



Stock Ownership Guidelines



Version 2.0



December 7, 2021

1.0 PURPOSE

The Board of Directors of Luxfer Holdings PLC (the “Board”) believes that it is important for Named Executive Officers and Directors of Luxfer Holdings PLC (the “Company” or “Luxfer”) to have a financial stake in the Company such that their interests align with those of the Company’s shareholders. In addition to such alignment of interests, the Board believes that share ownership promotes sound corporate governance and demonstrates a commitment to the Company. To meet these objectives, the Board has established these Stock Ownership Guidelines as expected best practice in relation to such Named Executive Officers’ and Directors’ shareholdings in the Company.

2.0 APPLICABILITY

These Stock Ownership Guidelines apply to all Non-Executive Directors, Named Executive Officers, and any other key employees that the Remuneration Committee may identify from time to time in consultation with management. Currently, the Company’s Articles of Association do not require Directors to hold a minimum number of shares in the Company in order to qualify for appointment to the Board of Directors. However, the Company’s Non-Executive Directors and Named Executive Officers are expected to comply with the terms of these Stock Ownership Guidelines. Notwithstanding the foregoing, any term relating to shareholding requirements contained in a Named Executive Officer’s or other employee’s employment contract shall be binding on any such employee and supersede these Stock Ownership Guidelines.

3.0 MINIMUM OWNERSHIP GUIDELINES

Each Named Executive Officer and Director of the Company is suggested to own shares of the Company having a total value equal to the multiple of such person’s annual base salary or retainer fee, as applicable, as set forth in the following table:

Position	Guideline
Chief Executive Officer	4x annual base salary
Chief Financial Officer	3x annual base salary
Named Executive Officers	2x annual base salary
Non-Executive Directors	3x annual retainer fee

The above table represents minimum ownership guidelines. Named Executive Officers and Directors are encouraged to own shares of the Company’s common stock above these levels. Unless otherwise specified in a separate written agreement, Named Executive Officers and Directors are encouraged to achieve these minimum ownership guidelines within five (5) years of their appointment or election; provided, each person serving as a Named Executive Officer or Director of the Company as of June 9, 2021 shall satisfy their respective guideline by June 9, 2026.

4.0 RETENTION RATIOS

Until each Named Executive Officer or Director has attained the suggested guideline, he or she is expected to make continuous progress toward his or her respective ownership guideline and shall comply with the following retention ratio until such guideline has been attained:

Position	Retention Ratio
Chief Executive Officer	100% of Net Shares
Chief Financial Officer	100% of Net Shares
Named Executive Officers	100% of Net Shares
Non-Executive Directors	100% of Net Shares

“Net Shares” means those Luxfer shares that remain after shares are sold or withheld, as the case may be, to (i) pay any applicable exercise price for an equity award and (ii) satisfy withholding tax obligations arising in connection with the exercise, vesting, or payment of an equity award.

5.0 EVALUATION

The Remuneration Committee will evaluate, at least once per year, the Named Executive Officers’ and Directors’ progress in relation to these Stock Ownership Guidelines. Unless otherwise determined by the Remuneration Committee, the measurement date will be January 1st of the applicable calendar year. On each measurement date, progress will be measured using each Named Executive Officer’s base salary then in effect and each Non-Executive Director’s annual retainer fee then in effect. The stock will be valued using the average closing price per share of the Company’s common stock over the last twenty (20) trading days of each calendar year. Once a Named Executive Officer or Director has achieved the applicable ownership guideline, such achievement shall continue, regardless of any changes in base salary (except for increases resulting from a promotion to a new role), retainer fee, or the share price of Luxfer common stock, so long as such person continues to own at least the number of shares of Luxfer common stock required in order to initially achieve the applicable guideline.

6.0 CALCULATING STOCK OWNERSHIP

The following types of equity count toward determining stock ownership for purposes of these Stock Ownership Guidelines:

- Shares owned separately by the Named Executive Officer or Director or owned either jointly with, or separately by, his or her immediate family members residing in the same household;
- Shares held in trust for the benefit of the Named Executive Officer or Director or his or her immediate family members;
- Shares owned by an entity in which the Named Executive Officer or Director holds, at minimum, a 51% ownership interest; provided, however, such shares shall be counted toward the ownership guideline in proportion to the Named Executive Officer’s or Director’s ownership interest in such entity;
- Shares held in Luxfer’s employee benefit plans;
- Shares purchased through Luxfer’s Share Incentive Plan or Employee Stock Purchase Plan;
- Shares purchased on the open market;
- Shares obtained through the exercise of stock options;
- Vested but unexercised stock options;
- Vested shares of restricted stock or restricted stock units (“RSUs”); and
- Unvested, time-based restricted stock or RSUs.

The following types of equity do not count toward determining stock ownership for purposes of these Stock Ownership Guidelines:

- Unvested stock options;
- Unvested performance-based restricted stock or performance-based RSUs; and
- Shares held in a margin account or pledged as collateral for a loan.¹

7.0 FAILURE TO ACHIEVE GUIDELINE

A Named Executive Officer's or Director's failure to show sustained progress toward achievement of the applicable ownership guideline may result in the Remuneration Committee taking any reasonable action it deems appropriate under the circumstances. Notwithstanding the foregoing, there may be instances where these Stock Ownership Guidelines would place a severe financial hardship on a Named Executive Officer or Director. Thus, the Remuneration Committee may, in its discretion, modify the guidelines or the applicability of these Stock Ownership Guidelines in special circumstances. Upon the request of a Named Executive Officer or Director, the Remuneration Committee may evaluate whether any exception or modification should be made in consideration of personal circumstances of such Named Executive Officer or Director.

8.0 ADMINISTRATION

The Board of Directors has overall responsibility for these Stock Ownership Guidelines. Such responsibility and the administration of these Stock Ownership Guidelines shall be overseen by the Remuneration Committee.

STANDARD GOVERNANCE	
STANDARD PRACTICE APPROVALS	Luxfer Holdings PLC Board of Directors
VERSION	2.0
EFFECTIVE DATE	December 7, 2021
LAST REVIEW DATE	November 15, 2021
NEXT REVIEW DATE	November 15, 2022

¹ Luxfer's Insider Trading and Dealing Policy prohibits Directors and Executive Officers, as well as other covered persons, from holding Company Securities in a margin account, pledging Company Securities as collateral for a loan, and hedging Company Securities. "Company Securities" means ordinary shares, options, and any other securities that the Company may issue.