

February 2010

SUSTAINABILITY

Metal
Joining

Jewellery
& Watches

Chemicals
& Noble Metals

Refining

OUR GROUP TARGETS FOR 2017



Achieve Carbon neutrality.



More than double our earnings per share by 2017.



Achieve zero waste to landfill by 2017.



Halve the key resources we consume per unit of output by 2017.



Achieve a zero "greater than three day accidents" safety target.



Implement ISO 14001 (environmental management system) at all manufacturing sites by 2010.

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INTRODUCTION

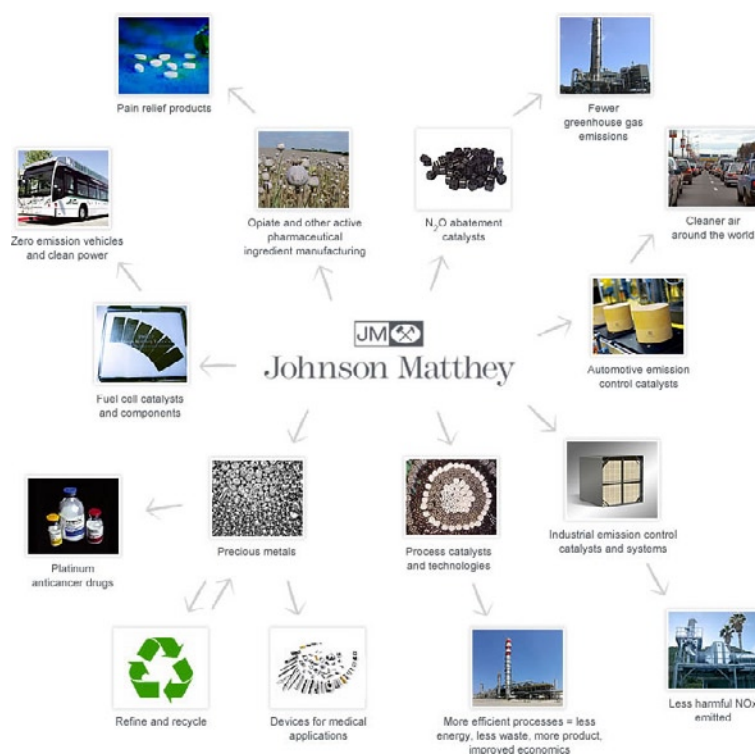
In December 2007, Johnson Matthey launched Sustainability 2017, our long-term vision for the future. Clear targets were set for 2017, the year of our 200th anniversary, to better position Johnson Matthey for another century of growth for the benefit of our shareholders, employees and society as a whole. This Overview describes a small part of the efforts so far within Johnson Matthey and also here at Zurich in the pursuit of this vision. Much more detailed information can be found in [Johnson Matthey's Annual Sustainability Report](#) from which much of this Overview has been sourced.

John Fineron

SUSTAINABILITY AT JOHNSON MATTHEY

WHAT WE DO

Johnson Matthey Plc is engaged in the development and manufacture of a wide range of products and services, which help make the world more sustainable. Since 1974, more than 4 billion tonnes of pollutants have been converted to harmless gases using Johnson Matthey's car catalysts. Other products such as process catalysts enable our customers to operate more efficient processes, our medical products contribute to improving quality of life and our precious metal recycling services return valuable products to the production process. All of this and more is shown graphically below:




KEY ELEMENTS OF OUR SUSTAINABILITY VISION


Our sustainability vision includes more than the efficient use of natural resources to make products that improve the environmental performance of our customers' products. For us delivering value to shareholders, caring for the health and safety of our employees and being transparent in all we do are also important.



