigation matters provided by management and held discussions with group and sector level general counsel. For new matters with potential exposure, we obtained and reviewed correspondence with external legal counsel, including any particulars of claim. We have held discussions with both internal and external legal counsel to assess legal exposures and the expected outcome for new and material cases across the group. We reviewed board minutes and made inquiries of management to address the risk of undisclosed claims and uncertainties. We applied professional scepticism in auditing both the likely outcome and quantification of exposures, including performing audit procedures over claims management determined to be immaterial and being sceptical of where a constructive obligation existed but management considered a reliable estimate could not be made. Where settlements have occurred, we have agreed these to settlement agreements between the company and the claimant. We have assessed the level of provisioning and contingent liability disclosures, where relevant, in response to known claims. Based on the procedures performed, we noted no material issues arising from our work.

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

Key audit matter	How our audit addressed the key audit matter
Property, plant and equipment impairment - Hydrogen Technologies (group)	
Refer to the Significant issues considered by the Audit Committee within the Audit Committee Report and notes 1, 5 and 6 to the financial statements. A strategic business review of the Hydrogen sector was performed during the year due to indicators of a further slow-down in the transition to hydrogen fuel cell and electrolyser technologies. This review triggered management's decision to cease construction of a plant in the US due to lower demand forecasts and exit from the fuel cell market in China. The carrying amount of the Hydrogen Technologies CGU, comprising attributable net assets of £201 million, of which £145 million relates to property, plant and equipment, was also tested for impairment as at 31 March 2025. As a result, management prepared an impairment assessment that reflect its best estimates of future cashflows. The carrying amount for the Hydrogen Technologies cash generating unit exceeded its value-in-use and a £105 million impairment charge was recognised. The residual value after impairment is broadly split equally between working capital and property, plant and equipment. As a result of the impairment charge, management considered the impact of the forecasted pace of market development and disclosed that if future market growth was delayed by one year, with no mitigating actions taken, then this would give rise to an additional impairment of approximately £40 million in this year's financial statements Considering the impairment charge recorded in the year, the recent developments in the market outlook and the changes in management's assumptions compared to prior year, we have concluded there to be higher uncertainty and heightened risk associated with the recoverability of carrying value of the CGUs net assets.	We obtained management's value in use impairment model, confirmed data accuracy and understood and evaluated key related judgements and estimates. We focused on the key assumptions in the forecasts and the value in use model. We corroborated the assumptions to supporting evidence which included both internal and external sources of evidence. In addition, we assessed the appropriateness and impact of the specific growth assumptions applied by management for the period after the year three forecast but before a long-term growth rate is applied (year ten). We engaged in discussions with the group's internal market specialists and used our valuations experts to assess the key assumptions for the business by considering market projections and associated emerging risk factors related to the current stage of business maturity. We verified management's assumptions of market growth and volume against independent market forecasts, conducting sensitivity analyses to assess their impact on headroom and reviewing recently published market data related to hydrogen market projections. We benchmarked the revised operating profit margin to other sectors of the group such as Catalyst Technologies (excluding licencing) and Clean Air. We engaged with our valuations experts to review the post-tax discount rate and the long-term growth rate applied. We tested the mathematical integrity of the value in use model and agreed the carrying values in management's impairment models to underlying accounting records. We assessed management's sensitivity analysis related to the discount rate and timing of market growth assumptions and performed our own independent sensitivity analysis to assess whether a reasonable downside change in the key assumptions could give rise to material further impairment charges. We challenged management on the appropriateness of the disclosures with a specific focus on key sensitivities and confirmed that these are reasonable. Based on the procedures performed, we noted no material issues arising from our work.

How we tailored the audit scope

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

The group is structured across five sectors: Clean Air, PGM Services, Catalyst Technologies, Hydrogen Technologies and Value Businesses, as well as the central Corporate unit. The financial statements are a consolidation of approximately 167 profit centres.

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

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

We identified 12 profit centres which, in our view, required an audit of their complete financial information, due to size or risk characteristics.

In addition to the profit centres in full scope, we performed specified procedures at 15 profit centres covering revenue, trade and other receivables and deferred income, cash, inventory, metal inventory, accruals, fixed assets and depreciation, cost of sales and operating expenses and we tested manual journal entries. This ensured that appropriate audit procedures were performed to achieve sufficient coverage over these financial statement line items.

The total 27 in-scope profit centres are located in numerous countries around the world. We used local teams in these countries to perform the relevant audit procedures. In addition, senior members of the group engagement team have visited component teams across all group's major segments in the UK, Poland, China and the US. These visits were in person for these locations. They included meetings with the component auditor and with local management.

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

The group consolidation, financial statement disclosures and corporate functions were audited by the group audit team. This included our work over the consolidation, litigation provisions, centrally recognised tax balances, goodwill, post-retirement benefits, earnings per share and treasury related balances. This scope of work, together with additional procedures performed at the group level, accounted for 82% of group revenue and 68% of group underlying profit before taxation from continuing operations. This provided the evidence we needed for our opinion on the consolidated financial statements taken as a whole. This was before considering the contribution to our audit evidence from performing audit work at the group level, including targeted analytical review procedures, which covers non-significant components that were not directly included in our group audit scope. Our audit of the Parent Company Financial Statements was undertaken by the group audit team and included substantive procedures over all material balances and transactions.

The impact of climate risk on our audit

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

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

We assessed that the key areas in the financial statements which are more likely to be materially impacted by climate change are those areas that are based on future cash flows. As a result, we particularly considered how climate change risks and the impact of climate commitments made by the group would impact the assumptions made in the forecasts prepared by management that are used in the group's impairment analysis (see also key audit matter on Carrying value of goodwill), determining deferred tax asset recoverability and for going concern purposes. We challenged how management had considered longer term physical risks such as severe weather related impacts, and shorter-term transitional risks such as the introduction of carbon taxes. Our procedures did not identify any material impact on our audit for the year ended 31 March 2025. We also checked the consistency of the disclosures in the TCFD section of the Annual Report with the relevant financial statement disclosures, including note 1 and the going concern section of the accounting policies, and with our understanding of the business and knowledge obtained in the audit.

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

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

Materiality

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

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

	Financial statements - group	Financial statements - company
Overall materiality	£17.7 million (2024: £20.1 million).	£77.4 million (2024: £70.6 million).
How we determined it	Approximately 5% of the three-year average profit before tax from continuing operations, adjusted for profits/(losses) on disposal of businesses, gains and losses on significant legal proceedings, amortisation of acquired intangibles and major impairment and restructuring charges ("underlying profit before tax")	Approximately 1% of total assets. However, materiality is capped at £15.7 million (2024: £19.5 million) for the purpose of the audit of the consolidated financial statements, being the maximum allocation of group materiality to a component.
Rationale for benchmark applied	Underlying profit before tax from continuing operations is used as the materiality benchmark. Management uses this measure as it believes that it reflects the underlying performance of the group and this is how the directors and key management personnel are measured on their performance.	We considered total assets to be an appropriate benchmark for the parent company given that, while it does include trading businesses, it is the ultimate holding company, incurs corporate costs and enters into financing on behalf of the group. The parent company is also a component of the group audit. The materiality level was capped at £15.7 million given overall group materiality for the purposes of the audit of the consolidated financial statements, being the maximum allocation of group materiality to a component.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £1.3 million and £15.7 million. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £13.3 million (2024: £15.1 million) for the group financial statements and £11.8 million (2024: £14.6 million) for the company financial statements.

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

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £0.9 million (group audit) (2024: £1 million) and £0.9 million (company audit) (2024: £1 million) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

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

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

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

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

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

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

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

Reporting on other information

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

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

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

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

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 March 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Directors' Remuneration

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

Corporate governance statement

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

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

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

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

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

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

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the Annual Report and Accounts 2025, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the members on 18 July 2018 to audit the financial statements for the year ended 31 March 2019 and subsequent financial periods. The period of total uninterrupted engagement is seven years, covering the years ended 31 March 2019 to 31 March 2025.

Other matter

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

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

London
3 June 2025

Consolidated Income Statement

for the year ended 31st March 2025

	Notes	2025 £m	2024 £m
Revenue	2,3	**11,674**	**12,843**
Cost of sales	2	(10,775)	(11,916)
Gross profit		**899**	**927**
Distribution costs		(107)	(119)
Administrative expenses		(403)	(398)
Profit / (loss) on disposal of businesses	26	482	(9)
Amortisation of acquired intangibles	4	(4)	(4)
Major impairment and restructuring charges	4,6	(329)	(148)
Operating profit	2,4	**538**	**249**
Finance costs	8	(142)	(146)
Investment income	8	87	64
Share of profits / (losses) of associates	15	3	(3)
Profit before tax		**486**	**164**
Tax expense	9	(113)	(56)
Profit for the year		**373**	**108**

		pence	pence
Earnings per ordinary share			
Basic	10	**211.8**	58.6
Diluted	10	**211.2**	58.3

The notes on pages 128 to 190 form an integral part of the accounts.

Consolidated Statement of Total Comprehensive Income

for the year ended 31st March 2025

	Notes	2025 £m	2024 £m
Profit for the year		**373**	**108**
Other comprehensive income / (expense)			
Items that will not be reclassified to the income statement in subsequent years			
Remeasurements of post-employment benefit assets and liabilities	24	37	(68)
Fair value losses on equity investments at fair value through other comprehensive income		(2)	(7)
Tax on items that will not be reclassified to the income statement[1]		(8)	18
Total items that will not be reclassified to the income statement		**27**	**(57)**
Items that may be reclassified to the income statement			
Exchange differences on translation of foreign operations	25	(82)	(79)
Amounts charged to hedging reserve	25	(38)	(1)
Fair value gains on net investment hedges		7	4
Tax on above items taken directly to or transferred from equity[2]		10	1
Total items that may be reclassified to the income statement in subsequent years		**(103)**	**(75)**
Other comprehensive expense for the year		**(76)**	**(132)**
Total comprehensive income / (expense) for the year		**297**	**(24)**

1. The tax charge on other comprehensive income that will not be reclassified to the income statement of £8 million (2024: £18 million credit) relates to remeasurements of post-employment benefit assets and liabilities.
2. The tax credit on other comprehensive income that may be reclassified to the income statement of £10 million (2024: £1 million) relates to tax on amounts charged to hedging reserve.

The notes on pages 128 to 190 form an integral part of the accounts.

Consolidated Statement of Financial Position

as at 31st March 2025

	Notes	2025 £m	2024 £m
Assets			
Non-current assets			
Property, plant and equipment	11	1,411	1,436
Right-of-use assets	12	53	40
Goodwill	13	347	353
Other intangible assets	14	288	301
Investments in associates	15	71	71
Investments at fair value through other comprehensive income	28	38	40
Other receivables	17	98	104
Derivative financial instruments	18	4	49
Deferred tax assets	23	135	128
Post-employment benefit net assets	24	238	153
Total non-current assets		**2,683**	**2,675**
Current assets			
Inventories	16	1,011	1,211
Taxation recoverable		15	10
Trade and other receivables	17	1,532	1,718
Cash and cash equivalents		898	542
Derivative financial instruments	18	55	53
Assets classified as held for sale		–	127
Total current assets		**3,511**	**3,661**
Total assets		**6,194**	**6,336**

	Notes	2025 £m	2024 £m
Liabilities			
Current liabilities			
Trade and other payables	19	(1,984)	(2,209)
Lease liabilities	12	(6)	(8)
Taxation liabilities		(45)	(75)
Cash and cash equivalents - bank overdrafts		(24)	(12)
Borrowings	20	(333)	(110)
Derivative financial instruments	18	(14)	(11)
Provisions	22	(69)	(63)
Liabilities classified as held for sale		–	(35)
Total current liabilities		**(2,475)**	**(2,523)**
Non-current liabilities			
Borrowings	20	(1,301)	(1,339)
Lease liabilities	12	(40)	(24)
Deferred tax liabilities	23	(4)	(2)
Employee benefit obligations	24	(38)	(39)
Derivative financial instruments	18	(9)	(10)
Provisions	22	(26)	(17)
Trade and other payables	19	(6)	(2)
Total non-current liabilities		**(1,424)**	**(1,433)**
Total liabilities		**(3,899)**	**(3,956)**
Net assets		**2,295**	**2,380**
Equity			
Share capital	25	197	215
Share premium		148	148
Treasury shares		(10)	(17)
Other reserves	25	(51)	36
Retained earnings		2,011	1,998
Total equity		**2,295**	**2,380**

The accounts were approved by the Board of Directors on 3rd June 2025 and signed on its behalf by:

L Condon Directors

R Pike

The notes on pages 128 to 190 form an integral part of the accounts.

Consolidated Statement of Cash Flows

for the year ended 31st March 2025

	Notes	2025 £m	2024 £m
Cash flows from operating activities			
Profit before tax		486	164
Adjustments for:			
Share of (profits) / losses of associates		(3)	3
Profit on disposal of businesses		(482)	–
Depreciation		134	144
Amortisation		53	48
Impairment losses		219	70
Profit on sale of non-current assets		(1)	(2)
Share-based payments		7	5
Decrease in inventories		187	396
Decrease in receivables		156	89
Decrease in payables		(256)	(288)
Increase / (decrease) in provisions		15	(7)
Contributions in excess of employee benefit obligations charge		(42)	(10)
Changes in fair value of financial instruments		9	(10)
Net finance costs		55	82
Disposal costs		(18)	–
Income tax paid		(138)	(92)
Net cash inflow from operating activities		**381**	**592**

	Notes	2025 £m	2024 £m
Cash flows from investing activities			
Interest received		78	62
Purchases of property, plant and equipment		(315)	(301)
Purchases of intangible assets		(58)	(67)
Government grant income received		–	5
Proceeds from redemption of investments held at fair value through other comprehensive income		3	–
Proceeds from sale of non-current assets		2	5
Proceeds from sale of businesses		587	41
Net cash inflow / (outflow) from investing activities		**297**	**(255)**
Cash flows from financing activities			
Purchase of treasury shares		(251)	–
Proceeds from borrowings		318	1
Repayment of borrowings		(105)	(151)
Dividends paid to equity shareholders	25	(138)	(141)
Interest paid		(148)	(137)
Principal element of lease payments		(9)	(11)
Net cash outflow from financing activities		**(333)**	**(439)**
Change in cash and cash equivalents		**345**	**(102)**
Exchange differences on cash and cash equivalents		(1)	(5)
Cash and cash equivalents at beginning of year		530	637
Cash and cash equivalents at end of year		**874**	**530**
Cash and deposits		463	208
Money market funds		435	334
Bank overdrafts		(24)	(12)
Cash and cash equivalents		**874**	**530**

The notes on pages 128 to 190 form an integral part of the accounts.

Consolidated Statement of Changes in Equity

for the year ended 31st March 2025

	Share capital £m	Share premium £m	Treasury shares £m	Other reserves (note 25) £m	Retained earnings £m	Total equity £m
At 1st April 2023	215	148	(19)	118	2,077	2,539
Profit for the year	–	–	–	–	108	108
Remeasurements of post-employment benefit assets and liabilities	–	–	–	–	(68)	(68)
Fair value losses on investments at fair value through other comprehensive income	–	–	–	(7)	–	(7)
Exchange differences on translation of foreign operations	–	–	–	(79)	–	(79)
Amounts charged to hedging reserve	–	–	–	(1)	–	(1)
Fair value gains on net investment hedges taken to equity	–	–	–	4	–	4
Tax on other comprehensive income	–	–	–	1	18	19
Total comprehensive (expense) / income	–	–	–	(82)	58	(24)
Dividends paid (note 25)	–	–	–	–	(141)	(141)
Share-based payments	–	–	–	–	17	17
Cost of shares transferred to employees	–	–	2	–	(13)	(11)
At 31st March 2024	**215**	**148**	**(17)**	**36**	**1,998**	**2,380**
Profit for the year	–	–	–	–	373	**373**
Remeasurements of post-employment benefit assets and liabilities	–	–	–	–	37	**37**
Fair value losses on investments at fair value through other comprehensive income	–	–	–	(2)	–	**(2)**
Exchange differences on translation of foreign operations	–	–	–	(82)	–	**(82)**
Amounts charged to hedging reserve	–	–	–	(38)	–	**(38)**
Fair value gains on net investment hedges taken to equity	–	–	–	7	–	**7**
Tax on other comprehensive income / (expense)	–	–	–	10	(8)	**2**
Total comprehensive (expense) / income	**–**	**–**	**–**	**(105)**	**402**	**297**
Dividends paid (note 25)	–	–	–	–	(138)	**(138)**
Purchase of treasury shares (note 25)	(18)	–	–	18	(251)	**(251)**
Share-based payments	–	–	–	–	18	**18**
Cost of shares transferred to employees	–	–	7	–	(18)	**(11)**
At 31st March 2025	**197**	**148**	**(10)**	**(51)**	**2,011**	**2,295**

The notes on pages 128 to 190 form an integral part of the accounts.

Guide to financial statement disclosures

for the year ended 31st March 2025

The notes on pages 128 to 190 form an integral part of the accounts.

Notes on the Accounts

for the year ended 31st March 2025

1 Material accounting policies

The Company and the Group

Johnson Matthey plc (the 'Company') is a public company limited by shares incorporated under the Companies Act 2006 and domiciled in England in the United Kingdom. The consolidated accounts of the company for the year ended 31st March 2025 consist of the audited consolidation of the accounts of the Company and its subsidiaries (together referred to as the 'Group'), together with the employee share ownership trust and the group's interest in joint ventures and associates.

Basis of accounting and preparation – group

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

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

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

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

Going concern

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

As at 31st March 2025, the group maintains a strong balance sheet with around £1.9 billion of available cash and undrawn committed facilities. Free cash flow was strong in the year at £521 million and net debt reduced by £152 million. Net debt at 31st March 2025 was £799 million at 1.4 times net debt (including post tax pension deficits) to underlying EBITDA which was just below our target range.

While inflation has been decreasing and interest rates have started to fall, significant headwinds remain due to ongoing global auto sector weakness, persistent geopolitical tensions and political uncertainty in the US, particularly about tariffs. Despite these challenges, the group demonstrated resilience during the period, with underlying operating profit (at constant exchange rate and excluding the impact of divestments) growing mid-single digit. For the purposes of assessing going concern, we have revisited our financial projections using the latest budget for our base case scenario. The base case scenario was stress tested to a severe-but-plausible downside case which reflects lower demand across our markets to account for significant disruption from external factors and a deep recession.

The severe-but-plausible case for Clean Air modelled scenarios assuming a smaller light and heavy duty vehicle market from reduced vehicle production and/or market consumer demand disruption, which could be caused by tariffs or other general changes to the market environment, or greater share of zero emission vehicles in market. This was assumed to result in a 10% drop in sales. For PGMS and Catalyst Technologies, it also assumed a reduction in sales and associated operating profit based on adverse scenarios using external and internal market insights.

Additionally, as part of viability testing, the group considered scenarios including the impact from metal price volatility, delays in capital projects and delivery of cost transformation savings, slow down of operations in China and an additional impact of US tariffs. We have also considered the impact of a refinery shutdown for a prolonged period. Whilst the combined impact would reduce profitability and EBITDA against our latest forecast, our balance sheet would remain strong.

The group has a robust funding position comprising a range of long-term debt and a £1 billion five year committed revolving credit facility newly secured in April 2025 and maturing in April 2030. There was £874 million of cash held in money market funds or placed on deposit with highly rated banks. Of the existing loans, £260 million of term debt and £40 million of other bank loans maturing between August 2024 and June 2025 were re-financed in December 2024 when the group issued c.£300 million of loan notes in the USPP market. A further £109 million of USPP debt will mature in the next 15 months. We assume no refinancing of this debt in our going concern modelling. As a long time, highly rated issuer in the US private placement market, the group expects to be able to access additional funding in its existing markets if required but the going concern conclusion is not dependent on such access as the company has sufficient financing and liquidity to fund its obligations in the base and severe-but-plausible scenarios. The group also has a number of additional sources of funding available including uncommitted metal lease facilities that support precious metal funding. Whilst we would fully expect to be able to utilise the metal lease facilities, they are excluded from our going concern modelling.

1 Material accounting policies (continued)

Basis of accounting and preparation (continued)

Conclusion

In the base case and severe but plausible scenarios, the group has sufficient headroom against committed facilities and key financial covenants are not in breach during the going concern period. Only in the unlikely event of all the additional risks identified above being overlaid on top of the severe but plausible trading scenario is there a very small breach of the financial covenants. This could be easily mitigated by reducing capital expenditure, renegotiating payment terms or reducing future dividend distributions. To give further assurance on liquidity, we have also undertaken a reverse stress test on our base case for full year to March 2026 and March 2027 to identify what additional or alternative scenarios and circumstances would threaten our current financing arrangements. This shows that we have headroom against either a further decline in profitability well beyond the severe-but-plausible scenario, or a significant increase in borrowings, or a significant increase in interest charges. Furthermore, as mentioned above, the group has other mitigating actions available which it could utilise to protect headroom.

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

Material accounting policies

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

Foreign currencies

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

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

Exchange differences arising on the translation of the net investment in overseas subsidiaries, joint ventures, associates and branches, less exchange differences arising on related foreign currency financial instruments which hedge the group's net investment in these operations, are taken to other comprehensive income. On disposal of the net investment, the cumulative exchange difference is reclassified from equity to operating profit.

Other exchange differences are recognised in operating profit.

Revenue

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

Performance obligations

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

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

Transaction price

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

Notes on the Accounts for the year ended 31st March 2025 continued

1 Material accounting policies (continued)

Revenue recognition

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

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

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

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

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

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

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

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

Consideration payable to customers

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

Costs to fulfil a contract

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

Contract receivables

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

Contract liabilities

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

Finance costs and investment income

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

Research and development

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

Property, plant and equipment

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

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

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

Impairment

The group and parent company reviews the carrying amounts of its non-financial assets regularly to determine whether there is any indication of impairment. Goodwill is tested for impairment annually or more frequently if there are indications that goodwill might be impaired. If any such indication of impairment exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of any impairment loss. Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value-in-use. In estimating value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or CGU) for which the estimates of future cash flows have not been adjusted.

Notes on the Accounts for the year ended 31st March 2025 continued

1 Material accounting policies (continued)

Impairment (continued)

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

Impairment of financial assets

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

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

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

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

Measurement of ECLs

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

Factoring arrangements

The group enters into factoring type arrangements in a small number of countries as part of normal business due to longer than standard payment terms, we seek to collect payments in the month following sale. The group and parent company derecognises trade receivables when the contractual rights to cash flows from the receivables have expired or when substantially all risks and rewards of ownership are transferred. Any gain or loss from the derecognition is recognised in the statement of profit or loss.

