LUXFER

LUXFER HOLDINGS PLC
DIRECTORS' REMUNERATION POLICY

2024 - 2027

Approved by the Board of Directors
of Luxfer Holdings PLC (Company Number 03690830)
on March 5, 2024

Adopted by Ordinary Resolution
passed on, and effective as of, June 6, 2024
at the 2024 Annual General Meeting of
Shareholders

1.0 INTRODUCTION

1.1 **Background.** As required by sections 439 and 440 of the Companies Act 2006 (the “Companies Act”), a company incorporated in England and Wales whose shares are publicly listed, whether in or outside of the UK, must submit its Directors’ Remuneration Policy to a binding shareholder vote at least once every three (3) years. The current Directors’ Remuneration Policy was last approved at the 2021 Annual General Meeting held on June 9, 2021, where 99.76% of the votes cast were cast in favor of approving the Directors’ Remuneration Policy. The Board of Directors of Luxfer Holdings PLC (the “Board” and the “Company” respectively) approved at its meeting on March 5, 2024, upon recommendation of the Remuneration Committee, the submission of this Directors’ Remuneration Policy (this “Policy”) to a binding shareholder vote at the 2024 Annual General Meeting of Shareholders, to be held on June 6, 2024 (the “Annual General Meeting” or “AGM”).

1.2 **Effective Date.** Subject to shareholder approval, this Policy will take effect immediately following conclusion of the Annual General Meeting, without requiring further shareholder action, and will be valid for a period of three (3) years or until a subsequent version is approved by an ordinary resolution of the Company’s shareholders.

2.0 ADMINISTRATION, OBJECTIVES, AND REMUNERATION PRINCIPLES

2.1 **Administration.** This Policy (i) sets forth the criteria and objectives applicable to the remuneration of the Company’s Directors; and (ii) guides the activities of the Remuneration Committee and the Board with respect to Director remuneration. This Policy is administered by the Remuneration Committee (the “Committee”), with appropriate oversight from and ratification of certain actions by the Board. The Committee considers this Policy annually to ensure it remains aligned with business needs and is appropriately positioned relative to the market. However, in the absence of exceptional or unexpected circumstances which may necessitate change to the Policy, there is currently no intention to revise this Policy more frequently than every three (3) years. The Committee may exercise operational and administrative discretion in several areas, as described in further detail in this Policy, including under relevant standalone award agreements or applicable plan rules. In addition to this Policy, the Committee is governed by the Remuneration Committee Charter, which sets forth the responsibilities of the Committee and the rules governing its composition and conduct.

2.2 **Objectives.** With respect to Non-Executive Directors, this Policy is intended to remunerate Directors appropriately in accordance with their qualifications, responsibility assumed, and dedication to the Company. The Committee seeks to ensure that such remuneration is in line with market standards and sufficient to attract and retain Directors of the desired profile, but not so high as to compromise the independence of the Non-Executive Directors. The Company’s Chief Executive Officer is currently the only Executive Director. With respect to Executive Directors, this Policy aims to attract, retain, and incentivize Executive Directors, tie executive compensation to Company performance, and align executive compensation with shareholder interests and long-term Company value.

2.3 **Remuneration Principles.** To further these objectives, this Policy is based on the following principles, which are described in further detail below: (i) alignment with shareholder interests and long-term value creation; (ii) talent attraction, motivation, and retention; (iii) professional accountability; (iv) external competitiveness and internal equity; and (v) balance between remuneration components. The Company’s director remuneration programs are specifically designed with these principles in mind, forming a foundation for all remuneration-related actions and decisions.

Alignment with Shareholder Interests and Long-Term Value Creation

- Ensure alignment between the achievement of strategic objectives and the creation of long-term shareholder value
- Tie a significant portion of Executive Director remuneration to Company performance and the achievement of value-enhancing financial, strategic, and sustainability objectives

Talent Attraction, Motivation, and Retention

- Offer competitive and fair remuneration to attract, motivate, and retain high-quality talent
- Motivate Directors to cultivate sustainable growth and long-term value creation, without imposing unnecessary risk or compromising independence
- Consider the evolution of national and international standards, best practices, recommendations, and trends in Director remuneration to ensure remuneration packages remain competitive

Professional Accountability

- Compensate each Director's professional responsibility, accountability, dedication, and experience
- Provide transparency with respect to the Company's director remuneration programs, establishing trust and accountability amongst the Company and its shareholders

External Competitiveness and Internal Equity

- Offer remuneration packages that are competitive with that of comparable companies on an international scale, in terms of both structure and overall size
- Establish remuneration levels that are appropriate in terms of the Directors' qualifications, responsibilities, and experience
- Ensure that remuneration is fair and non-discriminatory

Balance Between Remuneration Components

- Provide appropriate balance between short-term and long-term remuneration to further align Director and shareholder interests
- Deliver an overall remuneration package to Executive Directors that includes multiple components to ensure balance between fixed and variable or at-risk remuneration

2.4 **Prior Policies and Commitments.** For the duration of this Policy, the Company will honor any commitments made in respect of director remuneration before the date on which either (i) this Policy becomes effective or (ii) an individual becomes a Director, even where such commitments are not consistent with the Remuneration Policy prevailing at the time any such commitment is fulfilled. This includes, without limitation, all existing equity awards that remain outstanding and any commitments agreed, such as previous grants of equity awards, consistent with a previously approved Remuneration Policy that was applicable at the relevant time.