TARGETS FOR 2017 AND PROGRESS SO FAR







Additional targets include:

 Achieve zero “greater than three days accidents” safety target and reduce annual incidence of occupational illness cases by at least 30% by 2013/14

 Implement ISO 14001 at all manufacturing sites by 2017

Sustainability 2017 Aspiration

-  At least double earnings per share
-  Achieve zero waste to landfill
-  Achieve carbon neutrality
-  Halve key resources per unit of output

KPI	Baseline 2006/07	2008/09 ³	2017 Target
 Underlying earnings per share (pence)	82.2 ¹	89.6	≥164.4
 Total global warming potential (tonnes CO ₂ equivalent)	386,074 ²	370,787	0
 Amount of waste to landfill (tonnes)	16,555 ²	5,535	0
 Electricity consumption (GJ '000)	1,469 ²	1,351	735
 Natural gas consumption (GJ '000)	2,146 ²	2,260	1,073
 Water consumption (m ³ '000)	1,909 ²	1,951	955

Data presented is for the period:
¹ 1st April 2006 to 31st March 2007.
² 1st January 2006 to 31st December 2006.
³ 1st April 2008 to 31st March 2009.

Case Studies



Investing in the Community

Read about a local scheme to benefit the town of Royston, home to Johnson Matthey's largest site.



Attracting the Best Talent

Read about the work we've done to enhance our recruitment systems.



Tradition of Training at Redwiz

Read about our training scheme for young apprentices.



Our Aim to Become an Employer of Choice

Find out if we stood the test of "employer of choice".

SOCIAL SUSTAINABILITY

Our people are respected as the company's most valuable resource and they will continue to play a vital role in the process of building a sustainable business. We are committed to recruiting high calibre employees and providing them with the information, training and working environment they need to perform to the highest standards. We encourage all our people to develop to their maximum potential and support them with human resources policies and practices that are strategically linked to the needs of our business and our customers.

We have a strong tradition in Johnson Matthey for good community relations – building and maintaining these are an integral part of making ours a more sustainable business. We have an important contribution to make to the economic development of our local communities, not only as an employer but also through collaboration and investment, both financial and in kind.

Recruitment, Training and Development

Our success depends on the skills, qualities and wellbeing of our people. We have an effective, streamlined recruitment procedure to meet our steady requirement for high calibre graduates and offer a variety of career foundation training to engage new recruits. We also offer training and development programmes at middle and senior manager levels. Our aim is to retain high potential and high performing staff. Training is provided at our facilities around the world with a high level of attendance by employees from Asia, reflecting the increasing importance of this region. We also encourage employees from acquired businesses to attend programmes to expose them to our wider company culture and help them integrate. Presentations from senior executives anchor all these programmes to the company's strategies and progress.

Providing career development opportunities for employees assists staff retention and in turn, succession planning and the sustainability of management. Recruiting well-qualified staff is vital to support business development in new and emerging markets. This challenge will be met through appropriate manpower planning, local recruitment and the encouragement of international mobility. Cross-divisional movement is encouraged among our employees and monitored as an important part of the annual management development and succession planning review process. We have continued to develop our management skills inventory database which provides the group with a powerful means of helping to identify and match suitably qualified internal candidates to promotional and development opportunities globally and/or across our divisions.

Employee Relations and Communication

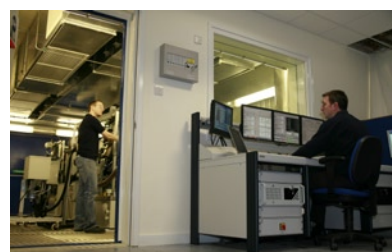
Johnson Matthey recognises the importance of effective employee communications and particularly the value of face-to-face dialogue. We communicate through our in house magazine, attitude surveys, regular news bulletins, presentations to staff and team briefings. Employees are also encouraged to access the company's intranet and website.

Case Studies



Engaging our Employees and Enhancing Performance with Better Visual Communication

Read about the initiatives at our Germiston site in South Africa.



Improving Employee Engagement and Satisfaction

Read more.

The company supports employee share ownership and employees have the opportunity to participate in share ownership plans, where practicable. Under these plans, employees can buy shares in the company, which are matched by a company-funded component. Employees in six countries worldwide are able to contribute to a company share ownership plan or a 401k approved savings investment plan. Through these ownership plans, Johnson Matthey current and former employees collectively held 1.76% of the company's shares at 31st March 2009.

Johnson Matthey also sponsors pension plans for its employees worldwide. These pension plans are a mixture of defined benefit or defined contribution pension arrangements, savings schemes and provident funds designed to provide appropriate retirement benefits based on local laws, custom and market practice.