Goodwill and other intangible assets

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

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

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

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

Investments in associates

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

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

1 Material accounting policies (continued)

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

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

Leases

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

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

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

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

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

Inventories

Precious metal

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

Other

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

Cash and cash equivalents

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

Financial instruments

Investments and other financial assets

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

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

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

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

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

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

Notes on the Accounts for the year ended 31st March 2025 continued

1 Material accounting policies (continued)

Derivative financial instruments

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

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

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

Cash flow hedges

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

Fair value hedges

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

Net investment hedges

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

Financial liabilities

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

Precious metal sale and repurchase agreements

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

Taxation

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

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

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

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

Provisions and contingencies

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

Notes on the Accounts for the year ended 31st March 2025 continued

1 Material accounting policies (continued)

Share-based payments and treasury shares

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

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

Post-employment benefits

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

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

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

Assets held for sale

Non-current assets and disposal groups are classified as held for sale if, at the balance sheet date, they are available for sale in their present condition, management are committed to a plan to sell the asset or disposal group and there is an active programme to locate a buyer, and a sale is considered highly probable within 12 months. They are measured at the lower of their carrying amount and fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately on the Balance Sheet. The assets are not depreciated or amortised while they are classified as held for sale.

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

Sources of estimation uncertainty

Determining the carrying amounts of certain assets and liabilities at the balance sheet date requires estimation of the effects of uncertain future events. In the event that actual outcomes differ from those estimated, there may be an adjustment to the carrying amounts of those assets and liabilities within the next financial year. Other significant risks of material adjustment are the valuation of the liabilities of the defined benefit pension plans and tax provisions. The group and parent company have considered the refining process and stocktakes, deferred tax assets and climate change and, whilst not deemed to represent a significant risk of material adjustment to the group's and parent company's financial position during the year ending 31st March 2025, represent important accounting estimates.

Goodwill, other intangibles and other assets

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

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

The directors have determined that there is significant accounting estimate with respect to the estimated cash flows in assessing the value in use of the Hydrogen Technologies CGU. There is also significant accounting estimate with respect to the estimated cash flows used in the Heavy Duty Catalysts and Catalyst Technologies CGUs value in use as part of the goodwill impairment assessments. Refer to note 5 for information about the key assumptions applied in the value in use calculations.

Post-employment benefits

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

1 Material accounting policies (continued)

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

Tax provisions

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

Provisions are mainly measured using the 'expected value' method. This method calculates exposure by reference to the sum of the probability-weighted outcome of a range of potential outcomes. The resolution of tax positions taken by the group can take a considerable period of time to conclude and, in some cases, it is difficult to predict the outcome. Tax provisions at 31st March 2025 of £59 million (2024: £64 million) are included within the current tax positions on the balance sheet and the estimation of the range of possible outcomes is an increase in those liabilities by £118 million (2024: £72 million) to a decrease of £58 million (2024: £54 million). The estimates made reflect where the group faces routine tax audits or is in ongoing disputes with tax authorities; has identified potential tax exposures relating to transfer pricing; or is contesting the tax deductibility of certain business costs.

Deferred tax assets

Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available, against which the deductible temporary difference can be utilised, based on management's assumptions relating to future taxable profits.

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

Refining process and stocktakes

The group's and parent company's refining businesses process significant quantities of precious metal and there are uncertainties regarding the actual amount of metal in the refining system at any one time. The group's refining businesses process over four million ounces of platinum group metals per annum with a market value of around £3 billion. The majority of metal processed is owned by customers and the group and parent company must return pre-agreed quantities of refined metal based on assays of starting materials and other contractual arrangements, such as the timing of the return of metal. The group and parent company calculate the profits or losses of their refining operations based on estimates, including the extent to which process losses are expected during refining. The risk of process losses or stocktake gains depends on the nature of the starting material being refined, the specific refining processes applied, the efficiency of those processes and the contractual arrangements.

Stocktakes are performed to determine the volume and value of metal within the refining system compared with the calculated estimates, with the variance being a profit or a loss. Stocktakes are, therefore, a key control in the assessment of the accuracy of the profit or loss of refining operations. Whilst refining is a complex, large-scale industrial process, the group and parent company have appropriate processes and controls over the movement of material in their refineries.

Climate change

The impact of climate change presented in the group's Strategic Report (see pages 36 to 45) and the stated net zero targets have been considered in preparing the group accounts.

The following considerations were made:

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

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

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

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

There is no material impact on the reported numbers for the year ended 31st March 2025 from climate change.

1 Material accounting policies (continued)

Judgements made in applying accounting policies

Metal

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

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

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

Provisions and contingent liabilities

The group is involved in various disputes and claims which arise from time to time in the course of its business including, for example, in relation to commercial matters, product quality or liability, employee matters and tax audits. The group is also involved from time to time in the course of its business in legal proceedings and actions, engagement with regulatory authorities and in dispute resolution processes. Judgement is required to determine if an outflow of economic resources is probable, or possible but not probable for such events. Where it is probable, a liability is recognised and further judgement is used to determine the amount of the provision. Where it is possible but not probable, further judgement is used to determine if the likelihood is remote, in which case no disclosures are provided; if the likelihood is not remote then a contingent liability is disclosed. Provisions and contingent liabilities are set out in notes 22 and 31, respectively.

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

Assets held for sale

On 22nd May 2025, the group announced the agreement of the sale of its Catalyst Technologies business to Honeywell International Inc., refer to note 34 for further information. 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 has not been classified as held for sale and a discontinued operation within these consolidated accounts.

Changes in accounting policies

Amendments to accounting standards

The IASB has issued the following amendments, which have been endorsed by the UK Endorsement Board, for annual periods beginning on or after 1st January 2024:

- Amendments to IAS 1, *Presentation of Financial Statements;*
- Amendments to IFRS 16, *Leases;*
- Amendments to IAS 7, *Statement of Cash Flows* and IFRS 7, *Financial Instruments: Disclosures relating to Supplier Finance Arrangements*

The new or amended standards and interpretations above that are effective for the year ended 31st March 2025 have not had a material impact on the group.

The group has not early adopted any standard, amendment or interpretation that was issued but is not yet effective.

With the exception of IFRS 18, *Presentation and Disclosure in Financial Statements*, the group does not expect these amendments to have a material impact on the group. The group will assess the impact of IFRS 18 in due course, with it effective for accounting periods commencing 1st January 2027.

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

- Amendments to IAS 21, *The Effects of Changes in Foreign Exchange Rates relating to exchangeability of a currency*;
- Amendments to IFRS 9, *Financial Instruments* and IFRS 7, *Financial Instruments: Disclosures;*
- IFRS 18, *Presentation and Disclosure in Financial Statements;* and
- IFRS 19, *Subsidiaries without Public Accountability*

Non-GAAP measures

The group uses various measures to manage its business which are not defined by generally accepted accounting principles (GAAP). The group's management believes these measures provide valuable additional information to users of the accounts in understanding the group's performance. The group's non-GAAP measures are defined and reconciled to GAAP measures in note 33.

Notes on the Accounts for the year ended 31st March 2025 continued

2 Segmental information

Revenue, sales and underlying operating profit by business

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

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

Catalyst Technologies – licenses process technology and supplies catalysts to the chemical and energy sectors, enabling the decarbonisation of fuels and chemical value chains.

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

Value Businesses – a portfolio of businesses managed to drive shareholder value from activities considered to be non-core to the group. The disposal of the Value Businesses portfolio concluded during the period, with Battery Systems (sold on 30th April 2024), Medical Device Components (sold on 1st July 2024) and the land and buildings of our previous Battery Materials business in Poland (sold on 24th July 2024). Refer to note 26 for further details. Additionally, included in our prior period comparatives is Diagnostic Services (sold on 29th September 2023).

The Group Leadership Team (the chief operating decision maker as defined by IFRS 8, *Operating Segments*) monitors the results of these operating businesses to assess performance and make decisions about the allocation of resources. Each operating business is represented by a member of the Group Leadership Team. These operating businesses represent the group's reportable segments and their principal activities are described on pages 19 to 22. The performance of the group's operating businesses is assessed on sales and underlying operating profit (see note 33). Sales between segments are made at market prices, taking into account the volumes involved.

Year ended 31st March 2025

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Value Businesses £m	Corporate £m	Eliminations £m	Total £m
Revenue from external customers	3,973	6,869	713	68	51	–	–	**11,674**
Inter-segment revenue	–	1,484	15	–	–	–	(1,499)	**–**
Revenue	**3,973**	**8,353**	**728**	**68**	**51**	**–**	**(1,499)**	**11,674**
Cost of sales - precious metal to customers	(1,654)	(7,889)	(59)	(8)	(14)	–	1,420	**(8,204)**
Cost of sales - non-precious metal	(1,856)	(223)	(449)	(68)	(32)	(22)	79	**(2,571)**
Cost of sales	**(3,510)**	**(8,112)**	**(508)**	**(76)**	**(46)**	**(22)**	**1,499**	**(10,775)**
External sales	2,319	399	655	60	37	–	–	**3,470**
Inter-segment sales	–	65	14	–	–	–	(79)	**–**
Sales[1]	**2,319**	**464**	**669**	**60**	**37**	**–**	**(79)**	**3,470**
Underlying operating profit / (loss)[1]	**273**	**149**	**92**	**(39)**	**1**	**(87)**	**–**	**389**

1. Sales and underlying operating profit are non-GAAP measures (see note 33). Sales excludes the cost of precious metals to customers. Underlying operating profit excludes profit or loss on disposal of businesses, amortisation of acquired intangibles and major impairment and restructuring charges.

Year ended 31st March 2024

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Value Businesses £m	Corporate £m	Eliminations £m	Total £m
Revenue from external customers	5,219	6,490	634	85	415	–	–	**12,843**
Inter-segment revenue	8	2,432	19	1	–	–	(2,460)	**–**
Revenue	**5,227**	**8,922**	**653**	**86**	**415**	**–**	**(2,460)**	**12,843**
Cost of sales - precious metal to customers	(2,646)	(8,460)	(75)	(15)	(89)	–	2,346	**(8,939)**
Cost of sales - non-precious metal	(2,101)	(210)	(399)	(87)	(278)	(16)	114	**(2,977)**
Cost of sales	**(4,747)**	**(8,670)**	**(474)**	**(102)**	**(367)**	**(16)**	**2,460**	**(11,916)**
External sales	2,573	374	560	71	326	–	–	**3,904**
Inter-segment sales	8	88	18	–	–	–	(114)	**–**
Sales[1]	**2,581**	**462**	**578**	**71**	**326**	**–**	**(114)**	**3,904**
Underlying operating profit / (loss)[1]	**274**	**164**	**75**	**(50)**	**29**	**(82)**	**–**	**410**

1. Sales and underlying operating profit are non-GAAP measures (see note 33). Sales excludes the cost of precious metals to customers. Underlying operating profit excludes profit or loss on disposal of businesses, amortisation of acquired intangibles and major impairment and restructuring charges.

Notes on the Accounts for the year ended 31st March 2025 continued

2 Segmental information (continued)

Reconciliation from underlying operating profit to operating profit by business

Year ended 31st March 2025

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Value Businesses £m	Corporate £m	Total £m
Underlying operating profit / (loss)[1]	**273**	**149**	**92**	**(39)**	**1**	**(87)**	**389**
(Loss) / profit on disposal of businesses (note 26)	–	(19)	–	–	29	472	**482**
Amortisation of acquired intangibles	–	–	(4)	–	–	–	**(4)**
Major impairment and restructuring charges (note 6)	(39)	(63)	(2)	(145)	(1)	(79)	**(329)**
Operating profit / (loss)	**234**	**67**	**86**	**(184)**	**29**	**306**	**538**

Year ended 31st March 2024

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Value Businesses £m	Corporate £m	Total £m
Underlying operating profit / (loss)[1]	**274**	**164**	**75**	**(50)**	**29**	**(82)**	**410**
Loss on disposal of businesses	(4)	–	–	–	(5)	–	**(9)**
Amortisation of acquired intangibles	(1)	–	(3)	–	–	–	**(4)**
Major impairment and restructuring charges (note 6)	(32)	(15)	(2)	(10)	(53)	(36)	**(148)**
Operating profit / (loss)	**237**	**149**	**70**	**(60)**	**(29)**	**(118)**	**249**

1. Underlying operating profit is a non-GAAP measure (see note 33). Underlying operating profit excludes profit or loss on disposal of businesses, gain or loss on significant legal proceedings, together with associated legal costs, amortisation of acquired intangibles and major impairment and restructuring charges.

Notes on the Accounts for the year ended 31st March 2025 continued

2 Segmental information (continued)

Other segmental information

Year ended 31st March 2025

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Corporate £m	Total £m
Segmental net assets	**1,345**	**121**	**801**	**153**	**373**	**2,793**
Net debt (note 33)						**(799)**
Post-employment benefit net assets and liabilities						**200**
Deferred tax net assets						**131**
Provisions and non-current other payables						**(101)**
Investments in associates (note 15)						**71**
Net assets						**2,295**
Property, plant and equipment	33	196	67	25	10	**331**
Intangible assets	5	–	6	2	32	**45**
Capital expenditure	**38**	**196**	**73**	**27**	**42**	**376**
Depreciation	67	25	22	5	15	**134**
Amortisation	5	2	8	–	38	**53**
Impairment losses (notes 5 and 6)	(25)	(39)	(3)	(134)	(18)	**(219)**
Total	**47**	**(12)**	**27**	**(129)**	**35**	**(32)**

Year ended 31st March 2024

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Value Businesses £m	Corporate £m	Total £m
Segmental net assets	**1,351**	**38**	**718**	**271**	**178**	**449**	**3,005**
Net debt							**(946)**
Post-employment benefit net assets and liabilities							**114**
Deferred tax net assets							**126**
Provisions and non-current other payables							**(82)**
Investments in associates (note 15)							**71**
Net assets held for sale							**92**
Net assets							**2,380**
Property, plant and equipment	52	116	50	87	9	11	**325**
Intangible assets	3	4	12	9	–	37	**65**
Capital expenditure	**55**	**120**	**62**	**96**	**9**	**48**	**390**
Depreciation	70	27	23	3	8	13	**144**
Amortisation	4	3	5	–	–	36	**48**
Impairment losses and reversals (notes 5 and 6)	(2)	(12)	–	(6)	(50)	–	**(70)**
Total	**72**	**18**	**28**	**(3)**	**(42)**	**49**	**122**

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

Notes on the Accounts for the year ended 31st March 2025 continued

3 Revenue

Products and services

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

Sub-business	Primary industry	Principal products and services	Performance obligations	Revenue recognition
Clean Air				
Light Duty Catalysts	Automotive	Catalysts for cars and other light duty vehicles	Point in time	On despatch or delivery
Heavy Duty Catalysts	Automotive	Catalysts for trucks, buses and non-road equipment	Point in time	On despatch or delivery
PGM Services				
Platinum Group Metal Services	Various	Platinum Group Metal refining and recycling services	Over time	Based on output
		Platinum Group Metal trading	Point in time	On receipt of payment or metal being available to customer
		Other precious metal products	Point in time	On despatch or delivery
		Platinum Group Metal chemical, industrial products and catalysts	Point in time	On despatch or delivery
Catalyst Technologies				
Catalysts	Chemicals / oil and gas / sustainable fuels	Speciality catalysts and additives	Point in time	On despatch or delivery
Licensing	Chemicals / oil and gas / sustainable fuels	Process technology licences and engineering design services	Over time / point in time[1]	Based on costs incurred or at a point in time[1]
Hydrogen Technologies				
Fuel Cells Technology	Various	Fuel cell catalyst coated membrane	Point in time	On despatch or delivery
Electrolysis Technology	Various	Electrolyser catalyst coated membrane	Point in time	On despatch or delivery
Value Businesses				
Other Markets (excluding Diagnostic Services)	Various	Precious metal pastes and enamels, battery systems and products found in devices used in medical procedures	Point in time	On despatch or delivery
Diagnostic Services	Oil and gas	Detection, diagnostic and measurement solutions	Over time	Based on costs incurred

1. Revenue recognition depends on whether the licence is distinct in the context of the contract. If a licence is assessed as distinct the judgement around point in time or over time depends on whether it is a right to use or right to access licence.

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

Notes on the Accounts for the year ended 31st March 2025 continued

3 Revenue (continued)

Revenue judgements

Over time revenue

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

Refining Services

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

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

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

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

Revenue from external customers by principal products and services

Year ended 31st March 2025

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Value Businesses £m	Total £m
Metal	1,654	6,470	58	8	14	**8,204**
Heavy Duty Catalysts	790	–	–	–	–	**790**
Light Duty Catalysts	1,529	–	–	–	–	**1,529**
Platinum Group Metal Services	–	399	–	–	–	**399**
Catalysts	–	–	549	–	–	**549**
Licensing	–	–	106	–	–	**106**
Fuel Cells Technology	–	–	–	60	–	**60**
Battery Systems	–	–	–	–	15	**15**
Medical Device Components	–	–	–	–	21	**21**
Other	–	–	–	–	1	**1**
Revenue	**3,973**	**6,869**	**713**	**68**	**51**	**11,674**

Notes on the Accounts for the year ended 31st March 2025 continued

3 Revenue (continued)

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

Year ended 31st March 2024

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Value Businesses £m	Total £m
Metal	2,646	6,116	74	14	89	**8,939**
Heavy Duty Catalysts	953	–	–	–	–	**953**
Light Duty Catalysts	1,620	–	–	–	–	**1,620**
Platinum Group Metal Services	–	374	–	–	–	**374**
Catalysts	–	–	500	–	–	**500**
Licensing	–	–	60	–	–	**60**
Fuel Cells Technology	–	–	–	71	–	**71**
Battery Systems	–	–	–	–	194	**194**
Diagnostic Services	–	–	–	–	37	**37**
Medical Device Components	–	–	–	–	91	**91**
Other	–	–	–	–	4	**4**
Revenue	**5,219**	**6,490**	**634**	**85**	**415**	**12,843**

Revenue from external customers by point in time and over time performance

Year ended 31st March 2025

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Value Businesses £m	Total £m
Revenue recognised at a point in time	3,973	6,670	597	68	49	**11,357**
Revenue recognised over time	–	199	116	–	2	**317**
Revenue	**3,973**	**6,869**	**713**	**68**	**51**	**11,674**

Year ended 31st March 2024

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Value Businesses £m	Total £m
Revenue recognised at a point in time	5,219	6,307	518	85	387	**12,516**
Revenue recognised over time	–	183	116	–	28	**327**
Revenue	**5,219**	**6,490**	**634**	**85**	**415**	**12,843**

Notes on the Accounts for the year ended 31st March 2025 continued

3 Revenue (continued)

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

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

	Revenue from external customers		Non-current assets	
	2025 £m	2024 £m	**2025 £m**	2024 £m
UK	4,096	3,697	1,082	1,060
Germany	870	1,280	214	227
Rest of Europe	1,064	1,424	300	306
USA	1,973	2,468	421	368
Rest of North America	728	686	16	27
China (including Hong Kong)	1,272	1,375	103	178
Rest of Asia	1,382	1,429	128	137
Rest of World	289	484	4	2
			2,268	**2,305**
Investments at fair value through other comprehensive income			38	40
Derivative financial instruments			4	49
Deferred tax assets			135	128
Post-employment benefit net assets			238	153
Total	**11,674**	**12,843**	**2,683**	**2,675**

Note, to simplify the primary statements we have represented the prior year comparative balances in the Statement of Financial Position to include 'Other financial assets and liabilities' and 'Interest rate swaps' within the singular line 'Derivative financial instruments'. The impact of this has resulted in a reduction in the UK non-current assets balance by £34 million with a corresponding increase in the 'Derivative financial instruments' line.

Major customers

The group received £1.6 billion of revenue from one external customer in the PGM Services business which represents c.13% of the group's revenue from external customers during the year ended 31st March 2025 (2024: £564 million of revenue from one external customer in the PGM Services business which was c.4%). There were no other external customers which represented more than 10% of the group's revenue from external customers during the year ended 31st March 2025 (2024: £1.4 billion of revenue from one external customer in the Clean Air business which was c.10% of the group's revenue from external customers).

Unsatisfied performance obligations

At 31st March 2025, for contracts that had an original expected duration of more than one year, the group had unsatisfied performance obligations of £395 million (2024: £550 million), representing contractually committed revenue to be recognised at a future date. Of this amount, £193 million (2024: £321 million) is expected to be recognised within one year and £202 million (2024: £229 million) is expected to be recognised after one year.

Payment terms

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

4 Operating profit

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

	2025 £m	2024 £m
Research and development expenditure charged to the income statement	193	204
Less: External funding received from governments	(34)	(26)
Net research and development expenditure charged to the income statement	**159**	**178**
Inventories recognised as an expense	9,959	10,962
Write-down of inventories recognised as an expense	4	38
Reversal of write-down of inventories from increases in net realisable value	(4)	(36)
Past service credit	(14)	–
Depreciation of:		
Property, plant and equipment	124	134
Right-of-use assets	10	10
Depreciation	**134**	**144**
Amortisation of:		
Internally generated intangible assets	–	1
Acquired intangibles	4	4
Other intangible assets	49	43
Amortisation	**53**	**48**
(Profit) / loss on disposal of businesses (note 26)	**(482)**	**9**
Impairment losses included in administrative expenses	2	–
Impairment losses (note 5)	**2**	**–**
Impairment losses and reversals included in major impairment and restructuring charges	217	70
Restructuring charges included in major impairment and restructuring charges	112	78
Major impairment and restructuring charges (note 6)	**329**	**148**
Fees payable to the company's auditor and its associates for:		
The audit of the company accounts	2.9	2.7
The audit of the accounts of the company's subsidiaries	2.4	2.4
Total audit fees	**5.3**	**5.1**
Audit-related assurance services	0.4	0.4
Total non-audit fees	**0.4**	**0.4**
Total fees payable to the company's auditor and its associates	**5.7**	**5.5**

No audit fees were paid to other auditors (2024: £nil).

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

5 Impairment losses

Impairment testing

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

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

Impairment loss

During the year ended 31st March 2025, following our review for impairment triggers, an impairment loss of £2 million (2024: £nil) has been recognised in the group income statement within underlying operating profit. Impairment losses of £217 million (2024: £70 million) have been recognised by the group in major impairments and restructuring (see note 6).