3.0 PROPOSED POLICY CHANGES

3.1 **Proposed Policy Changes.** While this Policy does not contain any additional remuneration components that were not included in Remuneration Policies previously approved by the Company's shareholders, certain changes were made to allow for consideration of the latest remuneration practices and benchmarking studies when setting Director remuneration. The key changes proposed to be made under this Policy include:

- an increase in the maximum amount of equity awards that may be awarded to Non-Executive Directors, from 100% of the Non-Executive Director's annual retainer fee to 150%; and
- to ensure consistent application, removal of the clawback policies set forth in this Policy, given that the Company maintains other policies related to the recovery of incentive or performance-based compensation, which are set forth in a standalone Executive Compensation Clawback Policy adopted in accordance with section 10D of the Securities Exchange Act of 1934 (the "Exchange Act") and section 303A.14 of the New York Stock Exchange Listed Company Manual, as well as award agreements applicable to equity awards and other incentive-based compensation issued pursuant to the Company's Long-Term Umbrella Incentive Plan.

4.0 EXECUTIVE DIRECTOR REMUNERATION

4.1 **Remuneration Components.** Each component comprising Executive Director remuneration is described in the below table, including the purpose of such component and its relevance to the Company's remuneration principles described herein, its operation, the maximum opportunity available to Executive Director(s), any applicable performance measures, and relevant policies with respect to the recovery, withholding, or payment of said remuneration.

FIXED REMUNERATION

BASE SALARY

Purpose

- Attract, retain, and incentivize talented executives who can deliver on the Company's strategic and financial objectives
- Recognize market value of the role and an individual's skills, experience, and performance to ensure the Company attracts and retains high-caliber talent
- Offer competitive remuneration

Maximum Opportunity

There is no prescribed maximum to base salaries to avoid setting expectations. Salaries are typically set at or about the median salaries of the external comparator group, as determined by the Committee in consultation with its independent compensation consultant. The Committee retains discretion to adjust salaries, at or about the median salaries of the external comparator group, to maximize the Company's top-quartile performance. When the Committee is satisfied that salaries are at or about the median of the external comparator group, annual increases are typically limited to the general level of increases given to the Company's wider workforce, but may be higher in certain circumstances, such as a change in the role or an increase in responsibilities, in which case the Committee adjusts salaries at its discretion, with reference to available benchmark data.

Performance Measure

None

Policies on Recovery, Withholding, or Payment

Not Applicable

Operation

Salaries are reviewed annually and normally fixed for a period of twelve (12) months from January 1st to December 31st. Salaries are paid in equal monthly installments, either monthly or semimonthly. The setting and adjustment of salaries consider numerous factors, including:

- compensation packages for executives of the same position at comparable companies;
- competitive conditions for the executive's role in the broader employment market;
- the executive's level of responsibility, experience, performance, and skills;
- market data and pay practices in the United States and United Kingdom;
- rises in the cost of living, inflation, and market rates;
- scale of the Company's operations;
- company and/or business unit performance, size, and revenue, including affordability in relation thereto;
- total remuneration level; and
- adjustments throughout the rest of the organization.

PERQUISITES AND BENEFITS

Purpose

- Aid in the recruitment and retention of high-caliber talent
- Offer total remuneration packages that are market-competitive

Maximum Opportunity

Perquisites and benefits are set at a level which the Committee considers to be appropriate against comparable roles in companies of similar size in the relevant market. No maximum value is set, but the Committee regularly monitors the overall cost of these benefits to ensure they are affordable, competitive, and in line with market practice.

Performance Measure

None

Policies on Recovery, Withholding, or Payment

Not Applicable

Operation

Perquisites and benefits include (i) an annual perquisite allowance; (ii) health and welfare benefits, such as medical, dental, and vision insurance; and (iii) life and disability insurance. These benefits are provided directly by the Company or through the Company's benefit plans or pension schemes. Additional perquisites or benefits may be provided where required by law or to align with market practice, so long as such benefits are not significant in value. The Company may introduce new benefits that become prevalent in the jurisdiction in which it operates or in which an Executive Director is located. Where an Executive Director is relocated, benefits such as relocation expenses, travel expenses, accommodation, tax equalization, professional advice, and post-retirement medical expenses may be provided. As to the annual perquisite allowance, the Company provides a monthly cash stipend to allow Executive Directors more flexibility and choice. Perquisite allowances are intended to cover expenses incidental to the executive's employment responsibilities, such as use of their personal automobile and mobile phone for business purposes. Perquisite allowances are not considered in cash incentive and equity award calculations, which are calculated with reference to base salary, and cannot be contributed to the Company's 401(k) plan or otherwise considered in pension calculations.

