

# SUSTAINABLE TECHNOLOGIES

for today and for the future



## CASE STUDY

## New Catalyst Removes Toxic Mercury From VCM Manufacturing

As our population continues to grow and urbanisation increases, demand for key chemical intermediates which are used as building blocks to make everyday items is set to rise. In tandem, increased emphasis on environmental responsibility is prompting legislation to control and reduce emissions in some chemical manufacturing processes.

An example of this is in the manufacture of a chemical called vinyl chloride monomer (VCM). The manufacture of VCM, from either coal or natural gas, is an important intermediate step in the production of poly vinyl chloride (PVC). In China, 80% of PVC production utilises the coal based route and employs a mercury containing catalyst. Coal based VCM production using these catalysts is used outside China too. In October 2013, 90 countries signed the Minamata Convention on Mercury, a binding international treaty which aims to control and reduce emissions of toxic mercury compounds. The treaty contains a specific clause relating to VCM which states that after 2017 new VCM plants will not be allowed to use a mercury catalyst and that after 2022 all VCM plants have to switch to a mercury-free catalyst, providing there is an economically available alternative.

Johnson Matthey has successfully developed a catalyst which does not contain any mercury for the manufacture of VCM. The catalyst, which includes gold in its formulation, is now ready for commercialisation. It is economically viable and can be used as a direct replacement for catalysts in existing VCM reactors.

Our new catalyst should allow customers to meet the forthcoming legislation and is a further addition to Johnson Matthey's portfolio of sustainable technologies.

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# 3. SOCIAL



## 3. Social

## Social

Performance Summary		2014	2013
Average number of employees		<b>11,331</b>	10,498
Total employee turnover <sup>1</sup>	%	<b>9.0</b>	9.1
Voluntary employee turnover <sup>1</sup>	%	<b>5.6</b>	6.5
Employee gender (female) <sup>2</sup>	%	<b>24</b>	25
Gender of new recruits (female)	%	<b>27</b>	25
Trade union representation	%	<b>29</b>	31
Training days per employee		<b>3.3</b>	2.7
Training spend per employee <sup>3</sup>	£	<b>465</b>	433
Internal promotions	% of all recruitment in year	<b>26</b>	36
Attendance	days lost per employee	<b>5.3</b>	5.2
Charitable donations	£ thousands	<b>626</b>	615

<sup>1</sup> Employee turnover is calculated by reference to the total number of leavers during the year expressed as a percentage of the average number of people employed during the year. The analysis does not include agency workers not directly employed by Johnson Matthey.

<sup>2</sup> At 31st March.

<sup>3</sup> Training spend does not include the cost of in house training or the cost of employees' wages during training.

**AS PART OF OUR SUSTAINABILITY 2017 VISION**, our social goals cover good practices in employee development, positive relationships with our stakeholders and active involvement in the communities where we operate. We want to excel as an employer, corporate citizen and local neighbour, justifying the reputation we have earned.

### Building a Sustainable Workforce

As Johnson Matthey continues to expand it is essential that we have a sustainable workforce.

Recruiting the right staff is vital to support business development and growth, whether we are seeking to identify graduates with the greatest potential or experienced candidates. We provide training and career opportunities to develop our people so that they are motivated to contribute and stay with the group.

We start from an excellent base, as our staff turnover has remained low. However, we cannot be complacent; the world is changing, recruitment practices are evolving and many companies face demands for a globally mobile workforce. We must keep up.

### Human Resources (HR) Strategic Priorities

In 2013 the company reviewed and redefined its HR strategy as 'attracting, engaging and growing our people to enable the effective delivery of the strategy over the long term'. A five pronged approach was developed to meet this aim.

### Talent Management

The first of the priorities is talent management. A more consistent and systematic way of identifying and developing our best talent is needed and we are introducing new tools and systems to help accelerate the development of key people. Beginning in 2014 we will undertake regular talent reviews within each division, together with cross divisional reviews for different functions. We will be aiming to enhance our programmes to develop our high potential employees globally, and will continue to develop leaders at all levels.

Growth areas, including China, are a strategic priority for our talent management activities. We have regional leadership programmes in place in the major centres of our operations and are taking a global approach towards developing our middle and senior leadership populations.