Hydrogen Technologies

The carrying amount of the Hydrogen Technologies CGU comprising attributable net assets of £201 million, of which £145 million relates to property, plant and equipment, was tested for impairment at 31st March 2025. This was following a strategic review due to indicators of a further slow-down in the transition to hydrogen fuel cell and electrolyser technologies due to ongoing global challenges with supply chains and investment costs for developing new infrastructure and projects. Management's latest demand forecasts, informed by changes in published industry projections for the broader hydrogen economy, have shown a reduction of approximately 40% compared to internal demand forecasts prepared in 2024. Uncertainty in market prospects has increased this year with the change in US Administration, including the potential impact of proposed US import tariffs that could significantly impact on the manufacturing base for Hydrogen Technologies. Furthermore, clean energy policies and legislation issued in the US under the Biden Administration such as Clause 45V of the Inflation Reduction Act and support for 'hydrogen hubs' across the country, are coming under increasing pressure by the new Administration. No balance of goodwill is allocated to the Hydrogen Technologies CGU. The recoverability of the carrying amount of the Hydrogen Technologies CGU has been assessed against its estimated value in use at the reporting period end date applying the key assumptions detailed below. Following this review, management has determined an impairment of £105 million is required. The residual value after impairment is broadly split equally between inventory and property, plant and equipment.

In estimating value in use, cash flows represent net operating income, less non-cash charges such as depreciation and amortisation, and ongoing investment in working capital to support the business. Capital investment is only included to maintain the existing asset base, including manufacturing assets recently completed that have not yet been brought into use, and does not include investment for any future capacity expansion. Unallocated corporate costs are considered in the model based on the CGU's share of contribution. Cash flows for the next three years are forecasted based on commercial performance derived from expected customer demand and operational performance derived from manufacturing capability in existing plants. This shows the business moving from its current loss-making position to being operating cash positive and reaching operating profit margins consistent with historical group performance. Forecasts for years four to ten assume growth in the business based on a compound annual growth rate that management believes appropriately reflects the pace of development of the market over that period and improved operational performance from integrating new manufacturing assets already built. After this period, growth is estimated to be in line with a long-term growth rate of 3.0%. These are key areas of management estimate and have been considered in the context of the group's historical performance and leading technological position in the market for fuel cells and electrolysers but also recognising the industry challenges around scale up given the global value chain remains in an early stage of development. Should the market not develop as expected or meet the overall market scale forecast by management, then this could give rise to further impairment in future periods. Management has considered the impact of the forecasted pace of market development and determined that if future market growth was delayed by one year, with no mitigating actions taken, then this would give rise to an additional impairment of approximately £40 million in this year's financial statements. Management has assessed the sensitivity of the long-term growth rate and operating profit margin and determined that a 1% decrease in these assumptions would not have a material impact on the carrying amount of the CGU.

The estimated recoverable amount of the Hydrogen Technologies CGU is less than its carrying amount by £105 million using a pre-tax discount rate of 17.1% which is derived from the group's post-tax weighted average cost of capital of 8.8% and adjusted for the risks applicable to the CGU. Management has determined that recent increased uncertainty in global political commitment to the clean energy transition, notably in its largest prospective markets, and heightened trade and energy protectionism, have warranted a higher risk adjustment this year than used in last year's assessment (2024 pre-tax discount rate: 13.0%). Management has assessed the sensitivity of this assumption and determined that an increase to the post-tax weighted average cost of capital of 1% would decrease the carrying amount of the CGU by approximately £13 million.

Notes on the Accounts for the year ended 31st March 2025 continued

5 Impairment losses (continued)

Goodwill

Significant CGUs

Goodwill arising on the acquisition of businesses is allocated, at acquisition, to the CGUs that are expected to benefit from that business combination. These CGUs represent the smallest identifiable groups of assets that generate cash inflows that are largely independent of the cash inflows from other groups of assets. Goodwill allocated to the significant CGUs is as follows:

	2025 £m	2024 £m
Clean Air		
– Heavy Duty Catalysts	82	84
Catalyst Technologies	263	264
Other	2	5
Total carrying amount at 31st March (note 13)	**347**	**353**

Key assumptions used in value in use

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

The expected economic life of the Heavy Duty Catalysts has been restricted to 2040 reflecting internal climate change targets and impact of legislation changes. The terminal year assumption is reassessed annually based on market outlook and consensus. In the medium term, growth will come from tightening emissions legislation driving demand for more sophisticated catalyst systems. Beyond the medium term, the world will increasingly use alternatives to the internal combustion engine which is reflected in the long-term decline rate used in our modelling.

Pre-tax discount rates, derived from the group's post-tax weighted average cost of capital of 8.8% (2024: 8.9%), adjusted for the risks applicable to each CGU are used to discount these projected risk-adjusted cash flows.

The key assumptions are:

	Discount rate		**Long term growth rate**	
	2025	2024	**2025**	2024
Clean Air				
– Heavy Duty Catalysts	**13.4%**	13.8%	**-11.5%**	-11.5%
Catalyst Technologies	**11.5%**	11.1%	**3.0%**	3.0%

Different long term growth rates are used for the Clean Air - Heavy Duty Catalysts CGU because of expected macroeconomic trends in the industry in which the business operates. The growth rate for years four to ten is expected to be -4.9% (2024: -3.9%). After that, growth is expected to decline further and, therefore, the long term growth rate above is used for year eleven onwards.

Sensitivity analysis

The headroom for the significant CGUs, calculated as the difference between net assets including allocated goodwill at 31st March 2025 and the value in use calculations, is shown below. The table also shows, for each significant CGU, the headroom assuming a 1% decrease in the growth rate assumption and a 1% increase in the discount rate assumption used in the value in use calculations.

	Headroom as at 31st March 2025 £m	Headroom assuming a 1% decrease in the growth rate £m	Headroom assuming a 1% increase in the discount rate £m
Clean Air			
– Heavy Duty Catalysts	263	244	235
Catalyst Technologies	415	264	251

A reduction in the Heavy Duty Catalysts CGU's expected economic life by one year reduces headroom by approximately £10 million from £263 million. We don't expect an impairment in the near term in Clean Air despite the declining long-term assumptions.

A reduction in operating margin of 1% in the Catalyst Technologies CGU in each of the future years, with no mitigating actions taken, reduces headroom by approximately £104 million from £415 million.

6 Major impairment and restructuring charges

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

	2025 £m	2024 £m
Property, plant and equipment	177	22
Right-of-use assets	1	1
Goodwill	–	6
Other intangible assets	38	–
Inventories	1	29
Trade and other receivables	–	12
Impairment losses and reversals	**217**	**70**
Restructuring charges	**112**	**78**
Total major impairment and restructuring charges	**329**	**148**

Notes on the Accounts for the year ended 31st March 2025 continued

Major impairment and restructuring charges are shown separately on the face of the income statement and excluded from underlying operating profit (see note 33).

Major impairments – the group's impairment charge of £217 million includes a £105 million impairment to the Hydrogen Technologies cash generating unit, refer to note 5 for further information. The group has also incurred the following impairments during the year:

– £67 million impairment to the group's China related assets, comprised of:
  - £22 million in Clean Air following the decision in October 2024 to close a production line at a site in China to increase efficiency and line capacity of the existing lines;
  - £18 million in Hydrogen Technologies following the decision in February 2025 to exit the fuel cell market in China; and
  - £27 million in PGM Services following a strategic review of the China Refining plant in March 2025 driven by the decline in its cash flows and also our exit from the fuel cell market in China.

  In assessing the recoverable amount of such assets, management has considered the higher of fair value less costs to sell and value-in-use. For the Hydrogen Technologies and PGM Services' China assets, this resulted in a nil or immaterial recoverable value. The carrying amount of the CGU for the Clean Air China's production line exceeded its value-in-use and there were no material sensitivities applicable.

– £29 million to the group's intangible assets (excluding £9 million included in the Hydrogen Technologies CGU impairment outlined above), comprised of £18 million following a strategic review of and subsequent changes to our IT operating model completed in June 2024 which identified that certain IT assets have been impaired and £11 million for other divisional IT assets where projects are no longer being completed. These assets have a nil residual value.

There was a further impairment of £11 million in Hydrogen Technologies. This related to the cessation of construction of a plant in the United States of America, in response to lower demand forecasts. As these assets are not completed it was determined the fair value less costs to sell is immaterial.

The remaining impairment charge of £5 million is primarily to production related assets in Clean Air related to our ongoing Clean Air plant consolidation initiatives as the business continues to consolidate its existing capacity into new and more efficient plants and the group streamlines its operations globally.

Major restructuring – the group's transformation programme was launched in May 2022 and was designed to drive increased competitiveness, improved execution capability and create financial headroom to facilitate further investment in high growth areas. Restructuring charges of £112 million have been recognised of which £43 million relates to Johnson Matthey Global Solutions, IT transformation and running the transformation programme, with £29 million other redundancy and implementation costs. The remaining £40 million charge is related to our ongoing Clean Air plant consolidation initiatives and other divisional restructuring as we streamline the group (including reducing headcount), of which the majority is redundancy and exit costs.

7 Employee information

Employee numbers

	2025	2024
Clean Air	4,739	5,283
PGM Services	1,950	2,022
Catalyst Technologies	1,870	1,773
Hydrogen Technologies	432	616
Value Businesses	156	1,119
Corporate[1]	1,497	1,442
Monthly average number of employees	**10,644**	**12,255**

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

	2025 £m	2024 £m
Wages and salaries	551	596
Social security costs	60	64
Post-employment costs (note 24)	39	53
Share-based payments (note 29)	18	17
Termination benefits	7	16
Employee benefits expense	**675**	**746**

8 Investment income and financing costs

	2025 £m	2024 £m
Net loss on remeasurement of foreign currency swaps held at fair value through profit or loss	(13)	(14)
Interest payable on financial liabilities held at amortised cost and interest on related swaps	(72)	(81)
Interest payable on other liabilities[1]	(53)	(49)
Interest payable on lease liabilities	(2)	(2)
Interest payable on post-employment benefits	(2)	–
Total finance costs	**(142)**	**(146)**
Net gain on remeasurement of foreign currency swaps held at fair value through profit or loss	3	6
Interest receivable on financial assets held at amortised cost	17	13
Interest receivable on other assets[1]	59	38
Interest receivable on post-employment benefits	8	7
Total investment income	**87**	**64**
Net finance costs	**(55)**	**(82)**

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

Notes on the Accounts for the year ended 31st March 2025 continued

9 Tax expense

	2025 £m	2024 £m
Current tax		
Corporation tax on profit for the year	132	89
Adjustment for prior years	(19)	(21)
Total current tax	**113**	**68**
Deferred tax		
Origination and reversal of temporary differences	5	(34)
Adjustment for prior years	(5)	22
Total deferred tax (note 23)	**–**	**(12)**
Tax expense	**113**	**56**

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

	2025 £m	2024 £m
Profit before tax	**486**	**164**
Tax expense at UK corporation tax rate of 25% (2024: 25%)	122	41
Effects of:		
Overseas tax rates	(16)	(17)
Expenses not deductible for tax purposes	16	34
Losses and other temporary differences not recognised	36	11
Adjustment for prior years	(24)	(1)
Patent box / Innovation box	(12)	(10)
Other tax incentives	(8)	(2)
Disposal of businesses	–	(2)
Pillar Two top up tax	3	–
Other	(4)	2
Tax expense	**113**	**56**

Adjustments for prior years includes current and deferred tax adjustments primarily in respect of India, Malaysia, Poland, South Africa, USA and the UK.

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

Other movements mainly include movements in respect of provisions for uncertain tax positions.

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

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

Under the legislation, the group is liable to pay a top-up tax for the difference between its Global Anti-Base Erosion ('GloBE') effective tax rate per jurisdiction and the 15% minimum rate. We have undertaken an assessment of the group's potential to additional taxes under Pillar Two and conclude that, for the year ended 31st March 2025, the group is expected to meet the exemptions in the Transitional Country by Country Reporting ('CbCR') safe harbours in all tax jurisdictions in which it operates, except for Bermuda, Hong Kong, the Netherlands, Poland, North Macedonia and Switzerland. Income tax expense recognised in the consolidated statement of profit and loss for the year ended 31st March 2025 includes £3 million (2024: Not applicable) related to Pillar Two income taxes. This component of current tax expense mainly relates to profits earned in Bermuda and North Macedonia. The group will keep the position under review for future periods.

The group is continuing to assess the impact of the Pillar Two income taxes legislation and related updates on its future financial performance.

Notes on the Accounts for the year ended 31st March 2025 continued

10 Earnings per ordinary share

Earnings per ordinary share have been calculated by dividing profit for the year by the weighted average number of shares in issue during the year.

	2025 pence	2024 pence
Earnings per share		
Basic	**211.8**	58.6
Diluted	**211.2**	58.3

	2025	2024
Earnings (£ million)		
Basic and diluted earnings	**373**	**108**
Weighted average number of shares in issue		
Basic	175,966,787	183,392,681
Dilution for long-term incentive plans	449,667	859,636
Diluted	**176,416,454**	**184,252,317**

Presented earnings per ordinary share have been calculated using unrounded numbers.

The weighted average number of shares differs from the outstanding shares in issue as at 31st March 2025 due to the impact of the share buyback and subsequent cancellation of shares in the year. Refer to note 25 for further information.

11 Property, plant and equipment

	Land and buildings £m	Leasehold improvements £m	Plant and machinery £m	Assets in the course of construction £m	Total £m
Cost					
At 1st April 2023	599	28	2,151	360	3,138
Additions	2	–	39	284	325
Transferred to assets classified as held for sale	–	(4)	(66)	(4)	(74)
Transfers from assets in the course of construction	12	1	102	(115)	–
Disposals	(1)	(2)	(27)	(5)	(35)
Disposal of businesses	(1)	–	(4)	–	(5)
Exchange adjustments	(20)	–	(52)	(5)	(77)
At 31st March 2024	**591**	**23**	**2,143**	**515**	**3,272**
Additions	1	1	24	294	**320**
Transfers from assets in the course of construction	25	1	123	(149)	**-**
Transfers to other intangible assets (note 14)	–	–	(3)	(18)	**(21)**
Reclassification	–	–	–	2	**2**
Disposals	–	(3)	(21)	–	**(24)**
Exchange adjustments	(12)	–	(34)	(1)	**(47)**
At 31st March 2025	**605**	**22**	**2,232**	**643**	**3,502**

	Land and buildings £m	Leasehold improvements £m	Plant and machinery £m	Assets in the course of construction £m	Total £m
Accumulated depreciation and impairment					
At 1st April 2023	284	15	1,499	8	1,806
Charge for the year	16	1	114	3	134
Impairment losses (notes 5 and 6)	–	–	20	9	29
Transferred to assets classified as held for sale	–	(2)	(47)	(3)	(52)
Disposals	(1)	(2)	(25)	(5)	(33)
Disposal of businesses	(1)	–	(4)	–	(5)
Exchange adjustments	(8)	–	(35)	–	(43)
At 31st March 2024	**290**	**12**	**1,522**	**12**	**1,836**
Charge for the year	15	1	108	–	**124**
Impairment losses (notes 5 and 6)	25	–	54	100	**179**
Reclassification	–	–	2	–	**2**
Disposals	–	(3)	(21)	–	**(24)**
Exchange adjustments	(5)	1	(22)	–	**(26)**
At 31st March 2025	**325**	**11**	**1,643**	**112**	**2,091**
Carrying amount at 31st March 2025	**280**	**11**	**589**	**531**	**1,411**
Carrying amount at 31st March 2024	301	11	621	503	1,436
Carrying amount at 1st April 2023	315	13	652	352	1,332

Finance costs capitalised were £5 million (2024: £5 million) and the capitalisation rate used to determine the amount of finance costs eligible for capitalisation was 3.8% (2024: 3.3%).

During the year, the group recognised impairments of £179 million. £177 million of the impairment charge is included in non-underlying expenses, with £2 million included in administrative expenses within underlying operating profit.

During the prior year, the group recognised impairments of £29 million. The impairment charge was included in non-underlying expenses.

The assets transferred to held for sale in the prior year relate to Medical Device Components (see note 26).

Notes on the Accounts for the year ended 31st March 2025 continued

12 Leases

Leasing activities

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

Right-of-use assets

	Land and buildings £m	Plant and machinery £m	Total £m
At 31st March 2024	**36**	**4**	**40**
New leases, remeasurements and modifications	22	–	**22**
Depreciation charge for the year	(9)	(1)	**(10)**
Impairment losses (note 6)	(1)	–	**(1)**
Exchange adjustments	1	1	**2**
At 31st March 2025	**49**	**4**	**53**

Lease liabilities

	2025 £m	2024 £m
Current	6	8
Non-current	40	24
Total liabilities	**46**	**32**

	2025 £m	2024 £m
Interest expense	2	2

The weighted average incremental borrowing rate applied to the group's lease liabilities was 4.2% (2024: 5.2%).

A maturity analysis of lease liabilities is disclosed in note 27.

	2025 £m	2024 £m
Total cash outflow for leases	9	13

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

13 Goodwill

	£m
Cost	
At 1st April 2023	431
Transferred to assets classified as held for sale	(1)
Exchange adjustments	(4)
At 31st March 2024	**426**
Exchange adjustments	(6)
At 31st March 2025	**420**
Accumulated impairment	
At 1st April 2023	67
Impairment losses	6
At 31st March 2024	**73**
At 31st March 2025	**73**
Carrying amount at 31st March 2025	**347**
Carrying amount at 31st March 2024	353
Carrying amount at 1st April 2023	364

During the prior year, goodwill related to Battery Systems was fully impaired by £6 million to reflect the fair value less costs to sell of the business upon reclassification to assets held for sale. Goodwill of £1 million attributed to the Medical Device Components sale was transferred to assets classified as held for sale.

Notes on the Accounts for the year ended 31st March 2025 continued

14 Other intangible assets

	Customer contracts and relationships £m	Computer software £m	Patents, trademarks and licences £m	Acquired research and technology £m	Development expenditure £m	Total £m
Cost						
At 1st April 2023	116	475	43	37	135	806
Additions	–	64	1	–	–	65
Transferred to assets classified as held for sale	(10)	(1)	–	(6)	–	(17)
Disposals	–	(1)	(11)	–	–	(12)
Exchange adjustments	(3)	(1)	(1)	(1)	(1)	(7)
At 31st March 2024	**103**	**536**	**32**	**30**	**134**	**835**
Additions	–	54	–	–	2	**56**
Disposals	–	(1)	–	–	–	**(1)**
Transfers from property, plant and equipment (note 11)	–	21	–	–	–	**21**
Reclassification	–	(3)	–	–	3	**–**
Exchange adjustments	–	–	(1)	–	–	**(1)**
At 31st March 2025	**103**	**607**	**31**	**30**	**139**	**910**
Accumulated amortisation and impairment						
At 1st April 2023	101	209	39	37	133	519
Charge for the year	2	45	–	–	1	48
Transferred to assets classified as held for sale	(10)	(1)	–	(6)	–	(17)
Disposals	–	–	(11)	–	–	(11)
Exchange adjustments	(2)	(1)	–	(1)	(1)	(5)
At 31st March 2024	**91**	**252**	**28**	**30**	**133**	**534**
Charge for the year	3	48	1	–	1	**53**
Impairment losses (note 6)	–	38	–	–	–	**38**
Disposals	–	(1)	–	–	–	**(1)**
Exchange adjustments	–	–	(1)	–	(1)	**(2)**
At 31st March 2025	**94**	**337**	**28**	**30**	**133**	**622**
Carrying amount at 31st March 2025	**9**	**270**	**3**	**–**	**6**	**288**
Carrying amount at 31st March 2024	12	284	4	–	1	301
Carrying amount at 1st April 2023	15	266	4	–	2	287

15 Investments in associates

	2025 £m	2024 £m
Investments in associates	**71**	**71**

The movements in the year were:

	Associates £m
At 1st April 2023	75
Group's share of loss for the year	(3)
Exchange adjustments	(1)
At 31st March 2024	**71**
Group's share of profit for the year	3
Exchange adjustments	(3)
At 31st March 2025	**71**

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

Financial information for Veranova for the year to 31st March 2025 is provided below, note Veranova's financial year end is 31st December. The information disclosed reflects the amounts presented in the financial statements of Veranova and not the group's share of those amounts.

	2025 £m	2024 £m
Summarised balance sheet		
Non-current assets	100	93
Cash and cash equivalents	28	30
Other current assets	153	267
Current assets	**181**	**297**
Current liabilities	(55)	(155)
Non-current liabilities	–	(8)
Net assets	**226**	**227**
Summarised statement of comprehensive income		
Revenue	220	255
Depreciation and amortisation	(11)	(17)
Income tax expense	–	1
Profit / (loss) for the year and total comprehensive income / (expense)	6	(9)

Notes on the Accounts for the year ended 31st March 2025 continued

16 Inventories

	2025 £m	2024 £m
Raw materials and consumables	244	289
Work in progress	501	591
Finished goods and goods for resale	266	331
Inventories	**1,011**	**1,211**

Work in progress includes £273 million (2024: £315 million) of precious metal which is committed to future sales to customers and valued at the price at which it is contractually committed.

Write-downs of inventories amounted to £4 million (2024: £38 million). These were recognised as an expense during the year ended 31st March 2025 and included in cost of sales in the income statement.

17 Trade and other receivables

	2025 £m	2024 £m
Current		
Trade receivables	925	964
Contract receivables	53	56
Prepayments	70	74
Value added tax and other sales tax receivable	116	121
Advance payments to customers	7	18
Amounts receivable under precious metal sale and repurchase agreements[1]	282	417
Other receivables	79	68
Trade and other receivables	**1,532**	**1,718**
Non-current		
Advance payments to customers	40	44
Other receivables	58	60
Other receivables	**98**	**104**

1. The fair value of the precious metal contracted to be sold by the group under sale and repurchase agreements is £300 million (2024: £398 million).

The group enters into factoring type arrangements in a small number of countries as part of normal business due to longer than standard payment terms, we seek to collect payments in the month following sale. As at 31st March 2025, the level of these arrangements was approximately £135 million (2024: approximately £165 million).

Trade receivables and contract receivables are net of expected credit losses (see note 27).

18 Derivative financial instruments

	2025 £m	2024 £m
Non-current assets		
Forward foreign exchange contracts designated as cash flow hedges	–	1
Forward precious metal price contracts designated as cash flow hedges	–	33
Cross currency and interest rate swaps	4	15
Derivative financial instruments	**4**	**49**
Current assets		
Forward foreign exchange contracts designated as cash flow hedges	7	7
Forward precious metal price contracts designated as cash flow hedges	31	41
Forward foreign exchange contracts and currency swaps at fair value through profit or loss	4	5
Cross currency and interest rate swaps	13	–
Derivative financial instruments	**55**	**53**
Current liabilities		
Forward foreign exchange contracts designated as cash flow hedges	(2)	(5)
Forward foreign exchange contracts and currency swaps at fair value through profit or loss	(11)	(4)
Foreign exchange swaps designated as hedges of a net investment in foreign operations	–	(2)
Cross currency and interest rate swaps	(1)	–
Derivative financial instruments	**(14)**	**(11)**
Non-current liabilities		
Cross currency and interest rate swaps	(9)	(10)
Derivative financial instruments	**(9)**	**(10)**

Note, to simplify the primary statements we have represented the prior year comparative balances in the Statement of Financial Position to include 'Other financial assets and liabilities' and 'Interest rate swaps' within the singular line 'Derivative financial instruments'. The prior year balance is not considered material and therefore has not been represented.