We have continued to strengthen and improve communication and engagement with employees through site satisfaction and attitude surveys. This year, Emission Control Technologies (ECT), our largest business, ran a global attitude survey of all its employees. Over 76% of the employees invited to participate completed the survey and overall satisfaction levels were very positive, with 81% of participants feeling satisfied or very satisfied working for ECT.

Effective communication with and among employees has continued to play a vital role in working towards Sustainability 2017. [Click here](#) for more on our communications activities and initiatives in the year.

Health & Wellbeing

Helping our employees achieve an optimum level of health and wellbeing is a core principle of our sustainability vision. We have significantly increased access to workplace programmes that provide employees with encouragement and resources to realise the full potential of their health at work and in the community. Examples include health risk appraisal programmes, coaching on health improvement topics, confidential information, advice and counselling services and a range of activities to improve physical fitness. These programmes are also believed to have contributed to sustaining the reduced rate of **sickness absence** achieved over the last four years.

The scope of our health and wellbeing programmes includes a number of serious diseases. We consider HIV/AIDS to have the greatest potential impact on our employees, their families and/or community members. Our facility in Germiston, South Africa, has developed an HIV/AIDS assistance programme, working with employees, their families and community members. The scope of the programme is outlined in the table below.

Assistance Programme for HIV/AIDS 2008/09

Programme recipients	Education / training		Counselling		Prevention / risk control		Treatment	
	Yes	No	Yes	No	Yes	No	Yes	No
Employees	•		•		•		•	
Employees' families		•	•			•	•	
Community members	•		•		•			•

Case Study



Sustainable Health and Wellness at Germiston

Read more about initiatives at our Germiston site in South Africa.

The programme involves a number of activities and social investment initiatives with regard to HIV/AIDS. There is a formal Employee Assistance Programme (EAP) through ICAS for all employees, their families and friends living with them. Voluntary counselling and testing for HIV is provided at the on-site clinic and all permanent employees are on a medical aid that includes a comprehensive HIV/AIDS management benefit. The site also supports a number of local HIV/AIDS charities: during the year, R450,000 was donated to St Francis to help subsidise the services of community care workers providing total care for HIV/AIDS patients; donations totalling R375,000 were made to the Topsy Foundation and to Lambano, both orphanages for children suffering from HIV/AIDS. Each year the site celebrates World AIDS Day where various activities are arranged to promote further awareness among employees.

Social Performance & Achievements

We have annual group wide data collection processes to gather information about employee data and enable social performance monitoring. Data is not just collected on employee numbers, but also on turnover, union representation, gender, training days, training spend per employee attendance and community investment.

Community Investment

Johnson Matthey is actively involved in programmes worldwide that promote good community relations to foster a relationship of understanding, trust and credibility. Guidance on site requirements is detailed in the group environment, health and safety management system.

Our strong tradition of support for communities in which our operations are based has continued during 2008/09. Our annual review of community investment activities across the group has been carried out and shows that 95% of Johnson Matthey operations with over 50 employees participate in activities within their local communities. These activities are wide ranging and include charitable giving, support for educational projects, the advancement of science and economic regeneration projects. The review also indicates that for those operations with over 50 employees that are involved in community investment activities, 100% have a nominated person responsible for this area. Looking ahead to 2009/10, the review shows that 81% of operations with over 50 employees have set objectives for their community investment activities with 71% having planned activities for the year. The review also indicates that 76% of sites with over 50 employees have specific budgets allocated to community investment activities for the 2009/10 financial year.

Johnson Matthey's employees also participate in activities or hold community related roles outside of the work environment. The company is supportive of this broader community engagement, allowing employees time off during working hours as appropriate.

To support the further development of our community investment programmes around the world, Johnson Matthey has joined the London Benchmarking Group (LBG), a group of more than 120 major companies who develop and share best practice in this area. Through our membership of LBG, we are beginning to evaluate



6.4%

voluntary employee turnover

Spend on training

up 12%

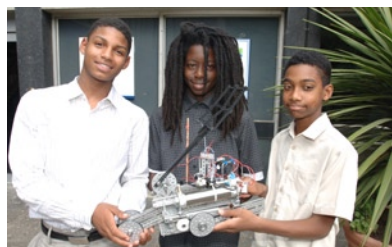
our community investment programmes using its successful and widely accepted model. As a first step, we have introduced more robust systems for our data collection processes which we have implemented for our 2008/09 data reporting.

