



Reservation of Powers

Board of Directors



Version 5.0

Owner: Board of Directors of Luxfer Holdings PLC

Effective Date: November 30, 2022

Creation Date: November 29, 2007

The Board of Directors (the “Board”) of Luxfer Holdings PLC, together with its subsidiaries and affiliates (the “Company”), has reserved for itself the below-listed powers and matters upon which it shall have decision-making authority, subject to applicable law and any resolutions or restrictions that may be imposed by the Board from time to time.

1.0 STRATEGY AND MANAGEMENT

- 1.1 Oversight and approval of the Company’s strategy and long-term objectives, including, but not limited to, those relating to Environmental, Social and Governance (“ESG”) matters.
- 1.2 Approval of the annual budget and any material changes to it. Review of performance in light of the Company’s strategy, objectives, business plans, and budgets, including ensuring that appropriate corrective action is taken.
- 1.3 Any decision to cease operating all or any material part of the Company’s business.
- 1.4 Significant extension of the Company’s activities into new businesses 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 (e.g., SEC Section 16 reports; Form 8-K declaring dividend at regular rate), where the authority is delegated to the Company Secretary.

3.0 BOARD MEMBERSHIP AND 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 recommendation by the Nominating and Governance Committee.
- 3.4 Selection and designation of responsibilities of the Board Chair, Chief Executive Officer, and Chief Financial Officer.
- 3.5 Terms and conditions of employment and/or service for the Chief Executive Officer and Non-Executive Directors.
- 3.6 Membership and Chairpersonship of Board Committees.
- 3.7 On recommendation of the Nominating and Governance Committee, a Director’s continuation in office at (i) the end of their term, particularly when they are due to be re-elected by shareholders at the Annual General Meeting or (ii) 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 in effect.
- 3.8 Appointment or removal of the Company Secretary.
- 3.9 Appointment, reappointment, or removal of the Company’s external, independent auditor to be ratified by shareholders, 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 and director share plans), including, but not limited to, reduction of capital, share issues, share transfers, and share repurchases.
- 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 stock exchange listing or status as a UK 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, above \$5 million.
- 5.2 Re-arrangement of the Company's borrowing facilities above \$5 million.

6.0 CONTRACTUAL ARRANGEMENTS

- 6.1 Approval of all requests for appropriation 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 Approval of 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 Approval of any contracts that contain particularly onerous provisions (e.g., unlimited liability).
- 6.4 Approval of contracts involving 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 Approval of contracts involving 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 during the term of the engagement.

7.0 FINANCIAL REPORTING AND CONTROLS

- 7.1 Approval of quarterly reports (Form 10-Q), annual reports (Form 10-K and UK Annual 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, ensuring 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 Review and oversight of the Company's risk assessment and management strategy, including those related to cybersecurity and climate-related risks. Review and approval of management's insurance strategy and overall levels of insurance for the Company.
- 8.4 Monitoring Directors' and Officers' Liability Insurance and 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 Review of the appropriateness and effectiveness of the Company's ESG policies and key initiatives.

9.0 REMUNERATION

9.1 General.

- 9.1.1 Through the Remuneration Committee, determining the Company's framework or policy on executive compensation, including short-term incentive compensation and long-term, equity-based compensation.
- 9.1.2 Determining the compensation of the Board Chair and the Non-Executive Directors, subject to the Company's 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 impact 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 employee 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 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 the Company (or any subsidiary) or which will be published on the Company's website or filed with a regulatory body.

12.0 MISCELLANEOUS

12.1 Charitable donations by the Company exceeding \$20,000 to any one charity or 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 Board 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 Board 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 deciding the 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 Nominating and Governance Committee; and
- the Remuneration Committee.

Matters the Board considers suitable for delegation are contained in the Committee Charters. The Board will receive regular reports from the 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.