



RESERVATION OF POWERS

**LUXFER HOLDINGS PLC
BOARD OF DIRECTORS**

Version 3.0
Effective Date: December 2, 2020

The Board of Directors of Luxfer Holdings PLC, together with its subsidiaries (the “Company”), has reserved for itself the following powers, subject to any regulations, resolutions, or restrictions which may be imposed by the Board from time to time.

1.0 STRATEGY AND MANAGEMENT

- 1.1 Approval of the Company’s strategy and long-term objectives.
- 1.2 Approval of the annual budget and any material changes to it.
- 1.3 Review of performance in light of the Company’s strategy, objectives, business plans, and budgets, including ensuring that appropriate corrective action is taken.
- 1.4 Any decision to cease operating all or any material part of the Company’s business.
- 1.5 Significant extension of the Company’s activities into new business or geographic areas.

2.0 COMMUNICATIONS

- 2.1 Approval of resolutions and corresponding documentation to be put to shareholders.
- 2.2 Approval of all circulars to shareholders, prospectus, and listing particulars (approval of routine documents such as periodic circulars and exercise of conversion rights may be delegated to a Committee).
- 2.3 Approval of all regulatory filings, including those approved by the Audit Committee, except for standard filings, such as SEC Form 4, where the authority is delegated to the Company Secretary.

3.0 BOARD MEMBERSHIP; BOARD, COMMITTEE AND OTHER APPOINTMENTS

- 3.1 Changes to the structure, size, and composition of the Board.
- 3.2 Approval of the Charters of the Board Committees.
- 3.3 Board appointments and removals following recommendations from the Nominating and Governance Committee.
- 3.4 Selection and designation of responsibilities of the Chair of the Board, Chief Executive Officer, and Chief Financial Officer.
- 3.5 Terms and conditions of employment of the Chief Executive Officer and service contracts for any Non-Executive Directors.
- 3.6 Membership and Chairpersonship of Board Committees.
- 3.7 On recommendation of the Nominating and Governance Committee, continuation in office of Directors at the end of their term of office (when they are due to be re-elected by shareholders at the Annual General Meeting). Continuation in office of any Director at any time, including the

suspension or termination of service of an Executive Director as an employee of the Company, subject to applicable law and any service or employment contract.

3.8 Appointment or removal of the Company Secretary.

3.9 Appointment, reappointment, or removal of the external auditor to be put to shareholders for approval, following recommendation by the Audit Committee.

4.0 COMPANY STRUCTURE AND SHARE CAPITAL

4.1 Material changes relating to the Company's capital structure (other than changes that are directly related to employee share plans), including, but not limited to, reduction of capital, share issues, share transfers, and share buy backs.

4.2 The acquisition or disposal of interests in the voting shares of any company or the making of any take-over offer.

4.3 Any changes to the Company's listing or status as a plc.

4.4 Significant reorganization of the Company's reportable segments.

4.5 Significant changes to the Company's Executive Leadership Team, including its structure.

5.0 BANK FINANCING AND EXTERNAL DEBT

5.1 New funding transactions, such as the issue of loan notes, bonds, and other debt instruments. Re-arrangement of the Company's borrowing facilities above \$5 million.

6.0 CONTRACTUAL ARRANGEMENTS

6.1 All requests for appropriation ("RFA") regarding capital and revenue expenditure in relation to individual projects over \$3 million, and reapproval thereof where the revised proposed expenditure is to exceed 10% of that previously approved by the Board.

6.2 New contracts entered into by the Company (or any subsidiary) where the operating profit impact associated with the contract or the sums payable by the Company (or any subsidiary) exceeds \$3 million annually. The renewal of any such existing contracts should be reviewed by the Board annually.

6.3 Review of any contracts that contain particularly onerous provisions (*e.g.*, uncapped liability).

6.4 The acquisition or divestment of shares, businesses, or assets by or of the Company (or any subsidiary), subject to any delegated authority in place from time to time for smaller transactions.

6.5 The formation of any joint venture or material changes to existing joint ventures.

6.6 Engagement of any financial advisors or consultants where the anticipated fee exceeds \$1 million.

7.0 FINANCIAL REPORTING AND CONTROLS

- 7.1 Approval of quarterly reports (Form 10-Q), annual reports (Form 10-K and UK Report and Accounts), and the annual Proxy Statement (Form DEF-14A).
- 7.2 Approval of any significant change in accounting policies or practices.
- 7.3 Utilization of internal audit's work, specifically for purposes of management's s404 attestation of the Sarbanes Oxley Act.
- 7.4 Approval of the Dividend Policy, declaration of the interim dividend, and recommendation of the final dividend.