Case Study



Giving with a "Giving Tree" at Christmas in West Deptford
Read more.

Case Studies



Generating Genius
Read more.



Charity of the Year
Read more about our 2008/09 charity partnership.

Charitable Donations

Johnson Matthey's long history of support for charitable causes continues today through group and business programmes. At a group level we operate a corporate charitable giving programme which is administered by the charity committee and coordinated on a day-to-day basis by the Director of Investor Relations and Corporate Communications. An annual report of charitable activities is made to the Chief Executive's Committee and the causes we support are aligned with issues to which the group makes a contribution and to issues about which our employees are passionate.

In 2008/09, Johnson Matthey supported 48 charitable causes through its corporate annual donations programme. These included support for organisations working in the areas of environment, medical and health, science and education, social welfare and international development. Some 44% of these corporate donations were in support of medical and health causes. A total of 37 additional charitable causes received one-off donations through the corporate programme during the year.

Corporate Annual Donations Programme

In 2008/09 we initiated a specific programme of support to promote the understanding and awareness of science among children and young people. We believe that encouraging the next generation of scientists is very important to the sustainability of our industry and we will continue to contribute our resources and expertise.

During 2008/09 the company also contributed £500,000 to the University of Cambridge to support chemical engineering research, particularly in the area of catalysis and reaction engineering. Our funding will also help support construction of new chemical engineering facilities at the university.

The Johnson Matthey Educational Trust was set up in 1967 to commemorate the 150th anniversary of the founding of the company. It awards scholarships to support the university education of the offspring of Johnson Matthey employees and retired employees. During the year the Trust approved grants totalling £52,000.

Johnson Matthey continues to operate its annual charity of the year programme and employee views are considered when deciding on the charity. The International Red Cross and Red Crescent Movement were chosen as our charity of the year for 2008/09. Johnson Matthey sites around the world also lend support to many other charities locally and nationally through donations, employee time or loans of company facilities.

In the financial year to 31st March 2009, Johnson Matthey donated £495,000 to charitable organisations. 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.

Case Studies



Fuel Cell Deployed for Energy Efficiency at West Deptford
How fuel cell technology is improving energy efficiency at the site.



Sustainability in Action as Billingham Site Reduces Energy Burden
Read about energy saving initiatives at the site.



Improving Aircraft Efficiency with Q+™
Find out how our technologies help improve the efficiency of jet engines. Photograph reproduced with the permission of Rolls-Royce plc copyright Rolls Royce plc 2009.



Green Energy Tactics at our Brussels Site
How the site has switched to green energy sources.

ENVIRONMENTAL SUSTAINABILITY

Environmental responsibility is a key element in making Johnson Matthey a more sustainable business. We have an impact on the environment in many ways – through the resources we use, the way we operate our processes and the action of our products and services on enhancing the environment for others.

We take raw materials and apply our knowledge and expertise to turn them into more valuable products. The costs of these raw materials are likely to increase in future as they are depleted or become harder to access. By increasing the efficiency with which we use these valuable resources, we will generate cost savings for our business today and help to conserve resources for the future.

The recycling and reuse of precious metals are a fundamental element of what we do. We shall continue to draw on our expertise in this area to benefit the resource efficiency of our own operations and provide enhanced solutions and services for our customers.

Environmental targets are a key part of our Sustainability 2017 Vision. The group aims to become carbon neutral, achieve zero waste to landfill and to halve the key resources per unit output consumed by 2017. In order to meet these aspirations, long-term environmental improvement plans and performance indicators have now been established.

The group also has a target to achieve ISO 14001 registration at all major manufacturing sites by 2010. Good progress has been made during the year and by the end of 2008/09, 32 sites had achieved ISO 14001 registration representing 80% of our manufacturing workforce. All other manufacturing sites have plans in place to achieve registration during 2009/10.