19 Trade and other payables

	2025 £m	2024 £m
Current		
Trade payables	667	655
Contract liabilities	105	177
Accruals	310	328
Amounts payable under precious metal sale and repurchase agreements[1]	669	844
Other payables	233	205
Trade and other payables	**1,984**	**2,209**
Non-current		
Other payables	6	2
Trade and other payables	**6**	**2**

1. The fair value of the precious metal contracted to be repurchased by the group under sale and repurchase agreements is £687 million (2024: £797 million).

The amount of the contract liabilities balance at 31st March 2024 which was recognised in revenue during the year ended 31st March 2025 for the group company was £150 million (2024: £85 million).

Notes on the Accounts for the year ended 31st March 2025 continued

20 Borrowings

	2025 £m	2024 £m
Non-current		
Bank and other loans		
3.14% $130 million Bonds 2025	–	(103)
1.40% €77 million Bonds 2025	–	(64)
2.54% £45 million Bonds 2025	–	(45)
3.79% $130 million Bonds 2025	–	(103)
3.97% $120 million Bonds 2027	(93)	(95)
SONIA + 1.25% UKEF EDG £ Facility 2028	(250)	(248)
EURIBOR + 1.20% UKEF EDG € Facility 2028	(148)	(153)
3.39% $180 million Bonds 2028	(138)	(142)
1.81% €90 million Bonds 2028	(68)	(71)
2.77% £35 million Bonds 2029	(35)	(35)
3.00% $50 million Bonds 2029	(39)	(40)
4.10% $30 million Bonds 2030	(23)	(24)
2.92% €25 million Bonds 2030	(21)	(21)
5.02% $95 million Bonds 2031	(73)	–
4.03% €125 million Bonds 2031	(104)	–
1.90% €225 million Bonds 2032	(188)	(192)
5.18% $34 million Bonds 2034	(26)	–
4.19% €94 million Bonds 2034	(78)	–
4.32% €20 million Bonds 2036	(17)	–
Cross currency interest rate swaps designated as net investment hedges	–	(3)
Borrowings	**(1,301)**	**(1,339)**
Current		
3.57% £65 million Bonds 2024	–	(65)
3.565% $50 million KfW loan 2024	–	(40)
3.14% $130 million Bonds 2025	(100)	–
1.40% €77 million Bonds 2025	(63)	–
2.54% £45 million Bonds 2025	(45)	–
3.79% $130 million Bonds 2025	(100)	–
Other bank loans	(25)	(5)
Borrowings	**(333)**	**(110)**

The 1.40% €77 million Bonds 2025 and the 1.81% €90 million Bonds 2028 have been swapped into floating rate euros. $100 million of the 3.14% $130 million Bonds 2025 has been swapped into sterling at 2.83%, the 3.00% $50 million Bonds 2029 has been swapped into euros at 1.71%, $50 million of the 5.02% $95 million Bonds 2031 has been swapped into sterling at 5.37%, $45 million of the 5.02% $95 million Bonds 2031 has been swapped into sterling at 5.20% and the 5.18% $34 million Bonds 2034 has been swapped at sterling at 5.31%.

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

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

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

Note, to simplify the primary statements we have represented the Statement of Financial Position to include the current year 'Cross currency interest rate swaps designated as net investment hedges' within the line 'Derivative financial instruments', refer to note 18. The prior year balance is not considered material and therefore has not been represented.

Notes on the Accounts for the year ended 31st March 2025 continued

21 Movements in assets and liabilities arising from financing activities

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

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

	2023 £m	Cash outflow £m	Non-cash movements Transfers £m	Transfers to held for sale £m	Foreign exchange movements £m	Fair value and other movements £m	2024 £m
Non-current assets							
Derivative financial instruments	20	–	–	–	–	(5)	**15**
Non-current liabilities							
Borrowings	(1,460)	–	105	–	16	–	**(1,339)**
Derivative financial instruments	(15)	–	–	–	–	5	**(10)**
Lease liabilities	(31)	–	10	4	2	(9)	**(24)**
Current liabilities							
Borrowings	(155)	150	(105)	–	–	–	**(110)**
Lease liabilities	(9)	11	(10)	1	–	(1)	**(8)**
Net movements in assets and liabilities arising from financing activities		**161**	**–**	**5**	**18**	**(10)**	

Dividends paid to equity shareholders	141
Interest paid	137
Net cash outflow from financing activities	**439**

Notes on the Accounts for the year ended 31st March 2025 continued

22 Provisions

	Restructuring provisions £m	Warranty and technology provisions £m	Other provisions £m	Total £m
At 1st April 2023	38	12	41	91
Charge for the year	36	2	7	45
Utilised	(34)	(2)	(1)	(37)
Released	(10)	(4)	(5)	(19)
At 31st March 2024	**30**	**8**	**42**	**80**
Charge for the year	36	1	7	**44**
Utilised	(24)	(2)	–	**(26)**
Released	–	(2)	(1)	**(3)**
At 31st March 2025	**42**	**5**	**48**	**95**

	2025 £m	2024 £m
Current	69	63
Non-current	26	17
Total provisions	**95**	**80**

Restructuring

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

Warranty and technology

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

Other

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

Notes on the Accounts for the year ended 31st March 2025 continued

23 Deferred tax

	Property, plant and equipment £m	Post-employment benefits £m	Provisions £m	Inventories £m	Intangibles £m	Other £m	Total deferred tax (assets) / liabilities £m
At 1st April 2023	(37)	55	(55)	(26)	(17)	(22)	(102)
Charge / (credit) to the income statement	–	3	(8)	(1)	25	(31)	(12)
Transferred to assets classified as held for sale	–	–	–	–	–	4	4
Tax on items taken directly to or transferred from equity	–	(17)	–	–	–	–	(17)
Exchange adjustments	–	–	–	–	–	1	1
At 31st March 2024	**(37)**	**41**	**(63)**	**(27)**	**8**	**(48)**	**(126)**
(Credit) / charge to the income statement (note 9)	(22)	12	19	13	4	(26)	**–**
Reclassification	–	–	6	(4)	–	(2)	**–**
Tax on items taken directly to or transferred from equity	–	8	–	–	–	(10)	**(2)**
Exchange adjustments	(1)	1	1	–	–	(4)	**(3)**
At 31st March 2025	**(60)**	**62**	**(37)**	**(18)**	**12**	**(90)**	**(131)**

	2025 £m	2024 £m
Deferred tax assets	(135)	(128)
Deferred tax liabilities	4	2
Net amount	**(131)**	**(126)**

Deferred tax has not been recognised in respect of tax losses of £245 million (2024: £158 million) and other temporary differences of £30 million (2024: £8 million). Of the total tax losses, £112 million (2024: £69 million) is expected to expire within 5 years, £36 million within 5 to 10 years (2024: £36 million), £nil after 10 years (2024: £nil) and £97 million carry no expiry (2024: £53 million). These deferred tax assets have not been recognised on the basis that their future economic benefit is not probable.

In addition, the group's overseas subsidiaries have net unremitted earnings of £3,426 million (2024: £1,149 million), resulting in gross temporary differences of £860 million (2024: £451 million). No deferred tax has been provided in respect of these differences since the timing of the reversals can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The recognition of deferred tax assets has been determined by the recoverability of those assets against future tax liabilities as determined by budgets and plans that are showing profits in relevant businesses. The majority of the deferred tax assets and liabilities noted above are anticipated to be realised after more than 12 months.

24 Post-employment benefits

Background

Pension plans

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

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

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

Regulatory framework and governance

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

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

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

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

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

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

Benefits

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

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

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

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

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

Other post-employment benefits

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

Notes on the Accounts for the year ended 31st March 2025 continued

24 Post-employment benefits (continued)

Maturity profile

The estimated weighted average durations of the defined benefit obligations of the main plans as at 31st March 2025 are:

	Weighted average duration Years
Pensions:	
UK	**13**
US	**9**
Post-retirement medical benefits:	
UK	**8**
US	**9**

Funding

Introduction

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

UK valuations

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

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

A funding valuation of JMEPS was carried out as at 1st April 2024 and showed that there was a deficit of £9 million in the legacy section of the plan, or a surplus of £19 million after taking account of the future additional deficit contributions from the SPV. The valuation also showed a surplus in the cash balance section of the plan of £37 million.

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

US valuations

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

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

Other valuations

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

24 Post-employment benefits (continued)

Risk management

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

Risk	Mitigation
Market (investment) risk Asset returns may not move in line with the liabilities and may be subject to volatility.	The group's various plans have highly diversified investment portfolios, investing in a wide range of assets that provide reasonable assurance that no single security or type of security could have a material adverse impact on the plan. A de-risking strategy is in place to reduce volatility in the plans as a result of the mismatch between the assets and liabilities. The funding level of the plans are monitored and as they improve, plan investments are generally switched from return-seeking assets to liability-matching assets. The plans implement partial currency hedging on their overseas assets to mitigate currency risk.
Interest (discount) rate risk Liabilities are sensitive to movements in bond yields (interest rates), with lower interest rates leading to an increase in the valuation of liabilities, albeit the impact on the plan's funding level will be partially offset by an increase in the value of its bond holdings.	The group's defined benefit plans hold a high proportion of their assets in government or corporate bonds, which provide a natural hedge against falling interest rates. In the UK, this interest rate hedge is extended by the use of interest rate swaps, such that the plan is 100% hedged on the plan's funding basis. The swaps are held with several banks to reduce counterparty risk.
Inflation risk Liabilities are sensitive to movements in inflation, with higher inflation leading to an increase in the valuation of liabilities.	Where plan benefits provide inflation-related increases, the plan holds some inflation-linked assets which provide a natural hedge against higher than expected inflation increases. In the UK, this inflation hedge is extended by the use of inflation swaps, such that the plan is 100% hedged on the plan's funding basis. The swaps are held with several banks to reduce counterparty risk.
Longevity risk The majority of the group's defined benefit plans provide benefits for the life of the member, so the liabilities are sensitive to life expectancy, with increases in life expectancy leading to an increase in the valuation of liabilities.	The group has closed most of its defined benefit pension plans to new entrants, replacing them with either a cash balance plan or defined contribution plans, both of which are unaffected by life expectancy. For the plans where a benefit for life continues to be payable, prudent mortality assumptions are used that appropriately allow for a future improvement in life expectancy. These assumptions are reviewed on a regular basis.
Liquidity risk The pension plan may have insufficient access to cash to meet its short-term cash and collateral obligations, such that adverse scenarios could force the sale of a less-liquid assets at depressed prices.	The group's defined benefit plans hold sufficient liquid assets to meet its cashflow obligations and the collateral requirements of its inflation and interest rate hedging. This reduces the risk of being a forced seller of less-liquid assets. The UK pension plan also has a loan facility in place with the Company which it can access at short notice in the event of liquidity issues.

Contributions

During the year, total contributions to the group's post-employment defined benefit plans were £53 million (2024: £38 million), including a one-off £25 million contribution during the year. It is estimated that the group will contribute approximately £20 million to the post-employment defined benefit plans during the year ending 31st March 2026.

24 Post-employment benefits (continued)

IAS 19 accounting

Principal actuarial assumptions

Qualified independent actuaries have updated the IAS 19 valuations of the group's major defined benefit plans to 31st March 2025. The assumptions used are chosen from a range of possible actuarial assumptions which, due to the long-term nature of the plans, may not necessarily be borne out in practice.

Financial assumptions

	2025			2024		
	UK plan %	US plans %	Other plans %	UK plan %	US plans %	Other plans %
First year's rate of increase in salaries	–	–	2.29	3.50	-	2.43
Ultimate rate of increase in salaries	–	–	2.29	3.50	-	2.20
Rate of increase in pensions in payment	2.90	–	2.00	2.90	-	2.20
Discount rate	5.90	5.40	3.73	4.90	5.20	3.30
Inflation	–	2.20	2.00	-	2.20	2.20
• UK Retail Prices Index (RPI)	3.00	–	–	3.10	-	-
• UK Consumer Prices Index (CPI)	2.75	–	–	2.75	-	-
Current medical benefits cost trend rate	6.50	–	–	8.95	-	-
Ultimate medical benefits cost trend rate	6.50	–	–	5.40	-	-

Demographic assumptions

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

	Currently age 65		Age 65 in 25 years	
	UK plan	US plans	UK plan	US plans
Male	87	86	88	88
Female	89	88	91	89

Notes on the Accounts for the year ended 31st March 2025 continued

24 Post-employment benefits (continued)

Financial information

Plan assets

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

	UK pension - legacy section £m	UK pension - cash balance section £m	UK post-retirement medical benefits £m	US pensions £m	US post-retirement medical benefits £m	Other £m	Total £m
At 1st April 2023	1,472	159	–	250	–	8	1,889
Administrative expenses	(4)	–	–	(1)	–	–	(5)
Interest income	68	8	–	12	–	–	88
Return on plan assets excluding interest	(106)	(4)	–	(9)	–	(1)	(120)
Employee contributions	2	7	–	–	–	–	9
Company contributions	10	22	1	3	–	2	38
Benefits paid	(58)	(3)	(1)	(29)	–	(3)	(94)
Exchange adjustments	–	–	–	(5)	–	–	(5)
At 31st March 2024	**1,384**	**189**	**–**	**221**	**–**	**6**	**1,800**
Administrative expenses	(2)	(1)	–	(2)	–	–	**(5)**
Interest income	67	10	–	11	–	–	**88**
Return on plan assets excluding interest	(134)	(16)	–	(4)	–	–	**(154)**
Employee contributions	–	8	–	–	–	–	**8**
Company contributions	28	21	1	2	–	1	**53**
Benefits paid	(58)	(5)	(1)	(27)	–	(1)	**(92)**
Exchange adjustments	–	–	–	(6)	–	(1)	**(7)**
At 31st March 2025	**1,285**	**206**	**–**	**195**	**–**	**5**	**1,691**

The fair values of plan assets are analysed as follows:

	2025				2024			
	UK pension - legacy section £m	**UK pension - cash balance section £m**	**US pensions £m**	**Other £m**	UK pension - legacy section £m	UK pension - cash balance section £m	US pensions £m	Other £m
Quoted corporate bonds	327	73	71	4	494	61	80	–
Inflation and interest rate swaps	(1)	2	–	–	(8)	1	–	–
Quoted government bonds	354	40	50	–	490	45	65	–
Cash and cash equivalents	244	56	74	1	25	4	76	–
Quoted equity	–	19	–	–	1	62	–	–
Unquoted equity	53	–	–	–	49	–	–	–
Property	56	–	–	–	51	–	–	–
Insurance policies	–	–	–	–	–	–	–	6
Other	252	16	–	–	282	16	–	–
Plan assets	**1,285**	**206**	**195**	**5**	**1,384**	**189**	**221**	**6**

Notes on the Accounts for the year ended 31st March 2025 continued

24 Post-employment benefits (continued)

Plan assets (continued)

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

The UK plan's property represents an investment in the Blackrock UK Property Fund, which is a unitised fund where the underlying assets are taken at market value. The valuation of the fund is independently audited by KPMG on an annual basis.

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

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

At year end, there was a considerable allocation to the Legal and General Sterling Liquidity Cash Fund as the Trustee and Company took the decision to de-risk the two Multi-Asset Credit mandates and are now working with their Investment Consultant to agree the new investment strategy.

Defined benefit obligation

Movements in the defined benefit obligation during the year were:

	UK pension - legacy section £m	UK pension - cash balance section £m	UK post-retirement medical benefits £m	US pensions £m	US post-retirement medical benefits £m	Other £m	Total £m
At 1st April 2023	(1,303)	(132)	(7)	(244)	(10)	(29)	(1,725)
Current service cost	(2)	(15)	–	(2)	–	(1)	(20)
Interest cost	(61)	(7)	–	(11)	(1)	(1)	(81)
Employee contributions	(2)	(7)	–	–	–	–	(9)
Remeasurements due to changes in:							
Financial assumptions	15	4	–	8	1	–	28
Demographic assumptions	32	–	–	–	–	–	32
Experience adjustments	(6)	–	–	(2)	–	–	(8)
Benefits paid	58	3	1	29	–	3	94
Exchange adjustments	–	–	–	3	–	2	5
At 31st March 2024	**(1,269)**	**(154)**	**(6)**	**(219)**	**(10)**	**(26)**	**(1,684)**
Current service cost	–	(17)	–	(2)	–	(1)	**(20)**
Past service credit	14	–	–	–	–	–	**14**
Interest cost	(61)	(9)	(1)	(10)	–	(1)	**(82)**
Employee contributions	–	(8)	–	–	–	–	**(8)**
Remeasurements due to changes in:							
Financial assumptions	158	30	–	4	(1)	4	**195**
Demographic assumptions	(1)	–	–	–	–	–	**(1)**
Experience adjustments	(9)	5	–	–	1	–	**(3)**
Benefits paid	58	5	1	27	–	1	**92**
Exchange adjustments	–	–	–	6	1	2	**9**
At 31st March 2025	**(1,110)**	**(148)**	**(6)**	**(194)**	**(9)**	**(21)**	**(1,488)**

Notes on the Accounts for the year ended 31st March 2025 continued

24 Post-employment benefits (continued)

Net post-employment benefit assets and liabilities

The net post-employment benefit assets and liabilities are:

	UK pension - legacy section £m	UK pension - cash balance section £m	UK post-retirement medical benefits £m	US pensions £m	US post-retirement medical benefits £m	Other £m	Total £m
At 31st March 2025							
Defined benefit obligation	(1,110)	(148)	(6)	(194)	(9)	(21)	**(1,488)**
Fair value of plan assets	1,285	206	–	195	–	5	**1,691**
Net post-employment benefit assets and liabilities	**175**	**58**	**(6)**	**1**	**(9)**	**(16)**	**203**
At 31st March 2024							
Defined benefit obligation	(1,269)	(154)	(6)	(219)	(10)	(26)	**(1,684)**
Fair value of plan assets	1,384	189	–	221	–	6	**1,800**
Reimbursement rights	–	–	–	–	–	1	**1**
Net post-employment benefit assets and liabilities	**115**	**35**	**(6)**	**2**	**(10)**	**(19)**	**117**

These are included in the balance sheet as follows:

	2025			2024		
	Post-employment benefit net assets £m	**Employee benefit net obligations £m**	**2025 Total £m**	Post-employment benefit net assets £m	Employee benefit net obligations £m	2024 Total £m
UK pension - legacy section	175	–	**175**	115	–	**115**
UK pension - cash balance section	58	–	**58**	35	–	**35**
UK post-retirement medical benefits	–	(6)	**(6)**	–	(6)	**(6)**
US pensions	4	(3)	**1**	2	–	**2**
US post-retirement medical benefits	–	(9)	**(9)**	–	(10)	**(10)**
Other	1	(17)	**(16)**	1	(20)	**(19)**
Total post-employment plans	**238**	**(35)**	**203**	**153**	**(36)**	**117**
Other long-term employee benefits		(3)			(3)	
Total long-term employee benefit obligations		**(38)**			**(39)**	

Notes on the Accounts for the year ended 31st March 2025 continued

24 Post-employment benefits (continued)

Income statement

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

	2025 £m	2024 £m
Administrative expenses	(5)	(5)
Current service cost	(20)	(20)
Past service credit	14	–
Defined benefit post-employment costs charged to operating profit	**(11)**	**(25)**
Defined contribution plans' expense	(28)	(28)
Charge to operating profit	**(39)**	**(53)**
Interest on post-employment benefits charged to finance costs	(2)	–
Interest on post-employment benefits charged to investment income	8	7
Charge to profit before tax	**(33)**	**(46)**

Statement of total comprehensive income

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

	2025 £m	2024 £m
Return on plan assets excluding interest	(154)	(120)
Remeasurements due to changes in:		
Financial assumptions	195	28
Experience adjustments	(1)	(8)
Demographic assumptions	(3)	32
Remeasurements of post-employment benefit assets and liabilities	**37**	**(68)**

Sensitivity analysis

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

Financial assumptions

A 0.1% change in the discount rate and inflation assumptions would (increase) / decrease the UK and US pension plans' defined benefit obligations at 31st March 2025 as follows:

	0.1% increase		0.1% decrease	
	UK plan £m	US plans £m	UK plan £m	US plans £m
Effect of discount rate	16	2	(17)	(2)
Effect of inflation	(15)	–	15	–

Demographic assumptions

A one-year increase in life expectancy would increase the UK and US pension plans' defined benefit obligation by £30 million and £4 million, respectively.

Other

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

Since the judgement, the Trustee has continued to liaise with its legal adviser on developments. We understand that the Pensions Trust court case was recently heard in the High Court and the judgement from that case is due out some time in the Autumn. That case, as we understand it, included some questions around section 37 confirmations. The Trustee's view is that it would be prudent to wait and see what that judgement says and also whether the Department for Work and Pensions responds in some way (e.g. by issuing regulations to resolve the issues). Additionally, whilst the Trustee has not conducted any detailed investigations at this point, we note their current position that they have no reason to believe that section 37 confirmations were not provided. The Group and the Trustee will at such stage assess exposure based on the Virgin Media ruling of the Court of Appeal in July 2024 and any other relevant developments (e.g. awaited developments mentioned above).

The Group's latest discussions on the ruling with the Trustee and its potential implications for the UK pension plan were in November 2024 and since then the Trustee has continued to monitor developments as further government guidance and/or case law emerges and the Group will maintain a dialogue on this matter. Since November 2024, the Group has liaised with the Trustee and the Trustee's position remains as indicated above.

25 Share capital and other reserves

Share capital

	Number	£m
Issued and fully paid ordinary shares		
At 1st April 2023 and 31st March 2024	193,589,845	215
Share buyback	(16,302,747)	(18)
At 31st March 2025	**177,287,098**	**197**

Details of outstanding allocations under the company's long term incentive plans and awards under the deferred bonus which have yet to mature are disclosed in note 29.

On 3rd July 2024, the company announced its intention to conduct a share buyback programme for up to a maximum consideration of £250 million. The first tranche of the share buyback programme of up to £125 million commenced on 3rd July 2024 and completed on 23rd September 2024. On 24th September 2024, the company commenced the second tranche of up to £125 million, which completed on 12th December 2024. During the year the company purchased 16,302,747 shares at a cost of £250 million excluding related stamp duty. All of these shares were cancelled. Distributable reserves have been reduced by £251 million, being the total amount of the share buyback. The total number of treasury shares held was 9,448,309 (2024: 9,649,874) at a total cost of £173 million (2024: £177 million).