FIXED REMUNERATION

RETIREMENT BENEFITS

Purpose

- Provide competitive post-retirement benefits or cash equivalent
- Encourage and enable individuals to build savings towards their retirement

Maximum Opportunity

The UK defined contribution plan provides a maximum Company contribution of 25% of base salary with respect to the current Executive Director. With limited exceptions, the Company's 401(k) savings plan currently provides matching Company contributions up to six percent (6%) of base salary, subject to US statutory limits.

Performance Measure

None

Policies on Recovery, Withholding, or Payment

Not Applicable

Operation

Executive Directors are eligible to participate in the Company's defined contribution plans or retirement savings plans. The Company previously maintained defined benefit pension plans; however, those plans were frozen in 2016, consistent with contemporary benefit practices. The Company makes contributions to pension plans or retirement savings plans (i) in accordance with the terms of such plans; (ii) in accordance with regulatory requirements; and (iii) to match prevailing local market practices. In certain circumstances, such as when an individual Director's retirement savings is restricted by one or more tax allowance, an equivalent allocation or payment may be made to an unregistered alternative savings vehicle or as a salary supplement in lieu of retirement contributions. Arrangements are reviewed annually to ensure consistency with market practice and to account for the effect of regulatory changes on an individual Director's benefits.

VARIABLE OR AT-RISK REMUNERATION

ANNUAL CASH INCENTIVE

Purpose

- Promote and reward the achievement of key performance targets and strategic objectives
- Attract, retain, and incentivize high-caliber talent

Maximum Opportunity

The annual cash incentive is capped at 200% of an Executive Director's base salary.

Performance Measure

Performance measures and "Threshold," "Budget," and "Maximum" targets are set by the Committee at the beginning of the financial year, with reference to the Company's budget for the applicable financial year. The weight assigned to each performance measure may be adjusted annually and is driven by the Company's strategy, financial goals, and requirement to continuously improve financial performance and operating efficiencies.

Policies on Recovery, Withholding, or Payment

- If an Executive Director's employment with the Company terminates, and subject to the Committee's determination that the Executive Director qualifies as a "good leaver," the annual cash incentive for the financial year in which employment terminates is paid at Budget level and prorated to reflect actual dates of service in the relevant financial year.
- The annual cash incentive is subject to the Company's clawback and recovery policies, as in effect from time to time, including, without limitation the Company's Executive Compensation Clawback Policy adopted in accordance with section 10D of the Exchange Act, and those policies set forth in applicable award agreements.

Operation

The annual cash incentive is awarded with respect to the achievement of certain performance targets over the previous financial year. Performance measures and relevant targets are set at the beginning of the financial year. Historically, these performance measures have included EBITA, Cash Conversion, and Revenue. However, the Committee may select non-financial performance measures, such as personal, operational, or other objectives. Cash incentives are awarded for achieving performance targets on a sliding scale between "Threshold," "Budget," and "Maximum" and measured against the budgeted levels approved by the Committee for the financial year. Although the cash incentive program uses a formulaic approach, the Committee retains discretion in administering the program, which discretion includes selecting the performance measures prior to commencement of the performance period; setting and adjusting Threshold, Budget, and Maximum targets; and assessing financial and operational results.

EQUITY AWARDS

Purpose

- Align executive awards with returns to shareholders through personal financial investment in the Company
- Promote and reward the achievement of key performance targets and strategic objectives
- Attract, retain, and incentivize high-caliber talent

Operation

Equity awards are issued to Executive Directors under the Company's Long-Term Umbrella Incentive Plan (the "LTIP"). The size of the award is based on a targeted percentage of base salary, which is divided by the Company's share price to determine the number of awards to be issued. The Committee considers the type, level, and vesting criteria of awards annually to ensure alignment with shareholder interests and Company strategy. The LTIP provides the Committee discretion to grant time-based, performance-based, or market value awards in the form of Options, Restricted Stock Units (RSUs),

VARIABLE OR AT-RISK REMUNERATION

Maximum Opportunity

The maximum award in any financial year may not exceed 300% of an Executive Director's base salary. The maximum amount of dividend paid with respect to any award is limited to the dividends paid on the ordinary share over which the awards are granted between the grant date and vesting date.

Performance Measure

The Committee retains discretion to use a range of performance measures for performance-based awards, as deemed appropriate to support the long-term strategy of the Company at the time of grant. In recent years, the Committee has used profit, cash flow, Earnings Per Share (EPS), and Total Shareholder Return (TSR) performance measures in various combinations. The weight assigned to each performance measure may be adjusted annually and is driven by the Company's strategy, financial goals, and requirement to continuously improve financial performance and operating efficiencies.