Biodiversity

By the nature of our business activities, Johnson Matthey has very little negative impact on the biodiversity of terrestrial, freshwater and marine environments. We do not have any manufacturing facilities located in areas of significant eco-importance. As part of all significant investments and acquisitions, we complete a detailed environmental impact assessment. In addition, all our manufacturing sites that have an ISO 14001 compliant management system undertake an environmental impacts assessment that formally identifies how their operations may have an effect upon local biodiversity. Over the years, we have managed a number of projects looking at improving the areas of biodiversity at our operating sites.

[Read more about our environmental policy and management system.](#)

SUSTAINABILITY IN CORPORATE GOVERNANCE

Good governance is a key element of sustainability. We aim to be clear about what we do, communicate effectively and demonstrate leadership, transparent reporting and excellent performance management.

As Johnson Matthey Plc is a UK listed company, we are required, at the very least, to meet the standards of the Combined Code on Corporate Governance (the Code). The company has applied all of the principles set out in section 1 of the Code and where appropriate has explained any exceptions. Further details on this and the board's statement on corporate governance matters are presented in the Annual Report.

Case Study



Johnson Matthey – One to Admire!
Read more.

Johnson Matthey embraces a culture of continuous improvement in all aspects of sustainability. We drive continuous improvement through corporate policies, a comprehensive management system and the commitment of our employees. Johnson Matthey has key policies in the areas of Environment, Health and Safety (EHS); Employment; and Business Integrity and Ethics, which provide the framework for managing environmental, social and governance matters.

These well established policies and management systems apply to all operations worldwide. Legal requirements are a minimum standard and in many cases our policies and systems are in advance of these. Over the last year further initiatives have been undertaken to improve our operational performance.

Risk Management

Sound risk management is the very essence of a successful business and our procedures are clearly defined and enforced.

Measures to ensure responsible business conduct and the identification and assessment of risks associated with social, ethical and environmental matters are managed in conjunction with all other business risks and reviewed at regular meetings of the board, the Audit Committee and the Chief Executive's Committee (CEC).



Performance Management

We drive continuous improvement in all aspects of sustainability through corporate policies, a comprehensive management system and the commitment of our employees. We have key policies in the areas of Environment, Health and Safety (EHS), human resources and business integrity and ethics, which provide the framework for managing performance.

Our policies and management systems apply to all operations worldwide. Legal requirements are a minimum standard and in many cases our policies and systems are in advance of these.

We have systems in place to measure our social, environmental, health and safety and financial performance. We participate in a number of external surveys including FTSE4Good, the Carbon Disclosure Project and the Dow Jones Sustainability Index. As well as providing further channels of communication with our stakeholders, these surveys help us to benchmark our performance and give us guidance on areas where we can improve. We are also a member of the London Benchmarking Group.

As we continue to embed the principles of sustainability, we are working to develop a broader framework for managing sustainability performance across the group and more widely through the supply chain. We are currently developing a group sustainability policy and management systems to outline group requirements and the responsibility of facilities and individuals in meeting the requirements.

Work has also continued on developing appropriate sustainability tools which will be used to benchmark and measure performance in new areas. We have begun to introduce the use of the streamlined life cycle assessment (SLCA) methodology as means to understand and define the impacts of our products at every stage of their life cycle. The methodology has been developed with a focus on 'designing out' unsustainable aspects throughout the whole life cycle and identifies the major issues in relation to a product or process in a qualitative manner, allowing key aspects to be strategically explored in greater quantified detail as necessary. Specific studies so far have included the examination of new precious metal containing products and scenario planning for base metal containing process catalysts at their end of life.

We have also continued to assess and develop appropriate carbon footprinting methodologies. Although many of our products deliver benefits with respect to energy efficiency, CO₂ emissions and hence climate change, this must be balanced against the fact that some of our manufacturing processes are energy intensive. We have therefore embarked on a programme to assess the carbon footprint of a number of our product ranges. To date we have assessed the cradle to gate carbon footprint of two main process catalyst product families at our site in Clitheroe, UK and have studied the production process at one of our major emission control catalyst manufacturing facilities in the US. This work supports our longer-term aim to extend our assessment of the carbon impact across Johnson Matthey's supply chain.