The group and parent company's employee share ownership trust (ESOT) also buys shares on the open market and holds them in trust for employees participating in the group's executive long term incentive plans. At 31st March 2025, the ESOT held 294,316 shares (2024: 511,623 shares) which had not yet vested unconditionally to employees. Computershare Trustees (CI) Limited, as trustee for the ESOT, has waived its dividend entitlement.

Dividends

	2025 £m	2024 £m
2022/23 final ordinary dividend paid – 55.00 pence per share	–	101
2023/24 interim ordinary dividend paid – 22.00 pence per share	–	40
2023/24 final ordinary dividend paid – 55.00 pence per share	101	–
2024/25 interim ordinary dividend paid – 22.00 pence per share	37	–
Total dividends	**138**	**141**

A final dividend of 55.0 pence per ordinary share has been proposed by the board which will be paid on 5th August 2025 to shareholders on the register at the close of business on 6th June 2025, subject to shareholders' approval. The estimated amount to be paid is £92 million and has not been recognised in these accounts.

The board is responsible for the group's capital management including the approval of dividends. This includes an assessment of both the level of reserves legally available for distribution and consideration as to whether Johnson Matthey Plc would be solvent and maintain sufficient liquidity following any proposed distribution. The board has assessed the level of distributable profits as at 31st March 2025 and is satisfied that they are sufficient to support the proposed dividend.

Other reserves

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

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

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

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

The Foreign currency translation reserve includes a £8 million gain (2024: £2 million loss) in relation to continuing hedge relationships and £107 million loss (2024: £104 million loss) in relation to discontinued hedge relationships. All cash flow hedge reserves balances relate to continuing hedge relationships.

Notes on the Accounts for the year ended 31st March 2025 continued

25 Share capital and other reserves (continued)

	Capital redemption reserve £m	Foreign currency translation reserve £m	Fair value through other comprehensive income reserve £m	Hedging reserve: Forward currency contracts £m	Hedging reserve: Cross currency contracts £m	Hedging reserve: Forward metal contracts £m	Total other reserves £m
At 1st April 2023	13	60	(12)	(4)	1	60	118
Cash flow hedges – gains / (losses) taken to equity	–	–	–	3	(4)	27	26
Cash flow hedges – transferred to revenue (income statement)	–	–	–	12	–	(31)	(19)
Cash flow hedges – transferred to cost of sales (income statement)	–	–	–	(10)	–	–	(10)
Cash flow hedges – transferred to foreign exchange (income statement)	–	–	–	–	2	–	2
Cash flow hedges – transferred to inventory (balance sheet)	–	–	–	–	–	–	–
Fair value gains on net investment hedges taken to equity	–	4	–	–	–	–	4
Fair value losses on investments at fair value through other comprehensive income	–	–	(7)	–	–	–	(7)
Exchange differences on translation of foreign operations taken to equity	–	(79)	–	–	–	–	(79)
Tax on above items taken directly to or transferred from equity	–	–	–	(5)	–	6	1
At 31st March 2024	**13**	**(15)**	**(19)**	**(4)**	**(1)**	**62**	**36**
Cash flow hedges – gains / (losses) taken to equity	–	–	–	3	1	(2)	**2**
Cash flow hedges – transferred to revenue (income statement)	–	–	–	(2)	–	(41)	**(43)**
Cash flow hedges – transferred to disposal of subsidiaries (income statement)	–	–	–	1	–	–	**1**
Cash flow hedges – transferred to foreign exchange (income statement)	–	–	–	–	2	–	**2**
Fair value gains on net investment hedges taken to equity	–	7	–	–	–	–	**7**
Fair value losses on investments at fair value through other comprehensive income	–	–	(2)	–	–	–	**(2)**
Exchange differences on translation of foreign operations taken to equity	–	(82)	–	–	–	–	**(82)**
Cancelled ordinary shares from share buyback	18	–	–	–	–	–	**18**
Tax on above items taken directly to or transferred from equity	–	–	–	–	–	10	**10**
At 31st March 2025	**31**	**(90)**	**(21)**	**(2)**	**2**	**29**	**(51)**

Capital

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

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

The group utilises its capital employed to fund its business. The group reviews its capital employed on a regular basis and makes use of several indicative ratios which are appropriate to the nature of its operations and consistent with conventional industry measures. The principal ratios used include net debt to underlying EBITDA, return on capital employed and underlying earnings per share – refer to note 33 for further information.

The dividend policy also forms part of the Board's capital management policy, and the board ensures there is appropriate earnings cover for the dividend proposed at both the interim and year-end.

Notes on the Accounts for the year ended 31st March 2025 continued

26 Disposals

Medical Device Components

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 business was disclosed as a disposal group held for sale as at 31st March 2024.

Battery Systems

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 business was disclosed as a disposal group held for sale as at 31st March 2024.

Battery Materials Poland

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. This was disclosed as assets held for sale as at 31st March 2024.

All held for sale balances from the prior year financial statements were disposed of during the current year. With the exception of £10 million of cash in Medical Device Components not classified as held for sale at year end, the balances below are materially consistent with the prior year held for sale balances.

	2025			
	Medical Device Components £m	Other disposals £m	Total £m	2024 £m*
Proceeds				
Cash consideration	559	38	**597**	59
Cash and cash equivalents disposed	(10)	–	**(10)**	(18)
Net cash consideration	**549**	**38**	**587**	**41**
Disposal costs paid	(12)	(6)	**(18)**	(9)
Net cash inflow	**537**	**32**	**569**	**32**
Assets and liabilities disposed				
Non-current assets				
Property, plant and equipment	24	25	**49**	10
Right-of-use assets	4	–	**4**	9
Goodwill	3	–	**3**	–
Current assets				
Inventories	8	22	**30**	5
Trade and other receivables	18	20	**38**	32
Cash and cash equivalents	10	–	**10**	18
Deferred tax assets	–	3	**3**	3
Current liabilities				
Trade and other payables	(6)	(20)	**(26)**	(12)
Current income tax liabilities	(1)	(1)	**(2)**	–
Lease liabilities	(4)	–	**(4)**	–
Non-current liabilities				
Lease liabilities	–	(1)	**(1)**	(11)
Provisions	(1)	(1)	**(2)**	–
Net assets disposed	**55**	**47**	**102**	**54**

	2025			
	Medical Device Components £m	Other disposals £m	Total £m	2024 £m*
Cash consideration	559	38	**597**	59
Deferred consideration	–	7	**7**	4
Working capital adjustments at time of disposal	–	–	**–**	4
Less: carrying amount of net assets sold	(55)	(47)	**(102)**	(54)
Less: disposal costs	(13)	(9)	**(22)**	(17)
Cumulative currency translation gain / (loss) recycled from other comprehensive income	–	2	**2**	(5)
Profit recognised in the income statement	**491**	**(9)**	**482**	**(9)**

* The prior year comparative includes £4 million profit on disposal for Diagnostic Services, loss of £4 million for Johnson Matthey Catalysts LLC and profit of £nil for Battery Materials Germany, and other disposal related costs of £9 million.

Disposal proceeds

During the period we received £3 million of proceeds relating to the Diagnostic Services disposal in the prior year. This was recognised within profit on disposal in the prior year.

Notes on the Accounts for the year ended 31st March 2025 continued

27 Financial risk management

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

Credit risk

Within certain businesses, the group derives a significant proportion of its revenue from sales to major customers. Sales to individual customers are large if the value of precious metals is included in the price. The failure of any such company to honour its debts could materially impact the group's results. The group derives significant benefit from trading with its customers and manages the risk at many levels. Each business has a credit committee that regularly monitors its exposure. The Audit Committee receives a report every six months that details all significant credit limits, amounts due and overdue within the group, and the relevant actions being taken. At 31st March 2025, trade receivables for the group amounted to £925 million (2024: £964 million), of which £706 million (2024: £792 million) are in Clean Air which mainly supplies car and truck manufacturers and component suppliers in the automotive industry. Although Clean Air has a wide range of customers, the concentrated nature of this industry means that amounts owed by individual customers can be large and, in the event that one of those customers experiences financial difficulty, there could be a material adverse impact on the group. Other parts of the group tend to sell to a larger number of customers and amounts owed tend to be lower. At 31st March 2025, no single outstanding balance exceeded 2% (2024: 2%) of revenue.

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

A provision matrix is used to calculate lifetime expected credit losses using historical loss rates based on days past due and a broad range of forward-looking information, including country and market growth forecasts. This year, expected credit losses on unimpaired trade and contract receivables reduced to £10 million (2024: £12 million) driven by a lower trade receivables balance.

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

Movements in the allowance for credit losses on trade and contract receivables are as follows:

	2025 £m	2024 £m
At beginning of year	29	30
Charge for year	4	11
Utilised	–	(2)
Released	(3)	(10)
At end of year	**30**	**29**

The group's maximum exposure to default on trade and contract receivables is £1,008 million (2024: £1,079 million).

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

The credit risk on cash and deposits and derivative financial instruments is limited because the counterparties with significant balances are banks with strong credit ratings. The exposure to individual banks is monitored frequently against internally-defined limits, together with each bank's credit rating and credit default swap prices. At 31st March 2025, the maximum net exposure with a single bank for cash and deposits was £169 million (2024: £81 million), whilst the largest mark to market exposure for derivative financial instruments to a single bank was £12 million (2024: £8 million). The group also uses money market funds to invest surplus cash thereby further diversifying credit risk and, at 31st March 2025, the group's exposure to these funds was £435 million (2024: £334 million). The amounts on deposit at the year end represent the group's maximum exposure to credit risk on cash and deposits. Expected credit losses on cash and cash equivalents are immaterial.

27 Financial risk management (continued)

Foreign currency risk

The group operates globally with a significant amount of its profit earned outside the UK. The main impact of movements in exchange rates on the group's results arises on translation of overseas subsidiaries' profits into sterling. The largest exposure is to the euro and a 5% (5.9 cent (2024: 5.8 cent)) movement in the average exchange rate for the euro against sterling would have had a £10 million (2024: £11 million) impact on underlying operating profit. The group is also exposed to the US dollar and a 5% (6.4 cent (2024: 6.3 cent)) movement in the average exchange rate for the US dollar against sterling would have had a £5 million (2024: £7 million) impact on underlying operating profit. This exposure is part of the group's economic risk of operating globally which is essential to remain competitive in the markets in which it operates.

The group matches foreign currency assets and liabilities (where these differ to the functional currency of the relevant subsidiary) to avoid the risk of a material impact on the income statement resulting from movements in exchange rates. The group does, however, have foreign exchange exposure on movements through equity related to cash flow and net investment hedges. A 10% depreciation or appreciation in the US dollar and euro exchange rates against sterling would increase / (decrease) other reserves as follows:

	10% depreciation		10% appreciation	
	2025 £m	2024 £m	**2025 £m**	2024 £m
Cash flow hedges	17	16	(14)	(22)
Net investment hedges	(34)	(22)	24	21

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

Investments in foreign operations

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

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

Year ended 31st March 2025

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

Year ended 31st March 2024

	US dollar and euro loans[1] £m	Cross currency swap[2] £m	FX Forwards £m	Total £m
Carrying value of hedging instruments at 31st March 2024	(160)	(3)	(2)	**(165)**
Change in carrying value of hedging instruments recognised in equity during the year	4	2	(2)	**4**
Change in fair value of hedged items during the year used to determine hedge effectiveness	(4)	(2)	2	**(4)**

1. The designated hedging instruments are $50 million of the 3.79% $130 million Bonds 2025, $30 million of the 3.14% $130 million Bonds 2025, 3.97% $120 million Bonds 2027, 3.39% $180 million Bonds 2028, $29.7 million of the 4.1% $30 million Bonds 2030, 1.81% €90 million Bonds 2028, €10 million of the 2.92% €25 million Bonds 2030, €17 million of the 1.9% €225 million Bonds 2032, €60 million of the 4.03% €125 million Bonds 2031, 4.19% €94 million Bonds 2034 and €8 million of the 4.32% €20 million Bonds 2036.
2. The designated hedging instrument are a cross currency swap expiring in June 2025 whereby the group pays 2.609% fixed on €77 million and receives 2.83% fixed on £65 million, a cross currency swap expiring in 2029 whereby the group pays 1.712% fixed on €46 million and receives 2.6723% fixed on £38 million, a cross currency swap expiring in 2031 whereby the group pays 4.03% fixed on €45 million and receives 5.37% fixed on £38 million, a cross currency swap expiring in 2031 whereby the group pays 4.04% fixed on €40.5 million and receives 5.20% fixed on £34 million and a cross currency swap expiring in 2034 whereby the group pays 4.16% fixed on €30.6 million and receives 5.31% fixed on £26 million.

Notes on the Accounts for the year ended 31st March 2025 continued

27 Financial risk management (continued)

Forecast receipts and payments in foreign currencies

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

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

Year ended 31st March 2025

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

Year ended 31st March 2024

	Sterling / US dollar £m	Sterling / euro £m	Other £m	Total £m
Carrying value of hedging instruments at 31st March 2024				
• assets	4	1	3	**8**
• liabilities	(4)	–	(1)	**(5)**
Change in carrying value of hedging instruments recognised in equity during the year	7	(1)	(3)	**3**
Change in fair value of hedged items during the year used to determine hedge effectiveness	(7)	1	3	**(3)**
Notional amount[1]	477	76	44	**–**

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

The weighted average exchange rates on sterling / US dollar and sterling / euro forward foreign exchange contracts are 1.26 and 0.85 (2024: 1.26 and 0.87), respectively. The hedged, highly probable forecast transactions denominated in foreign currencies are expected to occur over the next 12 months.

Foreign currency borrowings

The group has designated five US dollar fixed interest rate to sterling fixed interest rate cross currency swaps as cash flow hedges. The first swap hedges the movement in the cash flows on $100 million of the 3.14% $130 million bonds 2025 attributable to changes in the US dollar / sterling exchange rate, the second swap hedges the movement in the cash flows on the 3.00% $50 million bonds 2029 attributable to changes in the US dollar / sterling exchange rate, the third swap hedges the movement in the cash flows on $50 million of the 5.02% $95 million bonds 2031 attributable to changes in the US dollar / sterling exchange rate, the fourth swap hedges the movement in the cash flows on $45 million of the 5.02% $95 million bonds 2031 attributable to changes in the US dollar / sterling exchange rate and the fifth swap hedges the movement in the cash flows on the 5.18% $34 million bonds 2034 attributable to changes in the US dollar / sterling exchange rate. The currency swaps have similar critical terms as the hedged items, such as reference rate, reset dates, payment dates, maturity and notional amounts. As all critical terms matched during the year, hedge ineffectiveness was immaterial. The hedge ratio is 1:1. The interest element of the swaps is recognised in the income statement each year.

	Cross currency swap 2025 £m	Cross currency swap 2024 £m
Carrying value of hedging instruments at 31st March[1]	16	15
Change in carrying value of hedging instruments recognised in equity during the year	1	(4)
Change in fair value of hedged items during the year used to determine hedge effectiveness	(1)	4

1. The designated hedging instruments are five cross currency swaps, one expiring in 2025 whereby the group pays 2.83% fixed on £65 million and receives 3.14% fixed on $100 million, the second expiring in 2029 whereby the group pays 2.67% fixed on £38 million and receives 3.00% fixed on $50 million, the third expiring in 2031 whereby the group pays 5.37% fixed on £38 million and receives 5.02% fixed on $50 million, the fourth expiring in 2031 whereby the group pays 5.20% fixed on £34 million and receives 5.02% $45 million and the fifth one expiring in 2034 whereby the group pays 5.31% fixed on £26 million and receives 5.18% fixed on $34 million.

27 Financial risk management (continued)

Interest rate risk

The group's interest rate risk arises from fixed rate borrowings (fair value risk) and floating rate borrowings (cash flow risk) as well as cash deposits and short term investments. Its policy is to optimise interest cost and reduce volatility in reported earnings and equity. The group manages its risk by reviewing the profile of debt regularly and by selectively using interest rate swaps to maintain borrowings at competitive rates. At 31st March 2025, 68% (2024: 63%) of the group's borrowings was at fixed rates with an average interest rate of 3.5% (2024: 3.1%). The remaining debt is floating rate. Based on the group's borrowings at floating rates, after taking into account the effect of the swaps, a 1% change in all interest rates during the current year would have a £5 million impact on the group's profit before tax (2024: £5 million).

The group has designated three (2024: three) fixed rate to floating interest rate swaps as fair value hedges as they hedge the changes in fair value of bonds attributable to changes in interest rates. All hedging instruments have maturities in line with the repayment dates of the hedged bonds and the cash flows of the instruments are consistent. All critical terms of the hedging instruments and hedged items matched during the year and, therefore, hedge ineffectiveness was immaterial. Hedge ineffectiveness is recognised in 'Interest payable on financial liabilities held at amortised cost and interest on related swaps' in note 8.

	2025 £m	2024 £m
Carrying value of hedging instruments at 31st March[1]	**(5)**	**(10)**
Amortised cost	(140)	(143)
Fair value adjustment	9	8
Carrying value of hedged items at 31st March[1]	**(131)**	**(135)**
Change in carrying value of hedging instruments recognised in profit or loss during the year	5	5
Change in fair value of hedged items during the year used to determine hedge effectiveness	1	(9)

1. The hedged items in the current year are the 1.40% €77 million Bonds 2025 and 1.81% €90 million Bonds 2028. Interest rate swaps have been contracted with aligned notional amounts and maturities to the bonds with the effect that the group pays an average floating rate of six-month LIBOR plus 0.64% on the US dollar bonds and six-month EURIBOR plus 0.94% on the euro bonds.

Price risk

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

Liquidity risk

The group's funding strategy includes maintaining appropriate levels of working capital, undrawn committed facilities and access to the capital markets. We regularly review liquidity levels and sources of cash, and we maintain access to committed credit facilities and debt capital markets. At 31st March 2025, the group had borrowings under committed bank facilities of £nil (2024: £nil). The group also has a number of uncommitted facilities and overdraft lines at its disposal.

The group has a £1 billion revolving credit facility with a maturity date of March 2027 which includes Environmental, Social and Governance key performance indicators which provides the group with a nominal interest saving or cost depending on our performance.

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

	2025 £m	2024 £m
Expiring in more than one year	1,000	1,000
Undrawn committed bank facilities	**1,000**	**1,000**

Notes on the Accounts for the year ended 31st March 2025 continued

27 Financial risk management (continued)

Liquidity risk (continued)

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

At 31st March 2025

	Within 1 year £m	1 to 2 years £m	2 to 5 years £m	After 5 years £m	Total £m
Bank overdrafts	24	–	–	–	**24**
Bank and other loans – principal	333	–	781	532	**1,646**
Bank and other loans – interest payments	52	50	88	50	**240**
Lease liabilities – principal	6	7	14	19	**46**
Lease liabilities – interest payments	2	2	3	4	**11**
Financial liabilities in trade and other payables	1,879	6	–	–	**1,885**
Total non-derivative financial liabilities	**2,296**	**65**	**886**	**605**	**3,852**
Forward foreign exchange contracts – payments	155	–	–	–	**155**
Forward foreign exchange contracts – receipts	(152)	–	–	–	**(152)**
Currency swaps – payments	971	–	–	–	**971**
Currency swaps – receipts	(959)	–	–	–	**(959)**
Cross currency interest rate swaps - payments	140	10	67	218	**435**
Cross currency interest rate swaps - receipts	(155)	(11)	(72)	(223)	**(461)**
Interest rate swaps – payments	69	3	80	–	**152**
Interest rate swaps – receipts	(66)	(1)	(78)	–	**(145)**
Total derivative financial liabilities	**3**	**1**	**(3)**	**(5)**	**(4)**

At 31st March 2024

	Within 1 year £m	1 to 2 years £m	2 to 5 years £m	After 5 years £m	Total £m
Bank overdrafts	12	–	–	–	**12**
Bank and other loans – principal	105	317	719	312	**1,453**
Bank and other loans – interest payments	53	44	89	14	**200**
Lease liabilities – principal	8	6	9	9	**32**
Lease liabilities – principal - classified as held for sale	1	1	3	–	**5**
Lease liabilities – interest payments	1	1	2	8	**12**
Financial liabilities in trade and other payables	2,032	2	–	–	**2,034**
Financial liabilities in trade and other payables classified as held for sale	27	–	–	–	**27**
Total non-derivative financial liabilities	**2,239**	**371**	**822**	**343**	**3,775**
Forward foreign exchange contracts – payments	713	7	–	–	**720**
Forward foreign exchange contracts – receipts	(705)	(7)	–	–	**(712)**
Currency swaps – payments	760	–	–	–	**760**
Currency swaps – receipts	(755)	–	–	–	**(755)**
Cross currency interest rate swaps – payments	4	133	2	78	**217**
Cross currency interest rate swaps – receipts	(6)	(147)	(4)	(78)	**(235)**
Interest rate swaps – payments	7	72	88	–	**167**
Interest rate swaps – receipts	(2)	(68)	(81)	–	**(151)**
Total derivative financial liabilities	**16**	**(10)**	**5**	**–**	**11**

27 Financial risk management (continued)

Offsetting financial assets and liabilities

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

At 31st March 2025

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

At 31st March 2024

	Gross financial assets / (liabilities) £m	Amounts set off £m	Net amounts in balance sheet £m	Amounts not set off[1] £m	Net £m
Derivative financial instruments - assets - current	53	–	53	(7)	**46**
Derivative financial instruments - assets - non-current	49	–	49	(5)	**44**
Derivative financial instruments - liabilities - current	(11)	–	(11)	7	**(4)**
Non-current borrowings	(1,339)	–	(1,339)	5	**(1,334)**

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

Note, to simplify the primary statements we have represented the prior year comparative balances in the Statement of Financial Position to include 'Other financial assets and liabilities' and 'Interest rate swaps' within the singular line 'Derivative financial instruments'.