### Global Recruitment and Opportunities

Our second priority is to develop a global approach to graduate recruitment. We have boosted our social media presence to build awareness of what Johnson Matthey has to offer and have reached thousands of followers so far.

As an innovative and progressive technology company we are well placed to attract and retain the best graduates globally and we are working to raise our employer profile around the world to position ourselves as an employer of choice.

We plan to build on our successful local and divisional graduate programmes by developing a groupwide global graduate development scheme. Selected new recruits will have opportunities to move internationally and work in different parts of the business early on in their career. Challenging assignments will help them gain breadth of knowledge and accelerate their development to kick start their careers with Johnson Matthey.

We also partner with universities to support our recruitment processes. Looking longer term we believe it is important to engage with our scientists of the future and encourage them to think about a career in our industry. 'Promoting science education' is the flagship theme of our Community Investment Policy (see pages 58 and 59) and our employees around the world work with local schools, host pupil visits to sites and provide financial and in kind support to a range of science education organisations.

## CASE STUDY

### → Developing Local Leaders in China

China is an expanding market for Johnson Matthey in the area of catalysts for vehicles and technologies that enable coal to be converted to chemicals and clean burning fuel. Expansion across the region means strong leaders with the right skills and values are essential for the sustainability of the business. Our China Leadership Development initiative is meeting this need.

Interpersonal and leadership skills are learnt – building trust, coaching, communicating with others, team building, giving feedback effectively and ensuring that performance, whether their own or that of others, aligns with the company's values, goals and strategy.

This is a great opportunity to become a leader in a global company with world class experience of producing sustainable technologies. For Johnson Matthey, the initiative is building a pipeline of future leaders with a sound understanding of the culture both of their own country and of a company that is serving China's increasing demands for clean technology.

 Read the full case study at [www.matthey.com/sustainability](http://www.matthey.com/sustainability).



#### **Effective Mobility**

Improving mobility across countries and divisions is our third priority. Increased mobility benefits both the company and the individual. Employees gain breadth and depth of experience while the company benefits from their enhanced knowledge. We believe it will also improve collaboration across the group which is a key focus of our business strategy. We will be developing our suite of policies to better facilitate the movement of people and their families, including international assignments.

#### **Developing Capabilities for the Long Term**

The fourth priority is to identify and evolve the capabilities we will need to ensure we deliver our long term strategy.

To meet future needs, we are undertaking strategic resource planning which will drive recruitment and development plans. Based on the group's ten year strategic plans, we are identifying critical skill requirements and working out proactive methods to close gaps.

#### **Fair Reward for Sustained Performance**

To make Johnson Matthey an employer of choice and support employee retention we must provide employees with fair rewards. This is the fifth priority of our HR strategy. In the past year we have started to review our pay and employment packages, starting with the pay scales for critical roles, to ensure that we remain competitive in the job market.

Work is also underway to better communicate with employees on the full range of benefits we provide as well as the value of these benefits through providing information on their 'Total Reward'.

#### **A Growing Workforce**

In 2013/14, employee numbers increased by 8%, compared to a growth rate of 6% in 2012/13. The higher growth rate is the result of rising recruitment to meet the needs of our growing businesses and the acquisition of Formox in March 2013. The strongest growth was in Europe at 13%. In line with our culture of encouraging our people to build their careers with the company, we filled 26% of our roles internally.

## CASE STUDY

### → Building a Sustainable Workforce in India

As our business expands, Johnson Matthey is committed to attracting and retaining the most talented people globally.

To help build a long term sustainable workforce our Indian businesses recently launched a number of initiatives. Undergraduates can join as an intern for two months working on stimulating and challenging projects.

We also launched a comprehensive graduate induction programme. Graduates are rotated between four sites, gaining experience of different divisions within the company. Buddies are assigned to each graduate to help them integrate into the business and our HR team supports them and their line managers in the transition from university to working life.

Our Leadership Development Programme develops leadership and business skills. Graduates learn about the business and receive training in key competencies. Project work and exposure to senior Johnson Matthey leaders form part of the programme. Participants are also matched with a mentor – a senior colleague – to assist their career development.