Policies on Recovery, Withholding, or Payment

Equity awards, particularly performance-based awards, are subject to the Company's clawback and recovery policies, as in effect from time to time, including, without limitation, the Company's Executive Compensation Clawback Policy adopted in accordance with section 10D of the Exchange Act, and those policies set forth in applicable Award Agreements.

Restricted Stock, Stock Appreciation Rights (SARs), and other stock-based awards or a combination of such awards.

The award type or combination of award types is based upon what the Committee considers to be the market norm in the US and UK and the particular circumstances under which the award is made. Awards are made and satisfied through the use of existing treasury shares or the issue of new shares.

The Committee retains discretion (as deemed appropriate to a "good leaver" in a particular circumstance, such as retirement of long-serving employees or due to illness or disability) to: (i) accelerate vesting and exercise dates; (ii) waive conditions to vesting, exercise, or transferability; and (iii) extend exercise periods after termination of employment.

Awards may be settled in cash, shares, or a combination of both, at the discretion of the Committee, in accordance with the Company's and its shareholders' best interests. Awards may accrue dividends or dividend equivalents, under the rules of the LTIP and at the discretion of the Committee, which are payable in cash or shares. Dividend equivalents in respect of unvested awards may be paid, in cash or shares, at the time of vesting (or exercise, in the case of Options) and are not taken into account when determining an individual's maximum opportunity with respect to equity awards.

EMPLOYEE SHARE PLANS

Purpose

- Encourage stock ownership by all employees
- Increase alignment of employee and shareholder interests through personal financial investment in the Company

Maximum Opportunity

Participants in the UK SIP can invest up to £150 per month (£1,800 per annum) or 10% of salary, if lower, in any tax year to purchase ordinary shares using the participant's contributions at the end of each accumulation period. Such purchases are made at the lower of (i) the price at the start of the accumulation period or (ii) the price immediately before purchase. The maximum number of shares purchased by the participant through contributions is matched, at a minimum, 1:2 by the Company.

Participants in the US ESPP can purchase a maximum of 1,500 shares per each 6-month offering period and invest up to $25,000 annually.

In other jurisdictions where the Company operates, the plan(s) may have a maximum opportunity commensurate with the UK plan or applicable legislation, if deemed appropriate by the Committee.

Performance Measure

None

Policies on Recovery or Withholding of Payment

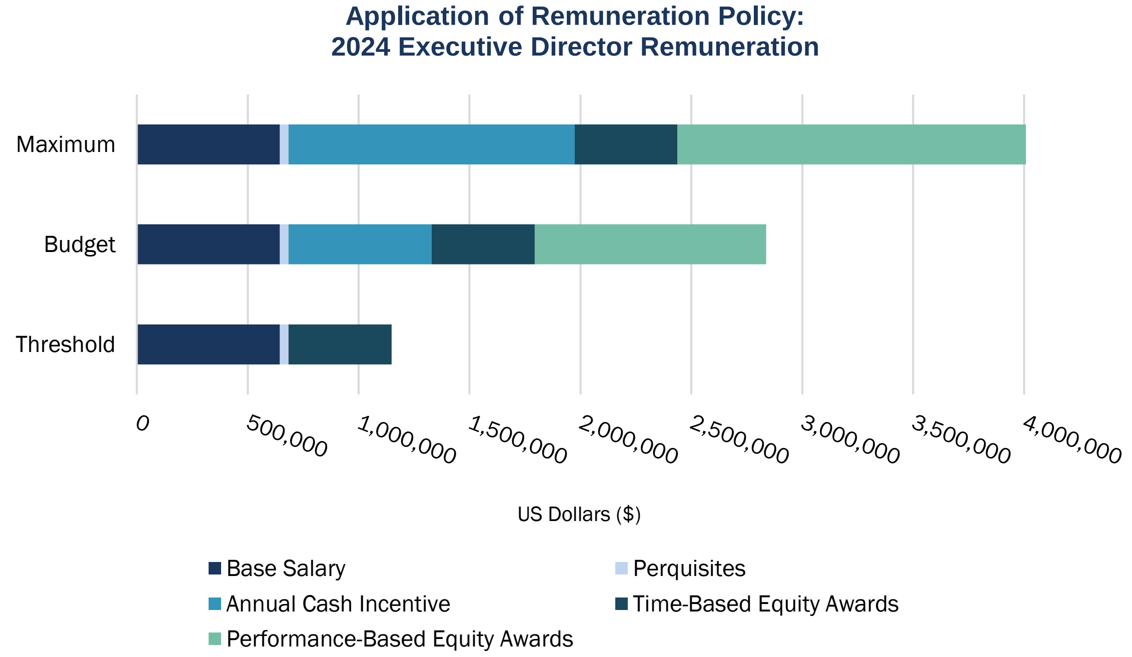
Not Applicable

Operation

Executive Directors are eligible to participate in the Company's UK Share Incentive Plan (the "UK SIP") or US Employee Stock Purchase Plan (the "US ESPP") under the same conditions as all other employees. The UK SIP is an HMRC approved plan, subject to prescribed limits, to provide all eligible employees, including Executive Directors, with a tax-efficient method of purchasing ordinary shares out of monthly savings over a six month accumulation period. The Company currently provides 1 free matching share for every 2 shares purchased. Dividends on both purchased and matching shares are used to purchase additional shares. The US ESPP also allows eligible employees, including Executive Directors, a cost-efficient method of purchasing ordinary shares at a discounted rate out of regular payroll contributions made by the participant over a six (6) month offering period. The Company may offer additional share incentive schemes, where practical, on a cost-efficient basis.

