



**LUXFER**

**LUXFER GAS CYLINDERS LIMITED**  
**UK GENDER PAY GAP REPORT**

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Fiscal Year 2021

# UK GENDER PAY GAP REPORT FOR FISCAL YEAR 2021

The U.K. Equalities Act of 2017 (the “Act”) requires certain organizations of 250 employees or more conducting business in the U.K. to publish an annual statement regarding the pay differences between men and women. Under the Act, organizations must provide a breakdown of men and women in different pay quartiles and detail the proportion of men and women in the company who receive bonuses.

## WHAT IS THE GENDER PAY GAP?

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The U.K. Equal Pay Act of 1970 made it illegal to pay men and women different amounts to perform the same work. However, the gender pay gap is not the same as equal pay. While equal pay and gender pay do overlap, the gender pay gap shows the difference between the average pay of a company’s male and female employees, regardless of the type of work they do. The reported figures also show the bonus pay gap and the proportion of men and women in each quartile of the pay structure within the company. Luxfer Gas Cylinders Limited recognizes that collecting and reporting this data helps us realize our own gender pay gap. By knowing where we stand, we know where we need to be.

## ABOUT US

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Luxfer Gas Cylinders Limited (“Luxfer” or the “Company”) is a subsidiary of Luxfer Holdings PLC, a global industrial company innovating niche applications in materials engineering specializing in the design and manufacture of high-performance products for transportation, defense and emergency response, healthcare, and general industrial applications.

As of the snapshot date of 5 April 2021, Luxfer Gas Cylinders Limited was comprised of three primary locations in the U.K., including Nottingham, Worcester, and Kidderminster. In September 2021, Luxfer divested a majority of its aluminum assets, including 127 Luxfer Gas Cylinders Limited employees located in Worcester and Kidderminster. These employees were included in the calculations for this report as they were considered employees of Luxfer Gas Cylinders Limited on the 5 April 2021 snapshot date. As a result, Luxfer Gas Cylinders Limited employed 340 people as of the snapshot date (2020: 380) and falls within the scope for reporting under the Act.

A separate gender pay gap report for Luxfer Holdings PLC can be found on our website at <https://www.luxfer.com/environment-social-and-governance/social/>.

# HOURLY PAY GAP

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**What is it?** The percentage difference in hourly pay (including salary and any other relevant payments) received by men and women in April 2021 as a percentage of the pay received by men.

3.1%

The mean hourly pay gap  
2020: -9%

-8.78%

The median hourly pay gap  
2020: 7%

**What does it mean?** The median hourly pay gap is intended to give an indication of what the 'typical' situation is, while the mean hourly pay gap gives an overall indication of the size of our gender pay gap.

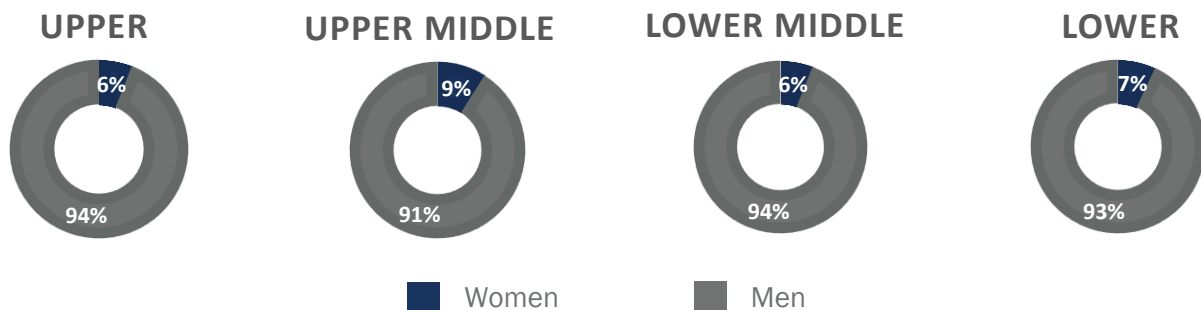
**What changed?** The 3.1% mean hourly pay gap in 2021 can be explained by the presence of a few very high earners in the dataset, all of whom were men. There was only one (1) significant high-earning man in 2020, compared to three (3) significant high-earning men in 2021, thereby skewing the mean hourly pay gap in 2021 in favor of men. The median hourly pay gap skewed in favor of women in 2021 as more women were hired for higher-paying technical and administrative positions in 2021 compared to 2020.