Notes on the Accounts for the year ended 31st March 2025 continued

28 Fair values

Fair value hierarchy

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

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

Fair value of financial instruments

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

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

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

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

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

	2025 £m	2024 £m	Fair value hierarchy Level	Note
Financial instruments measured at fair value				
Non-current				
Investments at fair value through other comprehensive income[1]	38	40	1	–
Derivative financial instruments - assets[2]	4	49	2	18
Borrowings	–	(3)	2	20
Derivative financial instruments - liabilities[2]	(9)	(10)	2	18
Current				
Trade receivables[3]	158	178	2	17
Other receivables[4]	1	3	2	17
Cash and cash equivalents - money market funds	435	334	2	–
Cash and cash equivalents - cash and deposits	23	12	2	–
Derivative financial instruments - assets[2]	55	53	2	18
Derivative financial instruments - liabilities[2]	(14)	(11)	2	18

	2025 £m	2024 £m	Fair value hierarchy Level	Note
Financial instruments not measured at fair value				
Non-current				
Borrowings	(1,301)	(1,336)	–	20
Lease liabilities	(40)	(24)	–	12
Trade and other receivables	58	60	–	17
Other payables	(6)	(2)	–	19
Current				
Amounts receivable under precious metal sale and repurchase agreements	300	398	–	17
Amounts payable under precious metal sale and repurchase agreements	(687)	(797)	–	19
Cash and cash equivalents - cash and deposits	440	196	–	–
Cash and cash equivalents - bank overdrafts	(24)	(12)	–	–
Borrowings	(333)	(110)	–	20
Lease liabilities	(6)	(8)	–	12
Trade and other receivables	862	926	–	17
Trade and other payables	(1,210)	(1,235)	–	19

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

28 Fair values (continued)

Fair value of financial instruments (continued)

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

	2025		2024	
	Carrying amount £m	**Fair value £m**	Carrying amount £m	Fair value £m
US Dollar Bonds 2025, 2027, 2028, 2029, 2030, 2031 and 2034	(592)	(571)	(507)	(474)
Euro Bonds 2025, 2028, 2030, 2031, 2032, 2034 and 2036	(539)	(520)	(348)	(320)
Sterling Bonds 2024, 2025 and 2029	(80)	(74)	(145)	(137)
KfW US Dollar Loan 2024	–	–	(40)	(38)

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

29 Share-based payments

The total expense recognised during the year in respect of equity-settled share-based payments was £18 million (2024: £17 million).

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

PSP

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

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

RSP

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

Deferred bonus

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

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

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

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

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

During the year, 410,706 (2024: 374,840) matching shares under the SIP were awarded to employees. These are nil cost awards on which performance conditions are substantially completed at the date of grant and, consequently, the fair value of these awards is based on the market value of the shares at that date.

Notes on the Accounts for the year ended 31st March 2025 continued

29 Share-based payments (continued)

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

	Year ended 31st March 2025			Year ended 31st March 2024		
	PSP	RSP	Deferred Bonus	PSP	RSP	Deferred Bonus
Outstanding at the start of the year	2,339,767	489,379	324,719	1,728,934	996,190	211,310
Awarded during the year	1,249,978	76,925	133,185	1,349,149	53,614	145,794
Forfeited during the year	(349,590)	(34,667)	–	(204,808)	(49,890)	–
Released during the year	(425,034)	(304,255)	(103,938)	(533,508)	(510,535)	(32,385)
Outstanding at the end of the year	**2,815,121**	**227,382**	**353,966**	**2,339,767**	**489,379**	**324,719**

	Year ended 31st March 2025					
	PSP	Exceptional PSP[1]	Exceptional RSP[2]	Exceptional RSP[2]	Exceptional RSP[2]	Deferred Bonus
Fair value of shares awarded (pence)	1,389.6	1,293.0	1,389.6	1,457.9	1,529.6	1,325.0
Share price at the date of award (pence)	1,603.0	1,444.0	1,603.0	1,603.0	1,603.0	1,603.0
Dividend rate	4.80%	5.60%	4.80%	4.80%	4.80%	4.80%

	Year ended 31st March 2024				
	PSP	Exceptional RSP	Exceptional RSP	Exceptional RSP	Deferred Bonus
Fair value of shares awarded (pence)	1,634.9	1,634.9	1,685.7	1,738.0	1,585.7
Share price at the date of award (pence)	1,792.0	1,792.0	1,792.0	1,792.0	1,792.0
Dividend rate	3.07%	3.07%	3.07%	3.07%	3.07%

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

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

At 31st March 2025, the weighted average remaining contracted life of the awarded PSP shares is 1.5 years (2024: 1.7 years) and 0.6 years (2024: 0.6 years) for the awarded RSP shares.

30 Commitments

Capital commitments - future capital expenditure contracted but not provided

	Group		Parent company	
	2025 £m	2024 £m	**2025 £m**	2024 £m
Property, plant and equipment	155	68	131	28
Other intangible assets	28	14	28	14

At 31st March 2025, precious metal leases were £202 million (2024: £197 million) at year end prices.

31 Contingent liabilities

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

Following the sale of its Health business in May 2022, the purchaser of the Health business, Veranova Bidco LP, has issued a claim against the group in connection with: i) certain alleged representations said to have been made during the course of the negotiation of the sale and purchase agreement dated 16th December 2021 ("SPA"); and, ii) certain warranties given in the SPA at the time of signing. Having reviewed the claim with its advisers, the group is of the opinion that it has a defensible position in respect of these allegations and is vigorously defending its position. The outcome of the legal proceedings relating to this matter is not certain, since the issues of liability and quantum will be for determination by the court at trial. Accordingly, the group is unable to make a reliable estimate of the possible financial impact at this stage, if any.

32 Transactions with related parties

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

During the year the group had sales of £9 million (2024: £17 million) with Veranova. The amounts owed by Veranova were £1 million at 31st March 2025 (2024: £1 million).

The key management of the group and parent company consist of the Board of Directors and the members of the Group Leadership Team (GLT). During the year ended 31st March 2025, the GLT had an average of 11 members (2024: 13 members). The only transactions with any key management personnel were compensation charged in the year which was:

	2025 £m	2024 £m
Short term employee benefits	8	9
Share-based payments	2	1
Non-executive directors' fees and benefits	1	1
Total compensation of key management personnel	**11**	**11**

There were no balances outstanding as at 31st March 2025 (2024: £nil). Information on directors' remuneration is given in the Remuneration Report.

Guarantees of subsidiaries' liabilities are disclosed in note 46.

Notes on the Accounts for the year ended 31st March 2025 continued

33 Non-GAAP measures

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

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

Definitions

Measure	Definition	Purpose
Sales[1]	Revenue excluding cost of precious metals to customers and the precious metal content of products sold to customers.	Provides a better measure of the growth of the group as revenue can be heavily distorted by year on year fluctuations in the market prices of precious metals and, in many cases, the value of precious metals is passed directly on to customers.
Underlying operating profit[2]	Operating profit excluding non-underlying items.	Provides a measure of operating profitability that is comparable over time.
Underlying operating profit margin[1, 2]	Underlying operating profit divided by sales.	Provides a measure of how we convert our sales into underlying operating profit and the efficiency of our business.
Underlying profit before tax[2]	Profit before tax excluding non-underlying items.	Provides a measure of profitability that is comparable over time.
Underlying profit for the year[2]	Profit for the year excluding non-underlying items and related tax effects.	Provides a measure of profitability that is comparable over time.
Underlying earnings per share[1, 2]	Underlying profit for the year divided by the weighted average number of shares in issue.	Our principal measure used to assess the overall profitability of the group.
Return on capital employed (ROCE)[1,3]	Annualised underlying operating profit divided by the average equity plus average net debt. The average is calculated using the opening balance for the financial year and the closing balance.	Provides a measure of the group's efficiency in allocating the capital under its control to profitable investments.
Average working capital days (excluding precious metals)[1]	Monthly average of non-precious metal related inventories, trade and other receivables and trade and other payables (including any classified as held for sale) divided by sales for the last three months multiplied by 90 days.	Provides a measure of efficiency in the business with lower days driving higher returns and a healthier liquidity position for the group.
Free cash flow	Net cash flow from operating activities after net interest paid, net purchases of non-current assets and investments, proceeds from disposal of businesses, dividends received from joint ventures and associates and the principal element of lease payments.	Provides a measure of the cash the group generates through its operations and divestments, less capital expenditure.
Net debt (including post tax pension deficits) to underlying EBITDA	Net debt, including post tax pension deficits and quoted bonds purchased to fund the UK pension (excluded when the UK pension plan is in surplus) divided by underlying EBITDA for the same period.	Provides a measure of the group's ability to repay its debt. The group has a long-term target of net debt (including post tax pension deficits) to underlying EBITDA of between 1.5 and 2.0 times, although in any given year it may fall outside this range depending on future plans.

1. Key Performance Indicator.
2. Underlying profit measures are before profit or loss on disposal of businesses, amortisation of acquired intangibles, major impairment and restructuring charges, share of profits or losses from non-strategic equity investments and, where relevant, related tax effects. These items have been excluded by management as they are not deemed to be relevant to an understanding of the underlying performance of the business.
3. Return on capital employed is a new key performance indicator in the year end accounts. This was included as a performance measure in the 2024 Performance Share Plan award. Inclusion of this measure incentivises delivery of the transformation programme across JM and aligns with investor focus on our ability to return value on investments.

Notes on the Accounts for the year ended 31st March 2025 continued

33 Non-GAAP measures (continued)

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

- **Profit / (loss) on disposal of businesses**: The group recognised £482 million profit on the disposal of businesses (2024: £9 million loss), see note 26.
- **Amortisation of acquired intangibles**: Amortisation and impairment of intangible assets which arose on the acquisition of businesses totalled £4 million (2024: £4 million).
- **Major impairment and restructuring charges**: The group recognised £329 million in major impairment and restructuring charges (2024: £148 million), see note 6.
- **Share of profits / (losses) of associates**: The group recognised £3 million for its share of profits of associates (2024: £3 million loss), see note 15.

Reconciliations to GAAP measures

Sales

	2025 £m	2024 £m
Revenue (note 3)	11,674	12,843
Less: cost of precious metals to customers (note 3)	(8,204)	(8,939)
Sales	**3,470**	**3,904**

Underlying profit measures

Year ended 31st March 2025

	Operating profit £m	Profit before tax £m	Tax expense £m	Profit for the year £m
Underlying	389	334	(71)	**263**
Profit on disposal of businesses	482	482	(67)	**415**
Amortisation of acquired intangibles	(4)	(4)	1	**(3)**
Major impairment and restructuring charges	(329)	(329)	10	**(319)**
Share of profits of associates	–	3	–	**3**
Non-underlying tax provisions	–	–	14	**14**
Reported	**538**	**486**	**(113)**	**373**

Year ended 31st March 2024

	Operating profit £m	Profit before tax £m	Tax expense £m	Profit for the year £m
Underlying	410	328	(68)	**260**
Loss on disposal of businesses	(9)	(9)	–	**(9)**
Amortisation of acquired intangibles	(4)	(4)	1	**(3)**
Major impairment and restructuring charges	(148)	(148)	15	**(133)**
Share of losses of associates	–	(3)	–	**(3)**
Non-underlying tax provisions	–	–	(4)	**(4)**
Reported	**249**	**164**	**(56)**	**108**

Underlying earnings per share

	2025	2024
Underlying profit for the year (£ million)	263	260
Weighted average number of shares in issue (number)	175,966,787	183,392,681
Underlying earnings per share (pence)	149.2	141.3

Return on Capital Employed (ROCE)

	2025 £m	2024 £m
Underlying operating profit	**389**	**410**
Average net debt	875	987
Average equity	2,338	2,459
Average capital employed	**3,213**	**3,446**
ROCE	**12.1%**	**11.9%**

Average working capital days (excluding precious metals) - unaudited

	2025 £m	2024 £m
Inventories	1,011	1,211
Trade and other receivables	1,532	1,718
Trade and other payables	(1,984)	(2,209)
	559	**720**
Working capital balances classified as held for sale	–	44
Total working capital	**559**	**764**
Less: Precious metal working capital	(111)	(174)
Working capital (excluding precious metals)	**448**	**590**
Average working capital days (excluding precious metals)	**62**	**60**

Notes on the Accounts for the year ended 31st March 2025 continued

33 Non-GAAP measures (continued)

Free cash flow

	2025 £m	2024 £m
Net cash inflow from operating activities	381	592
Interest received	78	62
Interest paid	(148)	(137)
Purchases of property, plant and equipment	(315)	(301)
Purchases of intangible assets	(58)	(67)
Proceeds from redemption of investments held at fair value through other comprehensive income	3	–
Government grant income	–	5
Proceeds from sale of businesses	587	41
Proceeds from sale of non-current assets	2	5
Principal element of lease payments	(9)	(11)
Free cash flow	**521**	**189**

Net debt (including post tax pension deficits) to underlying EBITDA

	2025 £m	2024 £m
Cash and deposits	463	208
Money market funds	435	334
Bank overdrafts	(24)	(12)
Cash and cash equivalents	**874**	**530**
Derivative financial instruments - Cross currency and interest rate swaps - non-current assets	4	15
Derivative financial instruments - Cross currency and interest rate swaps - current assets	13	–
Derivative financial instruments - Cross currency and interest rate swaps - current liabilities	(1)	–
Derivative financial instruments - Cross currency and interest rate swaps - non-current liabilities	(9)	(10)
Borrowings - current	(333)	(110)
Borrowings - non-current	(1,301)	(1,339)
Lease liabilities - current	(6)	(8)
Lease liabilities - non-current	(40)	(24)
Lease liabilities - current - transferred to liabilities classified as held for sale	–	(1)
Lease liabilities - non-current - transferred to liabilities classified as held for sale	–	(4)
Net debt	**(799)**	**(951)**

	2025 £m	2024 £m
Increase / (decrease) in cash and cash equivalents	345	(102)
Less: (Increase) / decrease in borrowings	(213)	150
Less: Principal element of lease payments	9	11
Decrease in net debt resulting from cash flows	**141**	**59**
New leases, remeasurements and modifications	(22)	(11)
Other lease movements	1	1
Disposals	5	11
Exchange differences on net debt	11	13
Other non-cash movements	16	(1)
Movement in net debt	**152**	**72**
Net debt at beginning of year	(951)	(1,023)
Net debt at end of year	**(799)**	**(951)**
Net debt	(799)	(951)
Add: Pension deficits	(20)	(22)
Add: Related deferred tax	3	3
Net debt (including post tax pension deficits)	**(816)**	**(970)**
Underlying operating profit	389	410
Add back: Depreciation and amortisation excluding amortisation of acquired intangibles	183	188
Underlying EBITDA	**572**	**598**
Net debt (including post tax pension deficits) to underlying EBITDA	**1.4**	**1.6**
Underlying EBITDA	**572**	**598**
Depreciation and amortisation	(187)	(192)
Profit / (loss) on disposal of businesses	482	(9)
Major impairment and restructuring charges	(329)	(148)
Finance costs	(142)	(146)
Investment income	87	64
Share of profits / (losses) of associates	3	(3)
Income tax expense	(113)	(56)
Profit for the year	**373**	**108**

34 Events after the balance sheet date

On 22nd May 2025, the group announced the sale of its Catalyst Technologies business to Honeywell International Inc. at an enterprise value of £1.8 billion on a cash and debt-free basis. The sale is expected to deliver net sale proceeds of £1.6 billion to the group, subject to customary closing adjustments. We anticipate a significant cash return to shareholders of £1.4 billion of net sale proceeds following completion of the sale. We expect the agreed sale of the Catalyst Technologies business to Honeywell International Inc. to complete by the first half of calendar year 2026.

As outlined in our judgements in note 1, the criteria to be classified as held for sale were not met at the balance sheet date and so the Catalyst Technologies business has not been classified as held for sale and a discontinued operation within these consolidated accounts. Refer to page 10 for further information on the strategic implications of this sale.

Parent Company Statement of Financial Position

as at 31st March 2025

	Notes	**2025 £m**	2024 £m
Assets			
Non-current assets			
Property, plant and equipment	36	597	449
Right-of-use assets		14	9
Goodwill	37	113	113
Other intangible assets	38	260	257
Investments in subsidiaries	39	2,100	2,108
Other receivables	40	1,123	682
Derivative financial instruments	41	4	49
Deferred tax assets		57	11
Post-employment benefit net assets	42	233	150
Total non-current assets		**4,501**	**3,828**
Current assets			
Inventories	43	372	482
Taxation recoverable		13	3
Trade and other receivables	40	2,137	2,335
Cash and cash equivalents		662	370
Derivative financial instruments	41	58	57
Total current assets		**3,242**	**3,247**
Total assets		**7,743**	**7,075**
Liabilities			
Current liabilities			
Trade and other payables	44	(4,806)	(4,235)
Lease liabilities		(1)	(2)
Cash and cash equivalents - bank overdrafts		(21)	(6)
Borrowings	45	(308)	(105)
Derivative financial instruments	41	(16)	(14)
Provisions	46	(57)	(76)
Total current liabilities		**(5,209)**	**(4,438)**

	Notes	**2025 £m**	2024 £m
Non-current liabilities			
Borrowings	45	(1,301)	(1,339)
Lease liabilities		(15)	(8)
Employee benefit obligations	42	(6)	(6)
Derivative financial instruments	41	(9)	(10)
Provisions	46	(2)	(1)
Trade and other payables	44	(6)	(5)
Total non-current liabilities		**(1,339)**	**(1,369)**
Total liabilities		**(6,548)**	**(5,807)**
Net assets		**1,195**	**1,268**
Equity			
Share capital	47	197	215
Share premium		148	148
Treasury shares		(10)	(17)
Other reserves	47	62	72
Retained earnings[1]		798	850
Total equity		**1,195**	**1,268**

1. The parent company's profit for the year is £321 million (2024: £34 million loss).

Notes on the Accounts for the year ended 31st March 2025 continued

Parent Company Statement of Changes in Equity

for the year ended 31st March 2025

	Share capital £m	Share premium £m	Treasury Shares £m	Other reserves (note 47) £m	Retained earnings £m	Total equity £m
At 1st April 2023	215	148	(19)	71	1,085	1,500
Loss for the year	–	–	–	–	(34)	(34)
Remeasurements of post-employment benefit assets and liabilities	–	–	–	–	(66)	(66)
Exchange differences on translation of foreign operations	–	–	–	–	(14)	(14)
Amounts credited to hedging reserve	–	–	–	2	–	2
Tax on other comprehensive (expense) / income	–	–	–	(1)	17	16
Total comprehensive income / (expense)	–	–	–	1	(97)	(96)
Dividends paid (note 47)	–	–	–	–	(141)	(141)
Share-based payments	–	–	–	–	10	10
Cost of shares transferred to employees	–	–	2	–	(7)	(5)
At 31st March 2024	**215**	**148**	**(17)**	**72**	**850**	**1,268**
Profit for the year	–	–	–	–	321	**321**
Remeasurements of post-employment benefit assets and liabilities	–	–	–	–	31	**31**
Exchange differences on translation of foreign operations	–	–	–	–	(5)	**(5)**
Amounts charged to hedging reserve (note 47)	–	–	–	(38)	–	**(38)**
Tax on other comprehensive income / (expense)	–	–	–	10	(8)	**2**
Total comprehensive (expense) / income	**–**	**–**	**–**	**(28)**	**339**	**311**
Dividends paid (note 47)	–	–	–	–	(138)	**(138)**
Purchase of treasury shares (note 47)	(18)	–	–	18	(251)	**(251)**
Share-based payments	–	–	–	–	9	**9**
Cost of shares transferred to employees	–	–	7	–	(11)	**(4)**
At 31st March 2025	**197**	**148**	**(10)**	**62**	**798**	**1,195**

35 Accounting policies - parent company

Basis of accounting and preparation - parent company

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

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

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

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

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

Material accounting policies

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

Investments in subsidiaries

Investments in subsidiaries are stated in the parent company's balance sheet at cost less any provisions for impairment. If a distribution is received from a subsidiary, the investment in that subsidiary is assessed for an indication of impairment.

Provisions and contingencies

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

Sources of estimation uncertainty and judgements made in applying accounting policies

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

Notes on the Accounts for the year ended 31st March 2025 continued

36 Property, plant and equipment

	Land and buildings £m	Leasehold improvements £m	Plant and machinery £m	Assets in the course of construction £m	Total £m
Cost					
At 31st March 2024	**130**	**2**	**721**	**240**	**1,093**
Additions	–	–	10	196	**206**
Transfers from assets in the course of construction	–	–	31	(31)	**–**
Transfers to other intangible assets (note 38)	–	–	(3)	(18)	**(21)**
Reclassification	–	–	2	2	**4**
Disposals	–	–	(2)	–	**(2)**
At 31st March 2025	**130**	**2**	**759**	**389**	**1,280**
Accumulated depreciation and impairment					
At 31st March 2024	**89**	**2**	**553**	**–**	**644**
Charge for the year	2	–	31	–	**33**
Impairment losses	–	–	4	–	**4**
Reclassification	–	–	4	–	**4**
Disposals	–	–	(2)	–	**(2)**
At 31st March 2025	**91**	**2**	**590**	**–**	**683**
Carrying amount at 31st March 2025	**39**	**–**	**169**	**389**	**597**
Carrying amount at 31st March 2024	41	–	168	240	449
Carrying amount at 1st April 2023	43	–	149	158	350

Finance costs capitalised were £5 million (2024: £3 million) and the capitalisation rate used to determine the amount of finance costs eligible for capitalisation was 3.8% (2024: 3.3%).

37 Goodwill

As at 31st March 2025 and 31st March 2024, the cost of goodwill was £123 million with an accumulated impairment of £10 million resulting in a carrying amount of £113 million.

The parent company's goodwill balance of £113 million relates to the Catalyst Technologies cash-generating unit. Refer to note 5 for further information on the impairment testing performed.

38 Other intangible assets

	Computer software £m	Patents, trademarks and licences £m	Acquired research and technology £m	Development expenditure £m	Total £m
Cost					
At 31st March 2024	**477**	**9**	**–**	**13**	**499**
Additions	51	–	–	–	**51**
Transfers from property, plant and equipment (note 36)	21	–	–	–	**21**
Reclassification	1	(1)	–	–	**–**
At 31st March 2025	**550**	**8**	**–**	**13**	**571**
Accumulated amortisation and impairment					
At 31st March 2024	**221**	**4**	**–**	**17**	**242**
Charge for the year[1]	44	1	–	(4)	**41**
Impairment losses	28	–	–	–	**28**
At 31st March 2025	**293**	**5**	**–**	**13**	**311**
Carrying amount at 31st March 2025	**257**	**3**	**–**	**–**	**260**
Carrying amount at 31st March 2024	256	5	–	(4)	257
Carrying amount at 1st April 2023	246	4	1	(4)	247

1. The reversal of depreciation is to correct a historical brought forward error where the development expenditure has a negative net book value.

39 Investments in subsidiaries

	Cost of investments in subsidiaries £m	Accumulated impairment £m	Carrying amount £m
At 31st March 2024	**2,370**	**(262)**	**2,108**
Additions	1	–	**1**
Disposals	(9)	–	**(9)**
At 31st March 2025	**2,362**	**(262)**	**2,100**

The parent company's subsidiaries are shown in note 48.