Attracting the most talented graduates from the best universities and investing in their career development gives our business a competitive edge as we continue to grow.

 Read the full case study at [www.matthey.com/sustainability](http://www.matthey.com/sustainability).



3. Social

# Social continued

In return, we have a high level of employee commitment and loyalty. Voluntary staff turnover fell in 2013/14 to 5.6%, a decrease of 0.9% compared to 2012/13. The total employee turnover figure remained steady at 9%.

The tables below set out the average number of people, the net change in the number of people employed and employee turnover during 2013/14 by geographical region and by employment contract.

Employee turnover is calculated by reference to the total number of leavers during the year expressed as a percentage of the average number of people employed during the same period. The analysis does not include agency workers not directly employed by Johnson Matthey.

### Average Number of People Employed

Average headcount 2013/14

	Permanent employees	Temporary contract employees	Total
Europe	5,777	335	6,112
North America	3,064	42	3,106
Asia	1,509	48	1,557
Rest of World	551	5	556
<b>Total group</b>	<b>10,901</b>	<b>430</b>	<b>11,331</b>

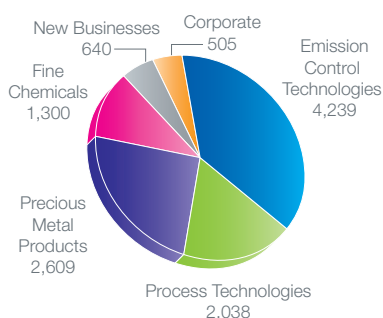
### Annual Change in People Employed

Net change between average headcount 2012/13 and 2013/14

	Permanent employees	Temporary contract employees	Total net change
Europe	+593	+103	+696
North America	+106	-5	+101
Asia	+93	-11	+82
Rest of World	-50	+4	-46
<b>Total group</b>	<b>+742</b>	<b>+91</b>	<b>+833</b>

### Total Employees by Division

Average headcount for 2013/14



### Employee Turnover by Region

2013/14

	Total leavers	Employee turnover	Voluntary employee turnover
Europe	363	6.3%	4.5%
North America	290	9.5%	4.6%
Asia	244	16.2%	11.7%
Rest of World	79	14.3%	5.8%
<b>Total group</b>	<b>976</b>	<b>9.0%</b>	<b>5.6%</b>

The corporate sickness absence rate has remained steady. The average number of days lost per employee in 2013/14 through sickness absence was 5.3 days (2012/13 5.2 days). This represents 2.0% of lost time per employee in the working year (2012/13 2.2%). We continue to invest in sustainable health and wellness programmes to support the longer term health, wellbeing and performance of our employees. Many of our businesses have made arrangements for employees to have access to flu vaccinations, discounted rates at local gyms, stress awareness training and arranged other wellness initiatives.

### Training and Development

Training and development remains attractive to employees, current and prospective. We place a strong emphasis on developing our talent globally and across our divisions and businesses.

Our success in developing our people is grounded in finding the right blend of learning on the job through engaging and challenging tasks, learning from colleagues through collaboration, coaching and mentoring, as well as formal learning through structured training, education and development programmes. We believe that it is the right combination of learning experiences that accelerates personal development, and we communicate this as the 70:20:10 approach (70% from experience, 20% from colleagues, 10% from formal learning).

Our divisions continue to provide tailored initiatives to meet their business needs, including graduate programmes, health and safety training, leadership skills, technical training and apprenticeships which Johnson Matthey strongly supports as a valuable route for cultivating new talent.

## CASE STUDY

### → Vitality at Germiston

Each year our Germiston, South Africa site organises employee 'Wellness Days' including health screenings, fitness classes, HIV tests, onsite podiatrist, dietician and optometrist to promote wellbeing.



Employees are also challenged to take up exercise and eat a balanced diet. 75 people signed up and received guidance from a dietician and plenty of motivation. Employees also took part in the 'Big Walk', while regular Zumba classes were also on offer to participants.

Mandela Day falls on 18th July, when South Africans can volunteer 67 minutes of their time to commemorate the 67 years that Nelson Mandela spent fighting for social justice. In 2013, the site made education related donations and staff gave new school shoes and socks, second hand clothes and healthy snacks to local families. A presentation on bullying was given to senior pupils to educate them on its effects.