# PAY QUARTLIES

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**What is it?** All employees in the dataset are ranked from highest to lowest paid and divided into four equally sized quartiles. The percentage of women and men in each quartile are then calculated.

## Percentage of Women in Each Pay Quartile



**What changed?** Compared to 2020, the number of women in the upper, upper middle, lower middle, and lower quartile band did not change substantially in 2021 (2020: 6%, 11%, 5%, 7% respectively), indicating that the demographic makeup of each quartile band is roughly the same as last year.

More important, however, is the fact that these figures show a relatively equal distribution of men and women across each quartile band (i.e., that women make up between 6-9% of the population in each quartile band), indicating that men and women are evenly distributed throughout the Company.

## BONUS PAY GAP

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**What is it?** The difference in average bonus received between men and women during the 12-month period leading up to 5 April 2021 as a percentage of the average bonus received by men.

**-15.2%**

The mean bonus gap  
2020: 60%

**-136.7%**

The median bonus gap  
2020: 60%

**What changed?** We believe that the significant year-over-year change in our bonus pay gap figures is explained by the impact of COVID-19 on our bonus pay scheme in 2020 in which only 3% of women and 1% of men received a bonus. While bonuses were awarded to a greater number of people in 2021, the value of the average bonus paid to women was more than double the average bonus paid to men. Such difference in the average bonus pays between women and men significantly skewed the mean and median bonus gaps in favor of women in 2021.

## PROPORTION RECEIVING A BONUS

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**What is it?** The proportion of men and women who received a bonus during the 12-month period leading up to 5 April 2021.

**71%**

The proportion of women  
receiving a bonus  
2020: 3%

**67%**

The proportion of men  
receiving a bonus  
2020: 1%

**What does it mean?** Comparing the proportions of men and women who receive a bonus within the 12-month bonus period tells us how much more likely male full-pay relevant employees are to receive any amount of bonus payment compared with female full-pay relevant employees, and vice versa.

**What changed?** Luxfer has a complex bonus pay scheme which includes variable incentive pay associated with individual performance and the performance of the Company as a whole, including both short-term incentive pay and long-term equity awards. As explained above, the COVID-19 pandemic had a substantial impact on our bonus scheme in 2020, resulting in a substantial increase in the number of people, both men and women, who received bonuses in 2021. Bonuses were given to a higher proportion of both men and women in 2021 as the Company began to recover.



# OUR COMMITMENT TO IMPROVING OUR GENDER PAY GAP

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Entrenched in longstanding policies of Luxfer, we work to promote workforce diversity, support employee growth and development, and create and maintain an inclusive work environment. We know that there is work left to do, and that significant change takes time. We are committed to enhancing the policies and practices already in place to improve the representation of women at all levels of the Company and hold ourselves accountable for driving that progress.

## Hiring a Diverse Workforce

We've implemented inclusive hiring standards such as (i) shortlisting completed by more than one person whenever possible; (ii) vacancies advertised to a diverse section of the labor market; (iii) advertisements avoid using language that could discourage particular groups from applying; and (iv) job candidates are not asked questions that may suggest an intention to discriminate in accordance with our Equal Opportunity, Non-Discrimination, and Anti-Harassment Policy.

## Growth and Talent Development

We believe in each employee's ability to bring their unique skills and passions into the challenging and constantly evolving industries we serve by providing an environment to grow, build relationships, and take advantage of career opportunities. All employees are provided training, learning, development, and advancement opportunities at all levels of the Company.

## Ongoing Training

To ensure effective teamwork and achievement of common business goals, all Luxfer personnel are required to complete a variety of anti-harassment, non-discrimination, and unconscious bias trainings annually. Luxfer's talent acquisition teams and hiring managers undergo additional training to ensure that a diverse slate of candidates is considered for all job openings.

## Competitive Pay and Benefits

Luxfer's compensation philosophy aims to attract, retain, and motivate employees through our incentive and benefit programs. We offer competitive base pay and, depending on position, variable incentive pay associated with individual performance and the performance of the Company as a whole, including both short term incentive pay and long-term equity awards. Full-time employees are offered paid time off, opportunities to participate in the Company's various pension and retirement savings plans, health benefit coverage, fitness and wellness programs, healthy living incentives, and more.

## APPROVAL

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This statement under the U.K. Equalities Act of 2017 has been approved by the Board of Directors for Luxfer Holdings PLC for the fiscal year ended 31 December 2021.



**Alok Maskara**  
Chief Executive Officer  
Luxfer Holdings PLC

2 March 2022