4.2 **Illustration; Pay for Performance.** The below graph seeks to demonstrate how pay varies with performance and is reflective of this Policy being presented for approval at the Annual General Meeting. The graph below sets out the level of remuneration that would be received by the Executive Director in accordance with this Policy in the first year to which the Policy applies in each of the following three scenarios: (i) if the Director receives the minimum remuneration available; (ii) if the Director performs in line with the Company's expectations, or

Budget, in respect of performance measures; and (iii) if the Director receives the maximum remuneration available (not allowing for any appreciation or depreciation in the Company's share price).



4.3 **Alignment with Employee Remuneration.** The Committee considers the remuneration framework and practices applicable to other Luxfer employees when setting Executive Director remuneration. In this respect, the remuneration policy applicable to Executive Directors is aligned with that of other Luxfer employees and shares the following principles:

- The Committee's approach to annual salary reviews is consistent with the approach used across the Company, with consideration given to the scope of the role, level of responsibility, experience, performance, and market data for similar roles at other companies.
- Senior, middle, and lower management may participate in an annual cash incentive program with similar structures and performance measures to those used for Executive Directors, although these cash incentives are set at a lower percentage of base salary. Other employees may participate in performance-based incentive programs, which vary by organizational level and contain various performance measures relevant to the particular business or function. In general, there is a greater emphasis on performance-related pay for management, and cash incentive opportunities for other employees may be lower or not available, depending on the jurisdiction.
- Equity awards issued under the LTIP, particularly performance-based awards, are limited to Executive Directors, executives, and certain senior officers or managers in the Company. The nature of any LTIP award depends on the individual's location, role, and responsibilities. At the discretion of the Committee, time-based awards or market value awards may be awarded to employees in recognition of outstanding performance and to encourage stock ownership and retention.
- Executive Directors are eligible to participate in the UK SIP and US ESPP on the same basis as other employees.
- Participation in defined contribution or retirement savings plans are generally provided to all eligible employees on the same basis. Pension arrangements are offered where it is the norm in the jurisdiction in

which the employee is located. Where local regulation permits and where it is market norm, higher contributions may be available for more senior management. The Company's primary pension schemes and retirement savings plans are described in the Company's financial statements.

- Benefits available to Luxfer employees generally include health and welfare benefits, including medical, dental and vision insurance, and life and disability insurance benefits. Executives and certain senior officers or managers may also receive perquisites, such as a mobile phone or car allowances. However, the perquisites and benefits available are dependent on the employee's position and the market norms of the jurisdiction in which they are located.

While Executive Director and employee remuneration are aligned in many respects, differences are due to levels of responsibility, seniority, and market norms in the jurisdictions in which such persons are employed.

5.0 NON-EXECUTIVE DIRECTOR REMUNERATION

5.1 **Remuneration Components.** Each component comprising Non-Executive Director remuneration is described in the below table, including the purpose of such component and its relevance to the Company's remuneration principles described herein, its operation, the maximum opportunity available to Non-Executive Directors, any applicable performance measures, and relevant policies with respect to the recovery, withholding, or payment of said remuneration.

<table>
<tr><td rowspan="4">FIXED REMUNERATION</td><th colspan="2">ANNUAL RETAINER FEE</th></tr>
<tr><td>Purpose
• Recruit and retain qualified Non-Executive Directors
• Attract Non-Executive Directors who have a broad range of experience and skills to provide independent judgment on matters affecting the Company
• Offer competitive remuneration to Non-Executive Directors in line with market practice

Maximum Opportunity
There is no prescribed maximum with respect to annual retainers paid to Non-Executive Directors to avoid setting expectations. Retainers are regularly reviewed and increased in line with market practice.

Performance Measure
None

Policies on Recovery, Withholding, or Payment
Not Applicable</td><td>Operation
Each Non-Executive Director receives an annual retainer fee for their service, with an additional amount payable for acting as the Board Chair. Non-Executive Directors do not receive supplemental fees for acting as the chair of any Board committees or their respective committee responsibilities. The Committee reserves the discretion to implement such supplemental fees if deemed appropriate and in line with market practice.

Retainer fees are reviewed annually. In setting and reviewing the annual retainer, the Committee considers a variety of factors, including inflation, market rates, affordability, total remuneration levels, pay practices in both the US and UK, and increases in remuneration throughout the rest of the Company.