Notes on the Accounts for the year ended 31st March 2025 continued

40 Trade and other receivables

	2025 £m	2024 £m
Current		
Trade receivables	127	110
Contract receivables	22	33
Amounts receivable from subsidiaries	1,587	1,655
Prepayments	29	36
Value added tax and other sales tax receivable	33	35
Amounts receivable under precious metal sale and repurchase agreements	282	417
Other receivables	57	49
Trade and other receivables	**2,137**	**2,335**
Non-current		
Amounts receivable from subsidiaries	1,091	653
Advance payments to customers	32	29
Other receivables	**1,123**	**682**

Of the parent company's amounts receivable from subsidiaries, £140 million is impaired (2024: £140 million). Future expected credit losses on intercompany receivables are immaterial.

Trade receivables and contract receivables are net of expected credit losses.

41 Derivative financial instruments

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

	2025 £m	2024 £m
Current assets		
Forward foreign exchange contracts designated as cash flow hedges	9	10
Forward precious metal price contracts designated as cash flow hedges	31	41
Forward foreign exchange contracts and currency swaps at fair value through profit or loss	5	6
Cross currency and interest rate swaps	13	–
Derivative financial instruments	**58**	**57**
Current liabilities		
Forward foreign exchange contracts designated as cash flow hedges	(4)	(8)
Forward foreign exchange contracts and currency swaps at fair value through profit or loss	(11)	(4)
Foreign exchange swaps designated as hedges of a net investment in foreign operations	–	(2)
Cross currency and interest rate swaps	(1)	–
Derivative financial instruments	**(16)**	**(14)**

Note, to simplify the primary statements we have represented the prior year comparative balances in the Statement of Financial Position to include 'Other financial assets and liabilities' and 'Interest rate swaps' within the singular line 'Derivative financial instruments'.

Notes on the Accounts for the year ended 31st March 2025 continued

42 Post-employment benefits

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

43 Inventories

	2025 £m	2024 £m
Raw materials and consumables	32	44
Work in progress	270	374
Finished goods and goods for resale	70	64
Inventories	**372**	**482**

Write-downs of inventories amounted to £nil (2024: £nil). These were recognised as an expense during the year ended 31st March 2025 and included in cost of sales in the income statement.

44 Trade and other payables

	2025 £m	2024 £m
Current		
Trade payables	272	258
Contract liabilities	12	33
Amounts payable to subsidiaries	3,546	2,865
Accruals	189	169
Amounts payable under precious metal sale and repurchase agreements	654	810
Other payables	133	100
Trade and other payables	**4,806**	**4,235**
Non-current		
Amounts payable to subsidiaries	5	4
Other payables	1	1
Trade and other payables	**6**	**5**

45 Borrowings

The parent company's non-current borrowings are consistent with the group balances with the exception of the cross currency interest rate swaps of £nil (2024: £3 million) which are designated as fair value hedges instead of net investment hedges - see note 20.

	2025 £m	2024 £m
Current		
3.57% £65 million Bonds 2024	–	(65)
3.565% $50 million KfW loan 2024	–	(40)
3.14% $130 million Bonds 2025	(100)	–
1.40% €77 million Bonds 2025	(63)	–
2.54% £45 million Bonds 2025	(45)	–
3.79% $130 million Bonds 2025	(100)	–
Borrowings	**(308)**	**(105)**

46 Provisions

	Restructuring provisions £m	Other provisions £m	Total £m
At 31st March 2024	**23**	**54**	**77**
Charge for the year	–	5	**5**
Net sale of metal	–	(7)	**(7)**
Utilised	(16)	–	**(16)**
At 31st March 2025	**7**	**52**	**59**

	2025 £m	2024 £m
Current	**57**	76
Non-current	**2**	1
Total provisions	**59**	77

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

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

The parent company also guarantees some of its subsidiaries' borrowings and its exposure at 31st March 2025 was £20 million (2024: £2 million).

47 Share capital and other reserves

Share capital and dividends

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

Other reserves

		Hedging reserve			
	Capital redemption reserve £m	Forward currency contracts £m	Cross currency swaps £m	Forward metal contracts £m	Total other reserves £m
At 1st April 2023	13	(3)	1	60	71
Cash flow hedges – gains / (losses) taken to equity	–	8	(4)	27	31
Cash flow hedges – transferred to revenue (income statement)	–	4	–	(31)	(27)
Cash flow hedges – transferred to cost of sales (income statement)	–	(5)	–	–	(5)
Cash flow hedges – transferred to foreign exchange (income statement)	–	–	2	–	2
Tax on items taken directly to or transferred from equity	–	(6)	–	6	–
At 31st March 2024	**13**	**(2)**	**(1)**	**62**	**72**
Cash flow hedges – gains / (losses) taken to equity	–	7	1	(2)	**6**
Cash flow hedges – transferred to revenue (income statement)	–	(3)	–	(41)	**(44)**
Cash flow hedges – transferred to cost of sales (income statement)	–	(2)	–	–	**(2)**
Cash flow hedges – transferred to foreign exchange (income statement)	–	–	2	–	**2**
Cancelled ordinary shares from share buyback	18	–	–	–	**18**
Tax on items taken directly to or transferred from equity	–	–	–	10	**10**
At 31st March 2025	**31**	**–**	**2**	**29**	**62**

Notes on the Accounts for the year ended 31st March 2025 continued

48 Related undertakings

A full list of related undertakings at 31st March 2025 (comprising subsidiaries, joint ventures and associates) is set out below. Those held directly by the parent company are marked with an asterisk (*) and those held jointly by the parent company and a subsidiary are marked with a cross (+). All the companies are wholly owned unless otherwise stated. All the related undertakings are involved in the principal activities of the group. Unless otherwise stated, the share class of each related undertaking comprises ordinary shares only. As permitted by section 479A of the Companies Act 2006, the Company intends to take advantage of the audit exemption in relation to the individual accounts of the companies marked with a hash (#).

	Entity	Registered address
+	Johnson Matthey Argentina S.A.	Tucumán 1, Piso 4, C1049AAA, Buenos Aires, Argentina
+	Johnson Matthey Belgium	Pegasuslaan 5 1831 Machelen (Brab.), Belgium
	The Argent Insurance Co. Limited	Rosebank Centre, 5th Floor, 11 Bermudiana Road, Pembroke HM 08, Bermuda
	Johnson Matthey Brasil Ltda	Rua Olimpiadas, 205 - 4° andar, Sala 438, Edifício Continental Square, Vila Olímpia, São Paulo, CEP 04.551-000, Brazil
	Johnson Matthey Canada, Inc	340 Albert Street, Suite 1400. Ottawa, Ontario, Canada, K1R 0A5
	Johnson Matthey Argillon (Shanghai) Emission Control Technologies Ltd	Ground Floor, Building 2, No. 298 Rongle East Road, Songjiang Industrial Zone, Shanghai 201613, China
	Johnson Matthey Battery Materials (Changzhou) Co., Ltd	A10 Building, No.2 Xinzhu Road, Xinbei District, Changzhou, China
	Johnson Matthey Chemical Process Technologies (Shanghai) Company Limited	Room 1066, Building 1, No 215 Lian He Bei Lu, Fengxian District, Shanghai, China
	Johnson Matthey (China) Trade Co., Ltd	2nd Floor, Office Block, Building No. 7, No 298 Rongle East Road, Songjiang District, Shanghai, China
	Johnson Matthey Clean Energy Technologies (Beijing) Co., Ltd	Unit 01, 14th Floor, Building A, No. 2 Workers' Stadium North Road Jia, Chaoyang District, Beijing, China
	Johnson Matthey (Shanghai) Catalyst Co., Ltd	586 Dongxing Road, Songjiang Industrial Zone, Shanghai, 201613, China
	Johnson Matthey (Shanghai) Chemicals Limited	588 and 598 Dongxing Road, Songjiang Industry Zone, Shanghai, 201613, China
	Johnson Matthey (Shanghai) Hydrogen Technologies Co., Ltd	JT7575, Room 108, Floor 1, Building 1, No 6988 Jiasong North Road, Anting Town, Jiading District, Shanghai, PRC
	Johnson Matthey (Shanghai) Trading Limited	Room 1615B, No. 118 Xinling Road, China (Shanghai), China
	Johnson Matthey (Tianjin) Chemical Co., Ltd (in liquidation)	Room 2007, No. 16, Third Avenue, Tianjin Economic-Technological Development Zone, Tianjin, China
	Johnson Matthey (Zhangjiagang) Environmental Protection Technology Co., Ltd	No. 9 Dongxin Road, Jiangsu Yangtze River International Chemical Industrial Park, Jiangsu Province, Jiangsu, 215634, China
	Johnson Matthey (Zhangjiagang) Precious Metal Technology Co. Ltd	No. 48, the west of Beijing Road, Yangtze River International Chemical Industrial Park, Jiangsu, China
	Johnson Matthey A/S	c/o DLA Piper Denmark, Oslo Plads 2, DK-2100 Copenhagen, Denmark
*	JMEPS Trustees Limited	5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom
*	Johnson Matthey Battery Materials Limited	5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom
*	Johnson Matthey Davy Technologies Limited	5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom
*	Johnson Matthey Hydrogen Technologies Limited[1]	5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom
#	Johnson Matthey Investments Limited (01004368)	5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom
+	Johnson Matthey (Nominees) Limited	5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom
*	Johnson Matthey Precious Metals Limited	5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom
	Johnson Matthey South Africa Holdings Limited	5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom
#	Johnson Matthey Tianjin Holdings Limited (5391061)	5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom
*#	Johnson Matthey UK Holdings Limited (14090567)	5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom
+#	Matthey Finance Limited (301279)	5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom
*#	Matthey Holdings Limited (03130188)	5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom
	Johnson Matthey Battery Materials Finland Oy	c/o Asianajotoimisto, Krogerus Oy, Unioninkatu 22, Helsinki, 00130, Finland

Notes on the Accounts for the year ended 31st March 2025 continued

48 Related undertakings (continued)

	Entity	Registered address
	Johnson Matthey SAS	Immeuble B, 41 rue Delizy, 93500 Pantin, France
	Johnson Matthey Catalysts (Germany) GmbH	Bahnhofstrasse 43, 96257 Redwitz an der Rodach, Germany
	Johnson Matthey Chemicals GmbH	Wardstrasse 17, D-46446 Emmerich am Rhein, Germany
	Johnson Matthey Deutschland GmbH	Otto-Volger-Strasse 9b, 65843, Sulzbach, Taunus, Germany
	Johnson Matthey Pacific Limited[2]	Unit 4-6, 8/F, 909 Cheung Sha Wan Road, Cheung Sha Wan, Kowloon, Hong Kong
+	Johnson Matthey Chemicals India Private Limited	Plot No 6A, MIDC Industrial Estate, Taloja, Maharashtra, 410208 India
	Johnson Matthey India Private Limited	Regus Business Centre, 5th Floor, Caddie Commercial Tower – Aerocity, New Delhi, 110037, India
	Johnson Matthey Italia S.r.l.	Torino, Corso Trapani 16, Italy
	Johnson Matthey Fuel Cells Japan Limited	5123-3 Kitsuregawa, Sakura-shi, Tochigi, Japan
	Johnson Matthey Japan Godo Kaisha	5123-3 Kitsuregawa, Sakura-shi, Tochigi, Japan
	Johnson Matthey Global Business Services Lithuania UAB	Konstitucijos prospektas 18B, Vilnius, LT- 09308, Lithuania
*	Johnson Matthey Sdn. Bhd.	Suite 13.03, 13th Floor, Menara Tan & Tan, 207 Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
	Johnson Matthey Services Sdn. Bhd.	Suite 13.03, 13th Floor, Menara Tan & Tan, 207 Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
	Johnson Matthey de Mexico, S. de R.L. de C.V.	c/o Cacheaux, Cavazos and Newton, No. 437 Col. Colinas del Cimatario, Queretaro, CP 76090, Mexico
	Johnson Matthey Servicios, S. de R.L. de C.V.	c/o Cacheaux, Cavazos and Newton, No. 437 Col. Colinas del Cimatario, Queretaro, CP 76090, Mexico
	Intercat Europe B.V.	Robert Schumandomein 2, Begane Grond & 2de Verdieping, 6229 ES, Maastricht, The Netherlands
	Johnson Matthey International Management Services B.V.	Javastraat 12, 3016 CE, Rotterdam, The Netherlands
	Johnson Matthey Netherlands 2 B.V.	Javastraat 12, 3016 CE, Rotterdam, The Netherlands
	Matthey Finance B.V.[1]	5th Floor, 2 Gresham Street, London EC2V 7AD, United Kingdom
	Johnson Matthey DOOEL Skopje	Technological Industrial Development Zone Bunardzik, Ilinden, Republic of North Macedonia
	Johnson Matthey Poland Spółka z ograniczoną odpowiedzialnością	ul. Alberta Einsteina 6, 44-109, Gliwice, Poland
	Johnson Matthey Battery Materials Poland Spółka z ograniczoną odpowiedzialnością	ul. Alberta Einsteina 6, 44-109, Gliwice, Poland
+	Macfarlan Smith Portugal, Lda	Largo de São Carlos 3, 1200-410, Lisbon, Portugal
	Johnson Matthey Arabia for Business Services LLC	2975, Prince Ahmad Ibn Abdulaziz, 8124 Al Woroud District, 12253, Riyadh, Kingdom of Saudi Arabia
*	Johnson Matthey General Partner (Scotland) Limited	c/o DWF LLP, 103 Waterloo Street, Glasgow G2 7BW, United Kingdom
*	Johnson Matthey (Scotland) Limited Partnership[3]	c/o DWF LLP, 103 Waterloo Street, Glasgow G2 7BW, United Kingdom
	Johnson Matthey Singapore Private Limited	9 Raffles Place, 13-03 Republic Plaza, Singapore, 048619
	Johnson Matthey Davy Technologies International Limited (liquidated 12th April 2023 - restored to register 25th October 2024)	5th Floor, 2 Gresham Street, London, EC2V 7AD, United Kingdom
	Johnson Matthey (Proprietary) Limited	c/o Thomson Wilks Attorneys, 1st Floor Inanda Greens Business Park 54 Weirda, Weirda Valley, Sandton Gauteng, 2196, Republic of South Africa
	Johnson Matthey Research South Africa (Proprietary) Limited	c/o Thomson Wilks Attorneys, 1st Floor Inanda Greens Business Park 54 Weirda, Weirda Valley, Sandton Gauteng, 2196, Republic of South Africa
	Johnson Matthey Salts (Proprietary) Limited	c/o Thomson Wilks Attorneys, 1st Floor Inanda Greens Business Park 54 Weirda, Weirda Valley, Sandton Gauteng, 2196, Republic of South Africa
	Johnson Matthey Catalysts Korea Limited	(Jung-dong) 802-11, 33 Dongbaek 3-ro 11 beon-gil, Giheung-gu, Yongin-si,Gyeonggi-do, Republic of Korea
	Johnson Matthey Korea Limited	(Taepeyongro-1ga), S8020, 8F, 136 Sejong-daero, Jung-gu, Seoul, Republic of Korea

Notes on the Accounts for the year ended 31st March 2025 continued

48 Related undertakings (continued)

Entity	Registered address
Johnson Matthey AB	Victor Hasselblads Gata 8, 421 31 Västra Frölunda, Göteborg, Sweden
Johnson Matthey Formox AB	SE-284 80, Perstorp, Sweden
Johnson Matthey & Brandenberger AG	c/o PRÜFAG, Wirtschaftsprüfung AG, Badenerstrasse 144, 8004 Zürich, Switzerland
Johnson Matthey Finance Zurich GmbH (in liquidation)	Glatttalstrasse 18, 8052 Zurich, Switzerland
LiFePO4+C Licensing AG	Hertensteinstrasse 51, 6004 Lucerne, Switzerland
Johnson Matthey Services (Trinidad and Tobago) Limited	Queen's Park Place, 17-20 Queens Park West, Port of Spain, Trinidad and Tobago
Stepac Ambalaj Malzemeleri Sanayi Ve Ticaret Anonim Sirketi (in liquidation)	Güzeloba Mah. Rauf Denktaş Cad., No.56/101, Muratpaşa /Antalya, Turkey
Johnson Matthey Catalyst Technologies - LLC - S.P.C.	International Trading Building LLC, Al Bateen, West 35, Abu Dhabi, United Arab Emirates
Johnson Matthey Holdings, Inc.	435 Devon Park Drive, Suite 600, Wayne PA 19087, USA
Johnson Matthey Hydrogen Technologies, Inc.	435 Devon Park Drive, Suite 600, Wayne PA 19087, USA
Johnson Matthey Inc.[4]	435 Devon Park Drive, Suite 600, Wayne PA 19087, USA
Johnson Matthey Process Technologies, Inc.	435 Devon Park Drive, Suite 600, Wayne PA 19087, USA
Johnson Matthey Stationary Emissions Control LLC	435 Devon Park Drive, Suite 600, Wayne PA 19087, USA
Johnson Matthey USA Holdings Inc.	435 Devon Park Drive, Suite 600, Wayne PA 19087, USA
Red Maple LLC (50.0%)[5]	Corporation Service Company, 251 Little Falls Drive, Wilmington DE 19808, USA
Veranova Parent Holdco L.P. (30.0%)[5]	1209 Orange Street, New Castle County, Wilmington, Delaware, 19801, USA

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

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

Other information

In this section

Basis of reporting – non-financial data

This integrated report has been prepared in accordance with the GRI Standards for the period 1st April 2024 to 31st March 2025. Our last Annual Report was published in June 2024. All non-financial performance data is reported on a financial year basis unless otherwise stated.

Johnson Matthey compiles, assesses and discloses non-financial information to demonstrate to its stakeholders that it conducts its business in an ethical, responsible and sustainable manner and where there is a legal obligation to do so (for example, in accordance with the UK Companies Act, UK Stream lined Energy and Carbon Reporting (SECR) regulations, UK Modern Slavery Act).

This report has been developed to incorporate the group's significant economic, environmental and social impacts and is set within the context of the United Nations Brundtland definition of sustainability (1987) and our own sustainable business goals to 2030. The principles of inclusivity, materiality and responsiveness help to shape the structure of the report and to set priorities for reporting. The report also explains how we continue to build sustainability into our business planning and decision-making processes and how, through our governance processes, we manage social, environmental and ethical matters across the group.

Performance data covers all sites that are under the financial control of the group, including all manufacturing, research and warehousing operations of Johnson Matthey Plc and its subsidiaries. Joint ventures where we have a minority share are not included.

For the purposes of reporting, separate businesses resident at the same location are counted as separate sites. Data from 59 sites was included in this report: 35 are manufacturing sites, 12 are R&D sites and 12 are offices. Data from new facilities is included from the point at which the facility becomes owned by JM and operational. Selected non-financial data has been third-party limited assured to ISAE 3000 (Revised) standard as described on pages 196-197. Certain employee data is included in the financial accounts and is also subject to the financial data third-party audit described on pages 112-121.

Rebaselining of previous years' data

During the year we divested several businesses as going concerns, including our Medical Devices and our Battery Systems businesses.

In accordance with the recommendations of the Greenhouse Gas (GHG) Protocol and SECR reporting guidance, we have removed their historical contribution to our operational KPIs for all years from 2019/20, which is our baseline for our 2030 sustainability targets. This specifically includes our historical data for Scope 1, 2 and 3 GHG emissions, water consumption, waste and emissions to air.

This report contains only rebaselined numbers.

Restatements of previous years' data in this report

In addition to rebaselining, there have been some restatements of data to account for improvements in methodology, coverage and quality of available data. JM's materiality threshold for variance is 5%. We have made restatements of environmental performance data for the following KPIs this year:

- Emissions from Scope 3 Category 1 restated due to improvements and refinements in calculations for substrates and PGM emissions.
- Emissions from Scope 3 Category 7 2023/24 emissions restated due to error correction.
- Emissions from Scope 3 Category 8 restated due to improvements in methodology.
- Emissions from Scope 3 Category 10 restated due to refinements in methodology.
- Emissions from Scope 3 Category 12 restated due to refinements in methodology.
- Emissions from Scope 3 Category 13 restated due to improvements in methodology.
- Emissions from Scope 3 Category 15 restated due to improvements in methodology.
- Upon further review of our water use at our Royston site, UK, a source of water that was added to our data last year was ultimately determined to be already included. As such we have corrected the data and removed this source of double-counted water from all data going back to the baseline year of 2019/20.

Basis of reporting – non-financial data continued

Material topics

In 2024 we partnered with a third party to perform our first double materiality assessment. Double materiality in ESG means companies must consider both how ESG issues impact their business (financial materiality) and how their business impacts the environment and society (impact materiality). The process involved a thorough review of our sector and locations as well as gathering stakeholder opinions through interviewing our investors, customers, suppliers, leaders and subject matter experts inside and outside of JM. Our material topics were identified as:

- Climate change
- Pollution
- Water
- Biodiversity
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Consumers and end-users
- Business conduct

These were approved at the SVC meeting in October 2024.

Calculation methodologies for Key Performance Indicators (KPIs) relating to our sustainability targets for 2030

Planet: Protecting the climate

Our goal: Achieve net zero by 2040

Our operational carbon footprint is reported in tonnes of carbon dioxide equivalent (CO_2e) according to the GHG Protocol corporate standard 2015 revision, www.ghgprotocol.org and in accordance with the UK Stream-lined Energy and Carbon Reporting (SECR) April 2019 requirements of the UK Companies Act 2006 (Strategic and Directors' Reports) Regulations 2013.

Scope 1 GHG emissions

Our Scope 1 GHG emissions are generated by the direct burning of fuel (predominantly natural gas), performing chemical reactions in our manufacturing processes and driving company-owned or leased vehicles. They are calculated in tonnes CO_2e using conversion factors for each energy source as published by DEFRA in June 2024. We include carbon dioxide (CO_2), nitrous oxide (N_2O), refrigerant and methane (CH_4) process emissions to air in our Scope 1 calculations. We do not believe we have any material Scope 1 GHG emissions of PF_5 and SF_6. When calculating Global Warming Potentials (GWP) for our gaseous emissions of GHG we use the values published in the 6th AR from the Intergovernmental Panel on Climate Change (IPPC).

Scope 2 GHG emissions

Our Scope 2 GHG emissions arise from the use of electricity and steam procured from third parties for use at our facilities. They are calculated using the 'dual reporting' methodology outlined in the GHG Protocol corporate standard 2015 revision.

For the location-based method of Scope 2 accounting, for all facilities outside the US, we use national carbon intensity factors related to the consumption of grid electricity in 2022 made available in the 2024 edition of the world CO_2 emissions database of the International Energy Agency. They were purchased under licence in December 2024 for sole use in company reporting. For US facilities we use regional carbon factors published by the Environmental Protection Agency in the January 2025 edition of eGRID data 2023.

For the market-based method of Scope 2 accounting, we have applied the hierarchy of sources for determination of appropriate carbon intensity factors, as outlined in table 6.3 on page 48 of the GHG Protocol Scope 2 Guidance. We have successfully obtained carbon intensity factors directly from our grid electricity suppliers in the EU and the US. However, it has not been possible to obtain this information from all suppliers in China, India and non-OECD Europe.