These activities help make Germiston an attractive place to work, forging long term links with the community and building a loyal and sustainable workforce.

Read the full case study at [www.matthey.com/sustainability](http://www.matthey.com/sustainability).



▪ Active breaks at our manufacturing plant in Redwitz, Germany.



▪ Collaborating at our chemicals manufacturing site in Shanghai, China.

We have continued to expand our employee development activities and resources globally. For example, we have introduced mentoring to support graduates as well as managers moving into new roles. In North America we have established new training processes, while across Europe we have increased the number of development programmes offered in order to meet increased demand.

We are in the process of developing a community of learning and development professionals across the world, with the aim of increasing collaboration between divisions and regions. We have started to see benefits from improved networking opportunities and relationships within this community, with best practices being shared and increasingly common themes underpinning our global activities. Going forward, we plan to develop some more common solutions, in particular in the area of accelerated development for high potential employees and talent / learning systems.

We aim to achieve greater consistency in our approach to developing our people so that their experience will be similar around the world – but with local programmes tailored to local business and cultural needs.

Over the past year employees attended an average of 3.3 training days, an increase of 0.6 days per employee on 2012/13.

We remain committed to developing our employees and offering them career opportunities and during 2013/14, 515 internal promotions were made, with 316 of these being moves between businesses. This represents 26% of all the appointments made in the year. In some areas, we have recruited people from the external market to bring in specific skills for example in IT and the supply chain function.

The following table sets out, on a total and on a per employee basis, the days of training and training spend during 2013/14. The average spend per employee has increased to £465. This does not include the cost of in house training or the cost of the employees' wages during training.

**Training Days and Spend on Training 2013/14**

	Total days / shifts training	Number of days / shifts training per employee	Spend per employee £
Europe	17,008	2.9	593
North America	8,828	2.9	276
Asia	5,202	3.4	351
Rest of World	4,503	8.2	494
<b>Total group</b>	<b>35,541</b>	<b>3.3</b>	<b>465</b>

**CASE STUDY**

→ **Inspiring Female Scientists of the Future**

Representatives of Johnson Matthey delivered workshops at the 2013 and 2014 fair for girls, Gloucester County College, New Jersey, USA. 'Colour, Candy and Chemistry' explored how colour chemistry plays a role in everyday life and outlined a few tricks used in food science, while 'Build a Boat' explored physics concepts such as buoyancy and the business behind building a profitable boat.

These events aim to encourage students to consider a career in the STEM subjects – science, technology, engineering and maths. The college has found that to encourage girls to take up a scientific or technical career they require motivation early in their education.

Through the creative and well designed workshops, girls understand the attraction, pervasiveness and sheer fun of science. With role models like those from Johnson Matthey they can imagine themselves as scientists making a valuable contribution to society.

Women are under represented in the chemical industry. By contributing, we can encourage gender diversity across the industry.



🔗 Read the full case study at [www.matthey.com/sustainability](http://www.matthey.com/sustainability).

## 3. Social

## Social continued

## Diversity

At Johnson Matthey we practise equal opportunity and welcome diversity in all its forms. We recognise the value of diversity in the workplace – encouraging creativity, broader cultural understanding and access to a wider pool of talent – and have policies in place to guide our employment decisions.

We have taken, and continue to take, several steps to promote diversity, including gender diversity, both at senior management level and in the boardroom. Our policies and processes prevent bias in relation to recruitment and promotion, and we are working to implement other positive measures to actively promote diversity. These measures include requiring balanced shortlists when recruiting, ensuring diversity mix in company events and conferences, actively discussing diversity in succession planning and talent management, promoting industrial and scientific careers to women and developing family friendly and flexible employment policies. There are challenges to overcome but we are continuing to make good progress.

Gender diversity, in particular, is not always easy to implement. Women are under represented in the chemical industry, as they are in the technology and manufacturing sectors generally, which may originate from the lower popularity of science subjects at school amongst girls. Our answer is to reach out to them early – girls and boys – working with organisations such as STEMnet which promotes the 'STEM' subjects of science, technology, engineering and maths – and demonstrate that a career in a science related industry can be exciting and rewarding. Many of our activities among school students involve both boys and girls but some do specifically target girls on their own.