Non-Executive Directors may choose to forego annual or periodic increases to their annual retainer and instead receive an equivalent value of equity awards. The annual retainers are denominated in USD and paid in equal monthly installments.</td></tr>
<tr><th colspan="2">EQUITY AWARDS</th></tr>
<tr><td>Purpose
• Increase alignment of Non-Executive Director and shareholder interests through personal financial investment in the Company
• Offer total remuneration packages that are market-competitive

Maximum Opportunity
The maximum award in any financial year may not exceed 150% of the Non-Executive Director's annual retainer, valued on the grant date. The maximum amount of dividend paid with respect to any award (excluding Options) is limited to the dividends paid on the ordinary share over which the awards are granted between the grant date and vesting date.

Performance Measure
None</td><td>Operation
Non-Executive Directors receive annual, non-discretionary equity awards under the Company's Non-Executive Directors Equity Incentive Plan (the "EIP") in the form of Options, Restricted Stock, or Restricted Stock Units (RSUs). Awards are made once annually, within ten days of the Annual General Meeting. The awards vest the day prior to the following year's Annual General Meeting. New Non-Executive Directors cannot participate in the annual equity awards until they have served six months on the Board; however, the awards they would have earned from the date of their appointment are added to the next annual award, provided they are elected or re-elected at the Annual General Meeting.

The size of the award is based on a targeted percentage of the annual retainer fee, which is divided by the Company's share price to determine the number of awards to be issued. The award type or combination of</td></tr>
</table>

Policies on Recovery, Withholding, or Payment	
Not Applicable	award types is based upon what the Committee considers to be the market norm in the US and UK and the particular circumstances under which the award is made. Awards are made and satisfied through the use of existing treasury shares or the issue of new shares. The Committee retains discretion to: (i) accelerate vesting and exercise dates; (ii) waive conditions to vesting, exercise, or transferability; and (iii) extend exercise periods after cessation of directorship. Awards may be settled in cash, shares, or a combination of both, at the discretion of the Committee, in accordance with the Company's best interests. Awards, other than Options, may accrue dividends or dividend equivalents, under the rules of the EIP and at the discretion of the Committee, which are payable in cash or shares. Dividends equivalents in respect of unvested awards, other than Options, may be paid, in cash or shares, at the time of vesting and are not taken into account when determining an individual's maximum opportunity with respect to equity awards.

6.0 RECRUITMENT REMUNERATION

6.1 **General Policy.** Luxfer's policy is to pay a fair remuneration package for the role undertaken and the experience, qualifications, and skills of the individual to be appointed.

6.2 **Executive Director.** When setting a remuneration package for a new Executive Director, including internal promotions, the Committee will apply the same or substantially similar principles to those set out in the Company's then-current Remuneration Policy. Luxfer expects remuneration packages for Executive Directors to include base salary, perquisites and benefits, retirement benefits, an annual cash incentive, and initial and ongoing equity awards. The table below sets out the Company's approach and maximum opportunity with respect to each remuneration component in recruitment scenarios.

Remuneration Component	Approach	Maximum Opportunity
Base Salary	Set at a level appropriate to the role, experience, qualifications, and skills of the new Executive Director. This may include, if appropriate, an agreement to increase base salary over a defined period up to a pre-defined level on acquiring experience and having delivered satisfactory performance, in which case the salary may exceed inflationary or other increases given to the general workforce in the country in which the new Executive Director is based.	Consistent with Remuneration Policy then in effect
Perquisites and Benefits	Consistent with Remuneration Policy then in effect	Consistent with Remuneration Policy then in effect
Retirement Benefits	Consistent with Remuneration Policy then in effect	Consistent with Remuneration Policy then in effect
Annual Cash Incentive	Consistent with Remuneration Policy then in effect	Consistent with Remuneration Policy then in effect
Equity Awards	Consistent with Remuneration Policy then in effect	Consistent with Remuneration Policy then in effect

6.3 **Non-Executive Directors.** New Non-Executive Directors will be offered remuneration on the same basis as existing Non-Executive Directors, including annual retainer fees and equity awards. Equity awards are granted to Non-Executive Directors pursuant to the EIP, under which the annual awards are non-discretionary. Further information regarding equity awards issued to the Company's Non-Executive Directors is set forth in section 5 of this Policy. The EIP is described in further detail in the Company's financial statements.

7.0 CONTRACTS AND APPOINTMENT LETTERS

7.1 **General.** In accordance with Luxfer's long-standing policy, Executive Directors are party to an employment contract, while Non-Executive Directors are subject to appointment letters, which detail the basis of their appointment and service. Employment contracts and appointment letters are available for inspection at the Company's registered office.