Case Study



Calculating our Carbon Footprint at Clitheroe
[Read more.](#)

We continue to research and trial further sustainability tools to make sure we select those that will ensure consistent and comparable metrics across the group. During the year, we have also made further progress in developing systems to manage performance in the wider supply chain. We have conducted a detailed audit of one of our key suppliers and have begun to develop a sustainable procurement policy for the group.

Policies & Management Systems

Environment, Health and Safety

The Chief Executive has board responsibility for Environment, Health and Safety (EHS) and the Group Director of Environment, Health and Safety reports to the Chief Executive. The board reviews EHS performance annually, but it is the Chief Executive's Committee (CEC) and the CSR Compliance Committee (a sub-committee of the CEC) which identify and manage EHS risks. Through these reviews and committee meetings, EHS priorities and strategies are generated. Performance is monitored using monthly information on significant events, health and safety statistics and detailed site audit reports.

A written policy statement, formulated and agreed by the Chief Executive's Committee forms the basis of the group EHS management system. The board approves this policy statement which is signed by the Chief Executive and is available at each site throughout the group and is published externally.

[Read our Environment, Health and Safety Policy](#)

The CSR Compliance Committee considers all risks associated with EHS. The committee is responsible for:

- EHS compliance and strategy.
- Application of risk control measures and review of accidents and other incidents.
- Ensuring EHS issues are resolved efficiently and corrective actions are completed.

Performance is also monitored through the group control self-assessment process administered by Group Internal Audit which reviews controls at each site. EHS performance is dependent on leadership from the top, accountability at divisional level and the commitment of strong local line management. Individuals also have to take a responsible attitude to their own health and safety performance at work. Assessing and controlling the risks through professional management minimise the financial implications for the company, helping to protect shareholder interests. Certain risks are insured, but this is no substitute for sound management of the function.

Human Resources

Johnson Matthey's human resources policies are implemented through the corporate human resources standards, which set requirements for operations throughout the group to follow.

These standards are generally in advance of legal requirements and provide internal consistency. They are supported by detailed regional procedures or individual business procedures. All of these policies and procedures are subject to regular review to ensure that they continue to reflect both regional best practice and local legislation. Site-specific human resources policies and procedures are communicated to staff at inductions and through staff handbooks. Human resources policies and risks are examined by the Chief Executive's Committee and the CSR Compliance Committee and are reported to the board.

Johnson Matthey has employment policies on equal opportunities and on training and development.

Business Integrity & Ethics

The company strives to maintain the highest standards of ethical conduct and corporate responsibility worldwide through the application of the principles within its Business Integrity and Ethics Policy. These issues are further safeguarded through corporate governance processes and monitoring by the board and its sub-committees. All employees have a duty to follow the principles set out in the Business Integrity and Ethics Policy. It is integrated into the Group Control Manual and is available to staff at all sites.

Regulatory Matters

As a member of the Chemical Industries Association (CIA), Johnson Matthey has adopted the principles of Responsible Care® and the sustainable development goals and guiding principles outlined by the CIA in its 'Chemistry of Sustainability' report. Responsible Care® is a voluntary programme in which companies commit to continuously improving their environmental, health and safety performance, with a particular emphasis on product stewardship and sustainability, and to communicating with stakeholders about their products and processes.

Johnson Matthey's corporate REACH compliance programme is well advanced. Key REACH pre-registration requirements were successfully completed to ensure efficient future phasing of our substance registrations and several hundred declarations covering various product ranges were submitted. We continue to collaborate in industry consortia under the auspices of trade associations to share the costs and technical efforts for compliance and individual substance registrations remain on track to commence in 2010. During 2008/09, a corporate REACH website was launched to support our customers and enhance supply chain communication.

Preparations also continued to implement the Globally Harmonised System (GHS) for chemical classification and hazard communication. During January 2009, the European Union commenced enactment of GHS and work is well underway within our European businesses to ensure we meet the requirements of the legislation timescales.

The EU ETS cap and trade scheme was introduced in January 2005 and the company's facility at Royston, UK is the only site affected. The site opted out of Phase 1 of EU ETS as part of the Climate Change Levy Agreement (CCLA) scheme, but commenced participation in Phase 2 on 1st January 2008.