## Gender Diversity Statistics

As at 31st March 2014

	Male	Female	% male	% female
Board	8	2	80%	20%
Chief Executive's Committee	9 <sup>1</sup>	1	90%	10%
Subsidiary directors	127 <sup>1</sup>	16	89%	11%
Senior managers <sup>2</sup>	178	40	82%	18%
New recruits	1,021	377	73%	27%
Total group	8,736	2,820	76%	24%

<sup>1</sup> Includes four males who are also on the board.

<sup>2</sup> Senior managers who are also subsidiary directors are included in both categories.

Our policies on equal opportunity and diversity are shown on page 81 and on our website. The table above shows the gender breakdown of the group's employees as at 31st March 2014.

## Engaging our People

Employee engagement is about making sure that our people feel involved in the company and committed to its goals. If we are to keep them engaged communication must be two way with a culture that encourages employee feedback. There are a number of two way communication processes in place across Johnson Matthey which utilise a wide range of channels.

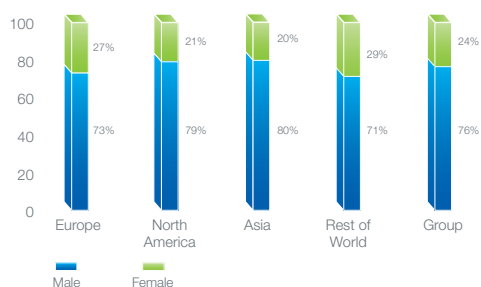
Our group wide intranet, 'myJM', now in its second year, is available to all employees. The platform was designed to promote networking between employees across the world and 70% of people with access to a computer are using the system to link up, share information and collaborate on projects. More than 980 project sites have been set up and many blogs have been used to share information across the group.

Accelerating collaboration is a key theme of both our business strategy and our approach to employee engagement. Alongside the launch of myJM, we introduced the 'Collaboration in Action' awards to recognise the best examples of collaborative working across the company. 103 entries were received, covering a diverse range of topics, countries and businesses. A shortlist of 24 entries split into eight categories was turned over to a group wide vote in April 2014.

We have a strong business strategy process in place. However, feedback from employees has suggested it is not as widely understood internally as we would like. In 2014/15 we aim to strengthen employee engagement and understanding around the group's strategy. As a global company it is important that employees connect with our strategic goals and we are launching a campaign to engage every employee, wherever they are, on what our strategy is, why it is important and how they contribute to it. We will also be doing more to embed our culture and values across the business. Through these efforts we hope to increase employee engagement, promote further collaboration, enhance customer focus and create value to support the future growth of our business.

## Employee Gender by Region

%



An employee share ownership scheme gives staff a financial interest in the company and stimulates performance. Employees may participate in share ownership plans, where practicable, under which they can buy shares in Johnson Matthey which are matched by a company funded component. Employees in six countries are able to contribute to a company share ownership plan or a 401k approved savings investment plan. Through these ownership plans, Johnson Matthey's current and former employees collectively held 1.7% of the company's shares at 31st March 2014.

Johnson Matthey also provides pension plans for its employees worldwide. These pension plans are a combination of defined benefit and defined contribution pension arrangements, savings schemes and provident funds designed to provide retirement benefits, based on local laws and practices.

Our Manufacturing Excellence programme, which is improving efficiency and productivity, also has a strong employee engagement component, both through training courses and by encouraging employee contributions to manufacturing improvements. In 2013 we launched the Efficiency Recognition Programme, an internal benchmarking programme that is open to all our manufacturing sites. The programme is made up of three standards – Silver, Gold and Platinum – and recognises locations that achieve and sustain improving levels of efficiency.

### Employee Relations

Johnson Matthey maintains good and constructive relations with all recognised trade unions which collectively represent 29% of all group employees worldwide (2012/13 31%). The following table shows the average number and percentage of Johnson Matthey's employees covered by collective bargaining arrangements and represented by trade unions by geographical region in 2013/14.