7.2 **Executive Director.** It is generally the Company's policy that an Executive Director's employment contract shall not include a fixed term. Notice periods are set by the Board, having regard to the Company's need to attract and retain talent, ensure an orderly succession, and enable the Company to manage personnel while avoiding excessive costs. Generally, employment contracts may be terminated by either party, upon twelve (12) months' notice or another notice period set forth therein, and contain change in control provisions. At the Committee's discretion, employment contracts may provide for pay in lieu of notice in the event of early termination. Such payment in lieu of notice may include base salary, perquisites and benefits, retirement benefits, vesting of equity awards, or payment of the annual cash incentive. The Company may summarily dismiss and terminate, without notice, an Executive Director's employment contract upon the occurrence of certain events identified therein. Such termination would typically occur if an Executive Director's conduct justifies dismissal, such as gross misconduct. In this event, the Company will pay the Executive Director all earned and unpaid base salary and benefits through the termination date, after which Luxfer will have no further obligation to the Executive Director under the employment contract, unless specified by further written agreement. Executive Directors have the same employment rights as any other employee in the case of redundancy or if a court of competent jurisdiction determines that their termination was unlawful under applicable law. The below table summarizes various terms of the current Executive Director's employment contract.

Executive Director	Loss of Office or Termination Event	Remuneration Entitlement
Andrew Butcher **Date of Employment Contract** May 6, 2022	Change in Control	*Subject to employment being terminated in connection with a Change in Control and the Executive Director not receiving an offer of employment for an Equivalent Position with a Successor (as each term is defined in the employment contract):* • Payment of a severance equal to 2x annual base salary at the annualized rate then in effect • Payment of the cash incentive for the fiscal year in which the Change in Control occurs (if the cash incentive earned has not been determined as of the change in control date, it will be paid at Budget level and prorated to reflect dates of service during the relevant fiscal year) • Vesting of all unvested time-based equity awards, which may be settled in cash or shares in accordance with the rules of the LTIP • Vesting of any performance-based equity awards, which may be settled in cash or shares, and which amount shall be calculated in accordance with the rules of the LTIP (pro-rata basis, based on the Company's performance as of the effective date of the Change in Control and the elapsed portion of the performance period)
Notice Period	Summary Dismissal or Termination for Cause	• Payment of earned and unpaid base salary and benefits, including vacation entitlement, through the termination date
12 months	Payment in Lieu of Notice	• Payment of base salary for the Notice Period or remaining balance thereof • Payment of the cash incentive for the fiscal year in which employment terminates (if the cash incentive earned has not been determined as of the termination date, it will be paid at Budget level and prorated to reflect dates of service, including the Notice Period, during the relevant fiscal year) • Payment of the cash incentive for the 12-month Notice Period, paid at Budget level • Vesting of all unvested time-based equity awards • Vesting of any earned but unvested performance-based equity awards that are scheduled to vest in the 12-month period following termination

Employment contracts for new Executive Directors, including internal promotions, will generally be made on the same or substantially similar terms as those offered to the current Executive Director, provided the Committee determines that such terms are consistent with market practice and in the best interest of the Company and its shareholders.

7.3 **Non-Executive Directors.** It is generally the Company's policy that Non-Executive Director appointment letters shall not include a fixed term. However, the Company's Corporate Governance Guidelines contain term limits and provisions regarding retirement age. Moreover, all Directors are subject to regular election or re-election at the Company's Annual General Meeting, in accordance with the "Retirement by Rotation" provisions set forth in the Company's Articles of Association. Non-Executive Directors, including the Chair, do not have any employment rights with the Company.

The below table summarizes key terms of the Non-Executive Directors' Appointment Letters.

<table>
<tr><th>Non-Executive Director</th><th>Date of Appointment Letter</th><th>Notice Period</th><th>Remuneration Entitlement</th></tr>
<tr><td>Patrick Mullen</td><td>July 1, 2021</td><td rowspan="5">3 months, except if the Director fails to be recommended by the Company's Nominating and Governance Committee to stand for re-election or fails to be re-elected by the Company's shareholders at a subsequent AGM</td><td rowspan="5">All earned and unpaid retainer fees through the date of termination

Subject the Committee's discretion, all unvested equity awards are immediately forfeited upon cessation of such person's directorship</td></tr>
<tr><td>Richard Hipple</td><td>November 19, 2018</td></tr>
<tr><td>Clive Snowdon</td><td>July 29, 2016</td></tr>
<tr><td>Sylvia A. Stein</td><td>May 15, 2022</td></tr>
<tr><td>Lisa Trimberger</td><td>September 1, 2019</td></tr>
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8.0 POLICY REGARDING PAYMENT FOR LOSS OF OFFICE

8.1 **General Policy.** Luxfer's policy on payment for loss of office (i) provides a clear set of principles that govern payments that will be made for loss of office; and (ii) takes into account the individual circumstances relating to such loss of office, including the reason for termination, individual performance, and contractual obligations. Any termination payment made in connection with the departure of an Executive Director will be subject to the Committee's approval, having regard to the terms of any applicable employment contract, other legal obligations, and circumstances surrounding the termination. At minimum, all contractual entitlements through the termination date will be honored, and the Company will pay any amounts it is required to pay in accordance with the Director's statutory employment or contractual rights. In addition to the remuneration described below, the Committee may pay such amounts as are necessary to settle or compromise any claim or by way of damages, where the Committee views it as being in the Company's best interest, including, without limitation, payment of or reimbursement of reasonable legal and professional fees incidentally incurred by the Director. In all cases, the Company will seek to apply the principles of mitigation to ensure that it is not paying more than is required.