The allowances granted to the site in Phase 2 are 14,748 tonnes of CO₂ per annum based on the average performance measured in the baseline years of 2000 to 2003. For 2008 the site had a verified output of 22,434 tonnes which gave a deficit of 7,686 tonnes. In future years, the level of deficit will depend on site demand and amount of combined heat and power (CHP) operation achieved. Energy saving measures continue across the Royston site which will help to reduce the level of purchased additional credits.

The current Phase 2 allowance cost is trading low at €15 per tonne due to the economic crisis but as a tradable commodity, the price of credits can fluctuate. For example, Phase 2 allowance prices have ranged from €22 per tonne at the introduction of the scheme in January 2008 to a high of €28 per tonne in July 2008.

Product Stewardship

Product stewardship involves an integrated approach to products, materials and services management designed to assess, minimise and eliminate the environmental and health related impacts of products. As part of our commitment to sustainability, we appreciate that all the chemicals we use must be managed responsibly. Our product stewardship systems are aligned to a key goal in the 2002 Johannesburg World Summit on Sustainable Development to 'use and produce chemicals in ways which will lead to the minimisation of significant adverse effects on human health and the environment'.

The company is committed to product safety and conducts systematic and rigorous evaluations of both new and existing products. The process involves characterisation of any risks associated with product use, a determination of the related risk management measures and coupled mechanisms to effectively communicate this information outside the company.

FINANCIAL SUSTAINABILITY

Strategy & Objectives

Johnson Matthey's strategic intent is to achieve consistent growth in earnings by concentrating on the development of high added value products and services in areas where our expertise provides a competitive edge, particularly in catalysis, precious metals, fine chemicals and process technology.

The group's financial objectives are:

- To continue to achieve consistent and above average growth in underlying earnings per share.
- To grow dividends in line with underlying earnings while maintaining dividend cover at about two and a half times to ensure sufficient funds are retained to support organic growth. Dividend cover may vary from the long term target to enable the group to maintain dividends at a consistent level.
- To deliver a return on investment above the group's cost of capital. We estimate Johnson Matthey's post tax cost of capital is currently about 8.2% (11.5% pre-tax). In addition, we have a long run pre-tax target rate for the group of 20%.

The board's strategies to achieve these financial objectives are:

- Focus the business on the group's core skills in catalysis, precious metals, fine chemicals and process technology.
- Position the group in growth markets where our core skills are applicable. Catalysis is a key technology in many developing markets for the 21st century, particularly those concerned with protecting the environment such as in emission control, cleaner fuel, more efficient use of hydrocarbons and the hydrogen economy. Environmental Technologies Division, which combines our skills in catalysts and process technology, is well positioned to serve these emerging markets. Catalysis is also important in the manufacture of fine chemicals where Johnson Matthey has a number of strong niche market positions. Johnson Matthey's expertise and international strength in precious metals, particularly platinum group metals, was the starting point for many of our businesses. The market for platinum has grown steadily for many decades and demand is expected to grow significantly over the next ten years.
- Differentiate ourselves by using our world class technology. We will continue to invest significantly in research and development to develop new products and manufacturing processes. Technology is the key driver for most of our businesses and Johnson Matthey has a strong science base with technical centres located in all our major markets.
- Maintain strong relationships with our major customers, suppliers, government bodies and other stakeholders by investing resources on joint projects to ensure the group is well positioned for future market development.
- Continue to invest in Johnson Matthey's employees to ensure they are well trained, motivated and encouraged to meet the challenges of the future.
- Ensure the business is run in a sustainable way by using resources efficiently, minimising waste in our manufacturing processes and designing new products that help our customers to be more sustainable and competitive.

SUSTAINABILITY IN HEALTH & SAFETY

Our Aims & Targets

Safety

All sites within the group will aim to continue to make progress against the target of zero greater than three-day accidents. Leading and lagging indicators have been integrated into site improvement plans to better monitor performance against these improvement targets.