8.0 INTERNAL CONTROLS, RISK MANAGEMENT AND INSURANCE

- 8.1 Through the Audit Committee, ensure maintenance of a sound system of internal control and risk management, including:
 - receiving reports on and reviewing the effectiveness of the Company's risk and control processes to support its strategy and objectives;
 - undertaking an annual assessment of these processes; and
 - approving an appropriate statement for inclusion in the Annual Report on Form 10-K and the UK Annual Report and Accounts.
- 8.2 Monitoring internal control arrangements through the Audit Committee and working with the Company's internal audit function.
- 8.3 Approval of the Company's general risk management strategy, including insurance strategy and overall levels of insurance for the Company.
- 8.4 Monitoring Directors' and Officers' Liability Insurance and the indemnities to Directors and Officers of the Company.
- 8.5 Approval of any hedging activity unrelated to the normal course of business (*e.g.*, non-routine currency, commodity, and interest rate hedges).
- 8.6 Reviewing the effectiveness of Environmental, Health, and Safety Policies.

9.0 REMUNERATION

9.1 *General.*

- 9.1.1 Through the Remuneration Committee, determining the framework or policy of the Company on executive remuneration, including short-term incentive remuneration and long-term, equity-based remuneration.
- 9.1.2 Determining the remuneration of the Chair and the Non-Executive Directors, subject to the Articles of Association and shareholder approval as appropriate.

9.2 ***Pensions.***

9.2.1 Review of major changes to the rules of the Company's pension schemes (being those changes having a material bearing upon the cost of the schemes to the Company or upon the benefits or other rights of the participants).

9.3 ***Share Incentive Plans.***

9.3.1 Introduction of new share incentive plans or major changes to existing plans to be put to shareholders for approval.

9.3.2 Introduction of new share incentive plans or major changes to existing plans for the Non-Executive Directors and the allocation of share awards to Non-Executive Directors. The Non-Executive Directors shall not form part of the quorum when such matters are being considered and approved.

10.0 LITIGATION

10.1 The prosecution and defense of litigation involving potential financial loss or gain to the Company in excess of \$3 million or otherwise being material to the interests of the Company (in addition to the regular Board updates on all significant legal matters).

11.0 POLICIES

11.1 Approval of Global Company Policies and Statements which are material to the functioning of any company within the Company or which will be published on the Company website or lodged with a reporting body.

12.0 MISCELLANEOUS

12.1 Charitable donations by the Company exceeding \$20,000 to any one charity and exceeding \$200,000 in aggregate in any one year (excluding any contribution made by Company employees). No donations will be made to political or religious organizations.

13.0 PROCEDURES TO BE FOLLOWED FOR DECISIONS BETWEEN BOARD MEETINGS

13.1 Both the Chair and the Chief Executive Officer should be advised in writing (including by email) by the relevant Director, Executive Officer, or the Company Secretary of a transaction which, in the ordinary course of business, requires a decision of the Board, but which, because of its urgency, cannot wait until the next scheduled Board meeting. The Chair, in consultation with the Chief Executive Officer and the appropriate Committee Chair, will decide the appropriate course of action, which may include scheduling a Board meeting via telephone or videoconference or taking care of the appropriate matter through a written resolution that may be circulated and approved electronically.

14.0 DELEGATION OF AUTHORITY

14.1 The Board has delegated powers to the following Committees:

- the Audit Committee;
- the Remuneration Committee; and
- the Nominating and Governance Committee.

Matters the Board considers suitable for delegation are contained in the Committee Charters. The Board will receive regular reports from Board Committees on their activities. In addition, the Board will, from time to time, receive reports and recommendations from the Committees on any matter which it considers significant to the Company.

STANDARD GOVERNANCE	
STANDARD PRACTICE APPROVALS	Luxfer Holdings PLC Board of Directors
VERSION	4.0
EFFECTIVE DATE	December 2, 2020
LAST REVIEW DATE	November 15, 2020
NEXT REVIEW DATE	November 15, 2021