8.2 **Executive Director.** Generally, Luxfer employment arrangements with Executive Directors include a notice provision and continuing payment obligations in accordance with the terms of the Executive Director's employment contract in the event of termination without cause or in connection with a change in control. Payment obligations, if any, typically include base salary, all or some portion of the annual cash incentive, and the vesting of equity awards. Luxfer may offer payment in lieu of notice if it is considered to be in the best interests of the Company and its shareholders. The Company's general policies with respect to remuneration entitlement in the event of loss of office are set forth below. Notwithstanding this summary of Luxfer's general practices, any terms contained in an Executive Director's employment contract shall govern and control.

Loss of Office or Termination Event	Base Salary and Other Benefits	Annual Cash Incentive	Equity Awards *governed by terms of LTIP*
Without Cause	Payment of then-current base salary, in lieu of notice, for the Notice Period or remaining balance thereof If no Notice Period applies, payment of severance in an amount equal to 12 months' base salary as of the termination date	Generally, not entitled to cash incentive upon employment cessation within first half of calendar year; the Committee may, at its discretion, (i) make a retroactive payment on a prorated basis during the second half of the calendar year if the performance targets are achieved; or (ii) elect to make a prorated payment based on estimated performance as of the termination date When employment is terminated after the end of a performance year but before the incentive is paid, Executive Directors are eligible for an annual cash incentive for that performance year, subject to an assessment of performance achieved; Any cash incentive will be paid on the normal payment date	Entitled to vested equity awards Unvested time-based awards forfeited and lapse * Unvested performance-based awards vest on a pro-rata basis, based on the Company's performance as of the termination date and the elapsed portion of the performance period *
Summary Dismissal or Termination for Cause	Payment of earned but unpaid base salary and benefits through the termination date, after which the Company has no further obligation	Not entitled to annual cash incentive	Entitled to vested equity awards Immediate forfeiture and lapsing of all unvested equity awards
Death or Disability	Payment of earned but unpaid base salary and benefits through the termination date	Generally, not entitled to cash incentive upon death or disability; however, the Committee retains the discretion to apply those principles set forth above under "Without Cause"	Entitled to vested awards, which can be transferred and exercised by beneficiary on the same terms as initially awarded *
Change in Control	No general policy; governed by terms of employment contract	Payment of cash incentive for the fiscal year in which the change in control occurs (if cash incentive earned has not been determined because the performance period remains ongoing, it will be paid at Budget level and prorated to reflect dates of service during the relevant fiscal year)	Vesting of all time-based awards Performance-based awards vest on a pro-rata basis, based on the Company's performance as of the change in control and the elapsed portion of the performance period May be settled in cash or shares

* The Committee has the discretion (as deemed appropriate to a "good leaver" in a particular circumstance, such as retirement of long serving employees or due to illness, disability, or death) to: (i) accelerate vesting and exercise dates; (ii) waive conditions to vesting, exercise, or transferability; and (iii) extend exercise periods after termination of employment. Such discretion is typically used in circumstances where Directors are retiring before the last vesting date or leaving the Company due to ill health or redundancy.

8.3 **Non-Executive Directors.** Luxfer's policy with respect to remuneration entitlement upon a Non-Executive Director's loss of office is consistent with those terms set forth in section 7.3 of this Policy, as communicated in a Non-Executive Director's appointment letter. Given the fixed nature of Non-Executive Director remuneration, Non-Executive Directors are entitled to receive any earned but unpaid retainer fees. Pursuant to the terms of the EIP, a Non-Executive Director must be actively serving as a Director on the vesting date in order to be entitled to unvested equity awards. However, the Committee retains the discretion to accelerate vesting and exercise dates or otherwise waive conditions to vesting, exercise, or transferability as it deems appropriate given the circumstances.

9.0 CONSIDERATION OF INTERNAL AND EXTERNAL CONDITIONS

9.1 **Multi-Faceted Approach.** The Committee commissions benchmarking studies related to the remuneration practices of comparable companies and gives consideration to the conditions of the Company's broader workforce when making remuneration-related decisions related to its Directors. Consideration is given to various factors, such as general inflationary and cost-of-living increases. Luxfer utilizes a clear structure of pay and benefits per layer of its workforce. The Committee does not consult employees, nor does it use internal comparison metrics when preparing the Directors' Remuneration Policy. However, the Committee is aware of average pay and benefit packages available within the Company. The Committee also considers shareholder feedback and views expressed by institutional shareholder bodies, rating agencies, and interested parties, so far as it relates to remuneration, when reviewing the appropriateness of this Policy. In addition, the Committee considers potential conflicts of interest to ensure that Directors do not have sole discretion over their own remuneration.