Our priorities for 2009/10 are to:

- Complete the schedule of corporate environment, health and safety (EHS) audits at sites across the group.
- Offer support and guidance to sites in implementing the EHS Learning Events initiative.
- Undertake specific process safety audits at a number of large manufacturing facilities.
- Complete new EHS policies and guidance to support existing EHS related governance within the group EHS management system. These will focus on areas of specific interest to Johnson Matthey's operations and include process safety, chemical exposure, occupational illness and occupational travel. The policies and guidance will be issued to all sites and supported by appropriate training.

Case Study



Water Based Washer Improves Efficiencies

Developing a new approach to cleaning saves time and reduces waste.

Health

Protecting and enhancing the long term health and wellbeing of our employees continues to underpin our efforts to secure workforce sustainability.

In view of the importance assigned to the prevention of occupational illness conditions, a new corporate sustainability target has been set to reduce the annual incidence of occupational illness cases by at least 30% over the next five years to 2013/14. The longer term-aim continues to be to eliminate the occurrence of occupational illness cases as far as is practicable.

In addition to the measurement of 'lagging' indicators of health performance (e.g. occupational illness incidence), we aim to introduce the assessment and reporting of 'leading' indicators of health programme performance during 2009/10. Each business will report the extent to which preventative actions have been implemented for a range of key indicators of programme performance.

Our health priorities for 2009/10 are to:

- Identify any additional investment in prevention programmes required in each business to achieve the new sustainability corporate target to reduce the incidence of occupational illness by 2013/14.
- Introduce new corporate policies and guidance addressing occupational illness prevention, diagnosis and management with additional specific guidance on the prevention of chemical exposure related conditions.

- Ensure that 100% of businesses complete the health improvement planning process.
- Continue to implement health and wellbeing programmes to support the attendance, motivation and performance of employees.
- Ensure the business is prepared to respond effectively to global health events such as the current influenza pandemic.

SUSTAINABILITY AT JOHNSON MATTHEY & BRANDENBERGER AG

WHAT WE DO

As a wholly owned subsidiary of Johnson Matthey, we provide a wide range of products and services based on, but not limited to, precious metals. Much more detailed information can be found on our website www.johnson-matthey.ch In terms of geographical reach, we supply:

- Precious metal brazing alloys into a wide range of industries in Austria, Germany and Switzerland
- Precious metal alloys into the jewellery and watch sectors in Switzerland
- Precious metal alloys and chemicals into a wide range of industries in Austria and Switzerland

Our solutions-based approach ensures that our competitive products and services are tailored to our customers needs.

OUR SUSTAINABILITY VISION & TARGETS

Our vision and targets are fully compatible with those of Johnson Matthey plc. The following table gives a good indication of our progress so far in the areas of energy consumption and waste:

Year	Energy Used GJ					Waste m ³
	Cars	Heating	Electricity	Total	Change %	
2007	510.4	320.0	129.9	690.3		16.94
2008	391.0	239.0	139.7	769.7	-19.8	16.42
2009	325.0	247.0	114.0	686.0	-28.6	10.16
Target 2017				480.0		8.5

SOCIAL SUSTAINABILITY

As a small sales office, we focus on three areas of social sustainability. We aim to create a friendly and open workplace environment focused on achieving objectives whilst working to high professional standards. Our success here is documented by our low-rate of staff turnover. We continuously train between 3 and 4 commercial apprentices. Finally, we support six children via World Vision.

ENVIRONMENTAL SUSTAINABILITY

Although we are not a production site, the data above demonstrate that a sales office still uses a significant amount of energy and that we have made good progress so far in reducing our energy consumption. Reusing packaging materials and generating less paper have already contributed to a reduction in the volume waste we produce.

CORPORATE GOVERNANCE

We fully comply with the policies of Johnson Matthey in this respect and also with applicable local laws. We are regularly audited by external and internal auditors and fully comply with the requirements of Swiss money laundering legislation as they apply to a precious metals company.

FINANCIAL SUSTAINABILITY

We aim to be profitable and to achieve good returns on invested capital. An entrepreneurial spirit combined with good financial and precious metal controlling is key in achieving this objective.

HEALTH & SAFETY

With less than 1% of time lost due to accidents and illness our workforce can be viewed as healthy. Safety training is carried out where appropriate, in particular regarding the transport of dangerous goods. Our facilities are fully compliant with fire-safety and other regulations.

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