Scope 3 GHG emissions

Our annual Scope 3 GHG emissions are reported according to the methodology of the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. A variety of accounting techniques were used depending on the availability of data. All value chain emissions over which JM has financial control are included; therefore, our Scope 3 reporting does not include raw materials where JM is a toll manufacturer, i.e. when raw materials used in our factories always remain in the financial ownership of our customer.

When calculating the GHG footprint of each Scope 3 category, our principle of using the most accurate data sources was applied in the following order:

- GHG footprint data obtained directly from value chain partners.
- Mass-based calculations using carbon intensity factors from respected databases, such as DEFRA's GHG reporting conversion factors and EcoInvent.
- Financial allocation using Watershed's proprietary multi-regional Environmentally Extended Input-Output (EEIO) model, CEDA.

Basis of reporting – non-financial data continued

Scope 3 GHG category as defined by GHG Protocol	Calculation methodology
1. Purchased goods and services	Where mass of purchased goods was available, this was used in combination with GHG intensity factors obtained either from suppliers or EcoInvent. For the remaining purchased goods and services a financial allocation (EEIO model) was used.
2. Capital goods	Financial allocation (EEIO model) using geographical breakdown of data shown in note 11, 'Property, plant and equipment,' on page 148.
3. Fuel- and energy-related activities	DEFRA's GHG reporting conversion factors 2024 were used to calculate well-to-tank GHG emissions from fuel usage, transmission and distribution losses from purchased electricity, and well-to-tank and transmission and distribution losses of energy from steam.
4. Upstream transportation and distribution	Emissions data was provided by our suppliers where available. Otherwise, a financial allocation was made based on spend and intensity factors from the EEIO model.
5. Waste generated in operations	Where GHG footprints were available from waste service providers they were used, otherwise DEFRA's GHG reporting conversion factors 2024 were used according to mass of waste disposal by destination.
6. Business travel	Footprints for business travel for air, rail and hotel were obtained from our business travel service providers, where possible. For all other travel-related items, distance was preferentially used in combination with DEFRA's GHG reporting conversion factors 2024. Otherwise, a financial allocation was made based on expenses and intensity factors from the EEIO model. Accounting is by date of financial transaction report.
7. Employee commuting	Data is obtained through an annual employee survey of distance travelled per week by modes of transport. DEFRA's GHG reporting conversion factors 2024 are used to calculate the GHG intensity of each transport type.
8. Upstream leased assets	Activity-based secondary emission factors were used on floor space and geographical data.
9. Downstream transportation and distribution	Emissions data was provided by our suppliers where available. Otherwise, a financial allocation was made based on spend and intensity factors from the EEIO model.
10. Processing of sold products	Where possible, calculations have been made using the mass or number of products sold and attributing an emissions conversion associated with a catalyst activation step by downstream customers for products requiring this. For Clean Air products, an emission factor associated with welding/canning was used.
11. Use of sold products	We have removed Use of sold products from our footprint by agreement with the SBTi, as it determined that the emissions we reported in this category were 'indirect' and should not, therefore, be included.
12. End of life treatment of sold products	Given no visibility of the end-of-life treatment/use of JM products, the mass of sold products has been mapped against an emission factor associated with the recycling of PGMs to retain the precious metals, with remainder mass associated with GHG emissions for landfill activities.
13. Downstream leased assets	Activity-based secondary emission factors were used on floor space and geographical data.
14. Franchises	JM does not have any franchises.
15. Investments	GHG intensity factors from our pensions trustee providers were used and applied to pension-related financials. Due to missing data from JM's joint ventures' emissions, historical JM data for the divested business was used as a substitute.

Basis of reporting – non-financial data continued

Planet: Protecting nature and advancing the circular economy

Our goal: Conserve scarce resources

Our KPI to monitor how we are advancing the circular economy is a measurement of all % recycled platinum group metals in our manufactured goods on a mass basis.

We include use of five PGMs – platinum, palladium, rhodium, ruthenium and iridium — in our target. This is defined as the weighted global average of all PGM sponge used to manufacture goods in our plants over the course of the reporting year and includes metal that is both sourced and funded by JM and metal sourced and funded by our customers. We define primary metal as metal from a mine or originating outside of the refining loop. This is measured by recording the amount of metal matching this description that has been used in product manufacturing over the given time-period. We define secondary or recycled metal as platinum group metal-bearing material that has come from an end use (including post-consumer product scrap and waste materials) and has not come to JM in the form of ingot, concentrate or matte directly from a mining process.

This makes up the balance of metal that has been used in product manufacturing over the given time-period. Refining,"intake", figures are based on estimated assays, based on the scrap etc that is sent in from customers and sampled, prior to the refining process.

The assay amounts are finalised throughout the year, and adjustments are periodically made to the reporting figures to account for any differences between the original estimated numbers vs. the final numbers.

Our goal: Minimise our environmental footprint

Total hazardous waste sent offsite for treatment

This KPI is a record of how much hazardous waste we generate from our operations that can no longer be used by JM and has to be sent off site for treatment.

We define hazardous waste in line with local regulatory requirements in the particular territory where the waste is generated. For example, in Europe we consider the EU Waste Framework Directive (Directive 2008/98/EC of the European Parliament and of the Council). We measure the amount of solid and liquid hazardous waste and report in metric tonnes of material. We measure the total weights sent off site, including any entrained water, and we consider all material waste no longer of use to JM.

We categorise its destination in the following ways:

- Sent outside JM for beneficial reuse.
- Sent outside JM for recycling.
- Sent outside JM for incineration with energy recovery.
- Sent outside JM for incineration or treatment without energy recovery.
- Sent outside JM for landfill disposal.

Net water use intensity

This KPI measures water use intensity, i.e. how much water we withdraw through our operations per unit of sales revenue (sales excluding precious metals). The KPI is made up of two components – net water use and SEPM (sales excluding precious metals).

Net water use includes all freshwater sources: mains supplied water that we receive from municipalities, public or private utility companies, ground water that is extracted from below the Earth's surface and fresh surface water that we extract from rivers, wetlands, lakes etc. We do not include rainwater or any brackish surface water. We subtract any water that is returned to the source from which it is extracted at the same or better quality.

Freshwater consumed in regions of high or extremely high baseline water stress

We use the World Resource Institute's (WRI) Water Risk Atlas tool to identify facilities which are located in regions with a high or extremely high baseline water stress level.

People: Promoting a safe, diverse and equitable society

Definition of employees and contractors

These definitions are used when reporting the Health and Safety KPIs on page 32 of this report. For Employee headcount numbers, only permanent and temporary employees are counted as 'Employees'".

Reported as 'Employees'

Permanent employees	Temporary employees	Agency employees
Continuously site based	Continuously site based	Continuously site based
Contract signed directly between JM and individual and paid regular salary and other benefits by JM	Fixed term contract signed directly between JM and individual. Paid regular salary and other benefits by JM	Person employed by an agency performing tasks that would normally be expected to be undertaken by a JM employee
Work is directly supervised by JM	Work is directly supervised by JM	Work is directly supervised by JM

Reported as 'Contractors'

Outsourced function	Specialist service	Projects
Continuously or regularly site based	One-off project or regularly based on site	One-off project
Facility management – catering, cleaning or grounds maintenance; IT; and occupational health, where outsourced	Small scale building or ground works; repairing specialist plant or equipment; low level maintenance; small scale repairs to offices or other buildings; stack monitoring	Construction work, capital project work, major maintenance activities
Work is supervised by contractor and monitored by JM	Work is supervised by contractor and monitored by JM	Work is supervised by contractor and monitored by JM

Basis of reporting – non-financial data continued

Our goal: Keep people safe

Total recordable injury and illness rate (TRIIR) is defined as the number of recordable cases per 200,000 hours worked in a rolling year and includes cases affecting both our employees and contractors.

A recordable case (as defined under the US Occupational Safety and Health Administration (OSHA) Regulations) is defined as a work-related accident or illness that results in one or more of the following: absence of more than one day; medical treatment beyond first aid; death; loss of consciousness; and restricted work or transfer to another job.

$$\text{TRIIR} = \frac{\text{annual employee + temp + cont recordable injury/illness events x 200,000}}{\text{annual employee + temp + cont hours worked}}$$

The OSHA severity rate is a calculation that gives a company an average of the number of lost days and restricted days per 200,000 hours worked in a rolling year and includes cases affecting both our permanent/temporary employees and agency employees.

Lost time case is a work-related injury or illness case that requires an employee to spend one or more full days away from work other than the day of injury or illness.

$$\text{Lost time injury frequency rate (LTIFR) employees} = \frac{\text{annual employee + temporary employees lost time injury events x 1,000,000}}{\text{annual employee + temporary employees hours worked}}$$

$$\text{LTIFR contractors} = \frac{\text{annual contractor lost time injury events x 1,000,000}}{\text{annual contractor hours worked}}$$

$$\text{Occupational illness frequency rate (OIFR)} = \frac{\text{annual employee + temporary employees occupational illness events x 1,000,000}}{\text{annual employee + temporary employees hours worked}}$$

The process safety event severity rate (PSESR) is measured according to the methodology approved by the International Council of Chemical Associations (ICCA). The metric first requires a determination that the event is to be included in the PSESR calculation and then determining the severity using the severity table.

In determining this rate, 1 point is assigned for each Level 4 incident attribute, 3 points for each Level 3 attribute, 9 points for each Level 2 attribute, and 27 points for each Level 1 attribute. The PSESR is recorded as a 12-month rolling number. Total worker hours include employees, temporary employees and contractors.

Theoretically, a process safety event could be assigned a minimum of 1 point (i.e. the incident meets the attributes of a Level 4 incident in only one category) or a maximum of 135 points (i.e. the incident meets the attributes of a Level 1 incident in each of the five categories).

ICCA process safety event severity rate (Level 1 to Level 4) =
Total severity score for all events per 200,000 hrs worked during the year

A Tier 1 process safety event (T-1 PSE) is a loss of primary containment (LOPC) with the greatest consequence as defined by American Petroleum Institute recommended practice (RP) 754.

$$\text{Tier 1 rate} = \frac{\text{annual Tier 1 process safety events x 1,000,000}}{\text{total annual hours worked}}$$

Our goal: Create a diverse, inclusive and engaged company

Employee engagement

All employees, who joined JM at least three months before the survey launch date, are invited to voluntarily complete an employee survey at regular intervals to determine the engagement and wellbeing of staff using a standard methodology defined by Workday Peakon – an independent third party used by companies globally. All responses are submitted confidentially to Workday Peakon and results are independently analysed and shared with all managers who met the minimum response threshold of five responses from their team.

For reporting we use the latest survey available at the end of the fiscal year. Engagement level is tracked at both the annual survey and the pulse surveys, where the latter is a subset of questions asked to all JM employees.

Through the surveys we measure attributes on a scale of 0 to 10. The surveys measure employee engagement through three questions:

1. to what extent they would recommend JM as an employer to others;
2. to what extent they intend to stay with JM; and
3. in general how satisfied they are with their employment at JM.

Female representation across all management levels

This is the percentage of all management level employees (all employees whether they are a people manager or not, at a minimum compensation grade) who self-disclosed as female on 31st March in the reporting year.

For the purposes of reporting, we use the identifiers ‘female’, ‘male’ and ‘not disclosed’ for the category of gender as captured in our HR system. Gender is self-disclosed by the individual.

Independent Limited Assurance Report

ERM Certification and Verification Services Limited ("ERM CVS") was engaged by Johnson Matthey plc ("Johnson Matthey") to provide limited assurance in relation to the selected information set out below and presented in the Johnson Matthey Annual Report and Accounts 2025 and Sustainability Performance Databook 2025 (together the "Reports").

Engagement summary

Scope of our assurance engagement	Whether the Selected Information for 2024/25 as listed in Appendix A is fairly presented in the Reports, in all material respects, in accordance with the reporting criteria. Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Reports.
Selected Information	As listed in Appendix A
Reporting period	1st April 2024 – 31st March 2025
Reporting criteria	• The GHG Protocol Corporate Accounting and Reporting Standard (WBCSD/WRI Revised Edition 2015) for Scope 1 and Scope 2 GHG emissions • The GHG Protocol Scope 2 Guidance (An amendment to the GHG Protocol Corporate Standard WRI 2015) for Scope 2 GHG emissions • The GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) for Scope 3 GHG emissions • Occupational Safety and Health (OSHA) regulations • Johnson Matthey's basis of reporting found in the 'Basis of Reporting' tab of Johnson Matthey's Sustainability Performance Databook 2025
Assurance standard and level of assurance	We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and in accordance with ISAE 3410 for Greenhouse Gas data issued by the International Auditing and Assurance Standards Board. The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
Respective responsibilities	Johnson Matthey is responsible for preparing the Reports and for the collection and presentation of the information within them, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the Selected Information. ERM CVS' responsibility is to provide a conclusion to Johnson Matthey on the agreed assurance scope based on our engagement terms with Johnson Matthey, the assurance activities performed and exercising our professional judgement.

Our conclusion

Based on our activities, as described overleaf, nothing has come to our attention to indicate that the Selected Information for 2024/25 is not fairly presented in the Reports, in all material respects, in accordance with the reporting criteria.

Independent Limited Assurance Report continued

Our assurance activities

Considering the level of assurance and our assessment of the risk of material misstatement of the Selected Information a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Evaluating the appropriateness of the reporting criteria for the Selected Information;
- Interviewing management representatives responsible for managing the Selected Information;
- Interviewing relevant staff to understand and evaluate the management systems and processes (including internal review and control processes) used for collecting and reporting the Selected Information;
- Reviewing of a sample of qualitative and quantitative evidence supporting the Selected Information at a corporate level;
- Performing an analytical review of the year-end data submitted by all locations included in the consolidated 2024/25 group data for the Selected Information which included testing the completeness and mathematical accuracy of conversions and calculations, and consolidation in line with the stated reporting boundary;
- Conducting visits to six Johnson Matthey facilities in China, Germany, Poland and USA to review source data and local reporting systems and controls;
- Evaluating the conversion and emission factors and assumptions used; and
- Reviewing the presentation of information relevant to the assurance scope in the Reports to ensure consistency with our findings.

The limitations of our engagement

The reliability of the Selected Information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

Our independence, integrity and quality control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly, we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of the IESBA Code relating to assurance engagements.

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy related services to Johnson Matthey in any respect.

ERMCVS

3rd June 2025
London, United Kingdom

ERM Certification and Verification Services Limited

www.ermcvs.com I post@ermcvs.com

Independent Limited Assurance Report continued

Appendix A: Selected Information

	Selected Information	Unit of Measure	2024/25
1	Total Scope 1 GHG emissions	tonnes CO_2e	225,330
2	Total Scope 2 GHG emissions (market-based)	tonnes CO_2e	21,204
3	Total Scope 2 GHG emissions (location-based)	tonnes CO_2e	178,481
4	Total Scope 1 and 2 GHG emissions (market-based)	tonnes CO_2e	246,533
5	Total Scope 1 and 2 carbon intensity (market-based)	tonnes CO_2e / tonne sales	2.5
6	Year on year change in Scope 1 and 2 carbon intensity	%	-6%
7	Total energy consumption	MWh	1,126,108
8	Total non-renewable energy consumption	kWh	822,281,609
9	Total renewable energy purchased or generated	kWh	303,826,014
10	Certified renewable electricity consumption	%	71%
11	Total Scope 3 (Category 1) Purchased Goods and Services GHG emissions	tonnes CO_2e	3,085,054
12	Total Scope 3 (Category 3) Fuel and Energy-related GHG emissions	tonnes CO_2e	35,476
13	Total Scope 3 GHG emissions	tonnes CO_2e	3,445,486
14	Total freshwater withdrawal (all sources)	m^3	1,530,250
15	Total water discharged back to original source	m^3	33,966
16	Net freshwater consumption	000's m^3	1,495
17	Freshwater consumed in regions of high or extremely high baseline water stress	000's m^3	348
18	Average direct Chemical Oxygen Demand of wastewater (COD)	mg/L	346
19	Coverage for COD reporting	%	91%
20	Total waste recycled/reused	tonnes	34,471
21	Total waste sent offsite to landfill	tonnes	2,841
22	Total waste sent offsite for incineration with energy recovery	tonnes	1,200
23	Total waste sent offsite to incineration or treatment without energy recovery	tonnes	16,403
24	Total waste sent offsite	tonnes	54,915
25	Total hazardous waste recycled/reused	tonnes	22,758
26	Total hazardous waste sent offsite to landfill	tonnes	607
27	Total hazardous waste sent offsite for incineration with energy recovery	tonnes	234
28	Total hazardous waste sent offsite for incineration or treatment without energy recovery	tonnes	13,836

	Selected Information	Unit of Measure	2024/25
29	Total hazardous waste sent offsite for treatment	tonnes	37,435
30	Total solid waste disposed offsite	tonnes	3,553
31	Total solid waste generated for treatment offsite	tonnes	15,623
32	Total solid waste sent offsite to be re-used/recycled	tonnes	12,216
33	Nitrogen oxides (NOx) emissions to air	tonnes	278
34	Sulphur oxides (SOx) emissions to air	tonnes	42
35	Volatile organic chemicals (VOCs) emissions to air	tonnes	50
36	Coverage for NOx reporting	%	85%
37	Coverage for SOx reporting	%	68%
38	Coverage for VOCs reporting	%	82%
39	Tonnes of GHGs avoided by using JM technology	tonnes CO_2e	1,606,644
40	% of recycled PGMs (Platinum Group Metals) in Johnson Matthey's manufacturing products	%	76%
41	Lost Time Injury Frequency Rate (LTIFR) employees	n/million hours	0.92
42	Lost Time Injury Frequency Rate (LTIFR) contractors	n/million hours	0.50
43	Occupational Illness Frequency Rate (OIFR)	n/million hours	0.00
44	Tier 1 Process Safety events rate	Tier 1 events/ 1,000,000 hours	0.09
45	Total Recordable Injury and Illness Rate (TRIIR) employees + contractors	n/200,000 hours	0.36
46	ICCA Process Safety Event Severity Rate (PSESR)	PSESR/ 200,000 hours	0.82
47	% of female representation at all management levels	%	32%

Shareholder information

Key shareholder facts

Johnson Matthey share price as at 31st March 2025 (also showing the five previous years)

2020	2021	2022	2023	2024	2025
1,798p	3,013p	1,879p	1,983p	1,789p	1,324p

By location

	Number of shares[1]	Percentage
UK and Eire	102,831,692	61.27%
USA and Canada	40,791,289	24.30%
Continental Europe	16,918,943	10.08%
Asia Pacific	2,830,887	1.69%
Rest of World	2,981,707	1.78%
Unidentified	1,484,271	0.88%
Total	167,838,789	100.00%

By size of holding

	Number of holdings	Percentage of holders	Percentage of issued capital[1,2]
1 – 1,000	3,529	75.15%	0.58%
1,001 – 10,000	794	16.91%	1.17%
10,001 – 100,000	215	4.58%	4.45%
100,001 – 1,000,000	125	2.66%	25.31%
1,000,001 – 5,000,000	26	0.55%	31.00%
5,000,001 and over	7	0.15%	37.50%
Total	4,696	100.00%	100.00%

By category

	Number of shares[1]	Percentage
Investment and unit trusts	102,327,343	60.97%
Pension funds	12,184,864	7.26%
Individuals	179,980	0.11%
Custodians	11,765,118	7.01%
Insurance companies	8,511,913	5.07%
Sovereign wealth funds	3,712,588	2.21%
Charities	291,006	0.17%
Other	28,865,977	17.20%
Total	167,838,789	100.00%

Dividend – pence per share

	2020	2021	2022	2023	2024	2025
Interim	24.50	20.00	22.00	22.00	22.00	22.00
Final	31.125	50.00	55.00	55.00	55.00	55.00
Total ordinary	55.625	70.00	77.00	77.00	77.00	77.00

1. Issued share capital balances exclude treasury shares of 9,448,309.
2. The size of holding figures as a percentage of the issued share capital are approximate due to the liquidity of the register.

The board is proposing a final dividend for 2025/26 of 55.00 pence, to take the total for the year to 77.00 pence.

Shareholder information continued

Electronic communications

We're encouraging our shareholders to receive their shareholder information by email and via our website. This allows us to provide you with information quicker and helps us to be more sustainable by reducing paper and printing materials.

To register for electronic shareholder communications, visit our registrar's website: shareview.co.uk

Dividends

Dividends can be paid directly into shareholders' bank or building society accounts. This allows you to receive your dividend immediately and is cost-effective for the company. To take advantage of this, please contact Equiniti via: shareview.co.uk or complete the dividend mandate form you receive with your next dividend cheque. A Dividend Reinvestment Plan is also available which allows shareholders to purchase additional shares in the company.

Matthey.com

You can find information about the company quickly and easily on our website: matthey.com. Here you will find information on the company's current share price together with copies of the group's full-year and half-year reports, and major presentations to analysts and institutional shareholders.

Enquiries

Shareholders who wish to contact Johnson Matthey Plc on any matter relating to their shareholding are invited to contact the company's registrar, Equiniti Limited. Their contact details are included below. Equiniti also offer a share dealing service by telephone: 0345 603 7037 or online: shareview.co.uk/dealing

By phone: +44(0)371 384 2344

Please use the country code when calling from outside the UK. When you call, please quote your 11-digit Shareholder Reference Number.

Telephone lines are open 8.30am to 5.30pm Monday to Friday excluding public holidays in England and Wales.

By post: Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA

Online: shareview.co.uk

Shareholders may also contact the company directly using the details below.

By phone: +44 20 7269 8000

By email: jmir@matthey.com

By post: The Company Secretary, Johnson Matthey Plc, 5th Floor, 2 Gresham Street, London EC2V 7AD

American Depositary Receipts

Johnson Matthey has a sponsored Level 1 American Depositary Receipt (ADR) programme which BNY administers and for which it acts as Depositary. Each ADR represents two Johnson Matthey ordinary shares. The ADRs trade on the US over-the-counter (OTC) 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.

For enquiries, BNY can be contacted on 1-866-259-0036 toll free if you are calling from within the US, and +1 201-680-6825 for international callers. Alternatively, they can be contacted by email: shrrelations@cpushareownerservices.com or via their website at: adrbnymellon.com

Financial calendar 2025

5th June
Ex dividend date

6th June
Final dividend record date

17th July
Annual General Meeting (AGM)

5th August
Payment of final dividend subject to the approval of shareholders at the AGM

26th November
Announcement of results for the six months ending 30th September 2025

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Johnson Matthey Plc is a public company limited by shares registered in England and Wales with the registered number 33774.