During 2013/14 some working time was lost within the group as a result of employee action. In January 2014, members of the United Steel Workers (USW) union, employed at the group's gold refining site in Brampton, Canada, embarked on 18 days of strike action in response to our three year wage offer, despite a unanimous recommendation from the union to accept the offer. Non-union employees kept the business running during the strike and after further talks (including mediation), USW members returned to work on 7th February 2014.

Our Emission Control Technologies site at Germiston, South Africa had a five week strike as a result of national wage bargaining in the country.

### Trade Union Representation

Average headcount 2013/14

	Permanent employees	Represented	% represented
Europe	5,777	2,298	40%
North America	3,064	603	20%
Asia	1,509	16	1%
Rest of World	551	248	45%
<b>Total group</b>	<b>10,901</b>	<b>3,165</b>	<b>29%</b>

### Stakeholder Engagement

Johnson Matthey has a wide network of stakeholders, including communities, customers, employees and their representatives, fund managers, governments, non-governmental organisations, national and international trade associations, shareholders and suppliers.

By engaging with our stakeholders, through consultation or collaboration, we are working with, and not against, the grain of these interest groups, as we make decisions on business development and explore ways of achieving common benefits.

We communicate with stakeholders on an ongoing basis and in a number of ways; these include our website, annual report, surveys, regular dialogue and meetings on specific topics.

We also continue to be actively involved with the key trade associations and industry organisations that are connected with our activities. This provides an effective way of understanding, shaping, participating and contributing to a range of discussion areas that are relevant to our stakeholders, and those of the broader industry and market sectors we operate in. During the year we have participated in a number of trade associations including the UK Chemical Industries Association, the Energy and Resources Institute, the Engineering Employers Federation, the Pgm Health Science Research Group, the International Platinum Group Metals Association and Eurometaux, the association servicing and representing the European non-ferrous metals industry. Neil Carson, our Chief Executive, co-chairs the UK's Chemistry Growth Partnership, a newly formed joint industry / UK government initiative to ensure growth, innovation and export in the UK chemical industry. Whilst much of our engagement in policy development is through trade associations, Johnson Matthey, from time to time, also engages with national and local government to inform the development of policy in areas where our technology or products can play an important role.

➔ For further details on our stakeholder engagement activities, including a stakeholder map, visit our website at [www.matthey.com/sustainability](http://www.matthey.com/sustainability).

Shareholders are an important stakeholder group for us. We meet with all of our major shareholders regularly, as described in the Corporate Governance Report on page 94, and sustainability or corporate social responsibility matters may be discussed. A number of our investors are interested in ethical investment and manage socially responsible investment (SRI) funds. We provide these investors with the information they need through regular dialogue with specialists from their organisations and participation in key benchmarking studies (Carbon Disclosure Project, FTSE4Good, London Benchmarking Group). We are a member of the FTSE4Good Index.



## 3. Social

## Social continued

Communities are another major stakeholder group. They are our neighbours and are affected by how we operate. Our workforce is drawn mainly from local areas. We try to be a good corporate member of the community but from time to time we have to close a facility for business reasons and are aware of the consequent hardships that can arise.

In March 2014 we announced our decision to consult with employees about the closure of our sites at Cresswell and High Carr, UK, which manufacture ceramic colour products. The decision was a result of a trend towards less ornate tableware and a decline in demand for our colour products. Our distribution office in Hong Kong would also close. The consultation period has now ended and employees have accepted our decision to close the three sites. In these situations we set up a consultative committee with employee representatives from all parts of the business to explore the options of outplacement, retraining, redeployment and redundancy, doing everything possible to mitigate any hardship and the difficulty that employees with specialist skills may have in finding other employment.

In January 2014, our new contract with one of our suppliers of platinum group metals, Anglo Platinum, began.

This has affected our Precious Metal Products Division where our marketing team now needs fewer personnel and has been restructured. Again, we worked to ensure that the employees affected have the right support in the form of outplacement help, training or redeployment within Johnson Matthey. In the event, two employees took voluntary redundancy, two resigned and ten moved within the company.

As we continue to plan long term for sustainability in our business we are developing more systematic ways to better understand what issues are most material to us and more effectively engage with our stakeholders to help inform this. Further details on our work to define material issues are given in the Sustainability and Governance section on pages 77 and 78.

#### Community Investment

We have a strong tradition of getting involved with our communities and work hard to build good community relations, with our employees taking part in local programmes.

This contributes powerfully to our goals for social sustainability. 'Social' is one of the five elements of our Sustainability 2017 strategy for building a sustainable business and we believe that investing in our communities is an integral part of that social commitment.

We are investing in our communities:

- To demonstrate our commitment to being a responsible business that provides value beyond our products.
- To make a positive impact in the communities in which we operate.
- To create goodwill and enhance our reputation within our local communities.
- To build our profile as an employer of choice.

As a responsible business we have an important contribution to make to the economic development of our local communities. This can take the form of being a good employer, collaboration with our local communities and neighbours, and investment in the community by giving financial help, providing employee time or making in kind donations.

Most of our sites participate in activities in their communities – giving to local charities and supporting educational projects, as well getting involved in projects to advance science or stimulate economic regeneration. Many also allocate a budget to community investment activities.

Our employees also participate in community activities outside work. Our Community Investment Policy allows all employees two days' paid leave per year for community or charity work, subject to the approval of their manager.

## CASE STUDY

### → Charity Begins at Home

UK employees donated Christmas gifts and food hampers to 43 families needing support in Royston and the surrounding villages as part of a scheme set up with the local branch of the charity, Home-Start.

Home-Start is a national charity that helps families with young children who are struggling to cope.

The families are experiencing a range of problems such as domestic violence, isolation, post-natal depression, drug dependency and coping with children who have a long term illness or disability.

This campaign gave Johnson Matthey's employees at Royston a fantastic opportunity to give back to their local community while strengthening community relations and, most importantly, helping families in difficult situations have a more enjoyable Christmas.

 Read the full case study at [www.matthey.com/sustainability](http://www.matthey.com/sustainability).





▪ Charity fundraising at our Edinburgh, UK site.



▪ Local school children on a visit to Royston, UK.

Employees are encouraged to take the opportunity to make a difference to their local area. We are developing processes to collect data on our employees' volunteering efforts to enable us to track our progress.

The communities in which we operate face a wide range of problems and priorities, as they are located in different countries with different needs. We try to ensure that our operations have the resources and support to identify the projects, initiatives and partnerships that can make a real difference in their communities and that mean something to employees and their families. We also aim to support the future growth of our business through the promotion of science education among young people – the flagship theme of our Community Investment Policy.

Johnson Matthey is a member of the London Benchmarking Group (LBG), a global network of companies that share and drive best practice in corporate community investment.

**Charitable Donations**

Across the globe, Johnson Matthey's sites lend support to many charities locally and nationally through donations, employee time or the loan of company facilities. Examples of these are summarised as case studies in this report with full details and further examples on our website.

 Read more online at [www.matthey.com/sustainability](http://www.matthey.com/sustainability).

In 2013/14 the company donated £626,000 to charitable organisations, 2% more than last year. This figure only includes donations made by Johnson Matthey and does not include payroll giving, donations made by staff or employee time. The company made no political donations in the year.

At a group level, Johnson Matthey operates a charitable donations programme which represented 47% (£296,000) of total donations in 2013/14. This programme supports organisations working in the areas of environment and sustainability, medical and health, science and education, social welfare and international development.

Our two year partnership with CLIC Sargent ran throughout 2013/14 and came to an end in March 2014. CLIC Sargent is the UK's leading cancer charity for children, young people and their families and throughout the two years our employees, together with a donation from the company, raised £75,000. Our new charity partnership began on 1st April 2014 and this year we took a new approach to selecting which charity to support. We conducted an employee wide vote on the group's networking site, myJM. With 63% of the vote, cancer research was clearly the cause that employees empathise most with. Consequently, from 1st April 2014 to 31st March 2016 we are partnering with Cancer Research UK with our non-UK sites being encouraged to support their national cancer research charities.

As well as a charitable budget, we also offer matched funding for employees' fundraising. The company will match employees' fundraising in aid of a registered charity. Matching is provided from central group funds up to £1,000 per employee per year, subject to a cap of £50,000 per annum for the group as a whole. During the year, £36,000 in matched contributions were made in relation to 36 employees and 12 employee teams in three countries.

**Charitable Donations 2013/14**

